HB STOCKHOLDINGS LTD.

Regd. Office : Plot No .31, Echelon Institutional Area, Sector - 32, Gurgaon -122001 (Haryana)
Ph. : 0124-4675500, Fax : 0124-4370985, E-mail : corporate@hbstockholdings.com
Website : www.hbstockholdings.com, CIN No. L65929HR1985PLC033936

HBSL/AGM/2018 **29th September 2018**

The General Manager (Listing) BSE Limited, Pheeroze Jee Jee Bhoy Towers, Dalal Street, Fort, **Mumbai – 400 001**	**The Vice President,** National Stock Exchange of India Ltd Exchange Plaza, Bandra Kurla Complex, Bandra (East) **MUMBAI – 400 051**
Company Code-532216	**Stock Code HBSL**

Reg: Submission of 31st Annual Report- 2017-18

Dear Sir,

In due compliance of the Regulation 34(1) of the SEBI Listing Regulations 2015, shareholders of the Company in the 31st Annual General Meeting held on Thursday the 27th September 2018 at Gurugram, has approved and adopted the Audited Annual Accounts for the year 2017-18. A Copy of the 31st Annual Report-2017-18 is being uploaded on the website of both the Stock Exchange(s) in compliance of the SEBI Listing Regulations.

We further wish to say that a Copy of the 31st Annual Report 2017-18 of the Company is available at the website of the company **www.hbstockholdings.com.**

Kindly take a note of the same.

Thanking You,
Yours faithfully,
For HB Stockholdings Limited

Anil Kumar Mittal
Company Secretary

HB STOCKHOLDINGS LIMITED GURUGRAM

Encl: As above

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HB STOCKHOLDINGS LIMITED

BOARD OF DIRECTORS

Mr. Lalit Bhasin	Chairman
Mr. Gulshan Rai	Director
Mr. Harbans Lal	Director
Mr. Anil Goyal	Director
Mrs. Asha Mehra	Director

CHIEF FINANCIAL OFFICER (CFO)
Mr. Mahesh Kumar Gupta

COMPANY SECRETARY &
COMPLIANCE OFFICER
Mr. Anil Kumar Mittal

STATUTORY AUDITORS
M/s. G. C. Agarwal & Associates
Chartered Accountants
240, Ghalib Apartments,
Parwana Road, Pitampura,
Delhi - 110 034

REGISTERED OFFICE
HB Stockholdings Ltd.
CIN L65929HR1985PLC033936
Plot No. 31, Echelon Institutional Area,
Sector-32, Gurugram - 122 001, Haryana
Ph : 0124-4675500, Fax : 0124-4370985
Email: corporate@hbstockholdings.com

WEBSITE
www.hbstockholdings.com

REGISTRAR & SHARE TRANSFER AGENT
M/s. RCMC Share Registry Pvt. Ltd.
CIN: U67120DL1950PTC601854
B-25/1, First Floor
Okhla Industrial Area, Phase-II
New Delhi - 110020
Ph : 011-26387320, 26387321
Fax : 011-26387322
E-mail: investor.services@rcmcdelhi.com
Website: www.rcmcdelhi.com

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NOTICE

NOTICE IS HEREBY GIVEN THAT THE 31ST ANNUAL GENERAL MEETING OF HB STOCKHOLDINGS 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	:	**27th September, 2018**
Time	:	**11.00 A.M**
Place	:	**GIA House, I.D.C., Mehrauli Road, Opp. Sector 14, Gurugram - 122 001 (Haryana)** (Please see Route Map of venue provided in this Annual Report)

to transact the following business/(s):

AS ORDINARY BUSINESS

1. To receive, consider and adopt;
   a. the Audited Financial Statements of the Company for the Financial year ended 31st March 2018 and the Reports of the Board of Directors' and Auditors' thereon and
   b. the Audited Consolidated Financial Statements of the Company for the Financial year ended 31st March 2018
2. To appoint a Director in place of Mr. Anil Goyal (DIN: 00001938) who retires by rotation and being eligible offers himself for re-appointment.
3. **To consider, and it thought fit, to pass following Resolution as an Ordinary Resolution:-**

   "**RESOLVED THAT** pursuant to the provisions of Sections 139, 141 and 142 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, including any statutory modification(s) or re-enactment(s) thereof for the time being in force, M/s G C Agarwal & Associates, Chartered Accountants (ICAI Firm Registration No. 017851N) be and are hereby re-appointed as the Statutory Auditors of the Company for a further term of one year commencing from the conclusion of the 31st Annual General Meeting of the Company until the conclusion of the next Annual General Meeting on such remuneration plus taxes as may be applicable, to be fixed by the Board of Directors of the Company."

By the order of the Board
FOR HB STOCKHOLDINGS LIMITED

Sd/-
ANIL KUMAR MITTAL
COMPANY SECRETARY
M. No. FCS 2360

Place : Gurugram
Dated : 25th May, 2018

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. The Register of Members and Share Transfer Books of the Company shall remain closed from 22nd September, 2018 to 27th September, 2018 (Both days inclusive).
3. **Shareholders of the Company holding shares in physical form are requested to convert their holdings into Demat Form.**
4. **Shareholders of the Company are requested to provide / update their e mail ID with their Depository Participant (DP) / Registrar & Share Transfer Agent (RCMC Share Registry Private Limited) for communication purposes.**
5. **Pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and SEBI Circular No. SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 Dated April 20, 2018 all listed companies have to ensure that any payment of Dividend to the Shareholders is made through electronic channels such as NECS/NEFT/ RTGS. In view of the above, the Company hereby requests you to:**

   Update your Bank Account details with your Depository Participant (DP) to avoid any kind of rejection by the banker;
6. **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. New Delhi.**
7. Members/Proxies should bring Attendance Slips duly filled in for attending the meeting.
8. 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.
9. 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.
10. Members are requested to:
    (a) Notify any change in their residential / postal 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,
    Fax: 011 - 26387322
    E-mail: investor.services@rcmcdelhi.com

    Members whose shareholding is in electronic mode are requested to direct change of address to their respective Depository Participants.

    (b) Bring their copies of Annual Report with them at the meeting as the same will not be supplied again as a measure of economy.
11. The Company is implementing the "Green Initiative" 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.hbstockholdings.com and also on the website of Stock Exchange(s), **www.bseindia.com** and **www.nseindia.com**

    The 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 10 (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.
12. **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 Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, 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 e-voting rights of the Members shall be in proportion to the paid-up value of their Shares in the Equity Share 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. 20th September, 2018, may cast their vote by remote e-voting / at the meeting.
    (v) 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. 20th September, 2018 may obtain the login Id and password by sending a request at evoting@karvy.com. However, if you are already registered with Karvy for remote e-voting then you can use your exiting user ID and password for casting your vote.

(vi) The Remote e-voting period commences on Monday 24th September, 2018 (09.00 A.M) and ends on Wednesday 26th September, 2018 (05.00 P.M). The Remote e-voting module shall be disabled by Karvy for voting thereafter.

(vii) Once the vote on a Resolution is cast by a Member, the Member shall not be allowed to change it subsequently. 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.

(viii) Mr. Pramod Prakash Agarwal (Membership No. F-4955; C.P. No.10566), Company Secretary in Whole-time Practice has been appointed as the Scrutinizer to scrutinize the remote e-voting & polling process in a fair and transparent manner. Mr. S R Sharma, Practicing Company Secretary has been appointed as the Alternate Scrutinizer in the event Mr. Pramod Prakash Agarwal fails to discharge his duties on the designated date due to any reason whatsoever.

(ix) The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast at the Meeting, thereafter unblock the votes cast through Remote e-voting in the presence of at least two witnesses not in the employment of the Company, and make, not later than three days of conclusion of the meeting, a Consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing who shall countersign the same. The Chairman or a person authorized by him in writing shall declare the result of the voting forthwith upon submission of the Scrutinizer's Report.

(x) The Company shall submit to the BSE Limited (BSE) and National Stock Exchange of India Ltd (NSE), within forty eight hours of the conclusion of the Meeting, details regarding the voting results in the prescribed format. The results declared along with the Scrutinizer's Report(s) shall also be placed on the website of the Company, www.hbstockholdings.com and on Karvy's website, https://evoting.karvy.com immediately after the declaration of results.

(xi) In case of any queries pertaining to e-voting, please visit Help & FAQ's section available at Karvy's website, https://evoting.karvy.com or call their Toll Free No. 1800-345-4001 for any further clarification.

(xii) The instructions for availing the Remote e-voting facility indicating the process and manner of e-voting are given as hereunder:-

- **In case a Member receives Notice through e-mail from Karvy [for Members whose email IDs are registered with the Company / Depository Participants**:
  - (a) Launch internet browser by typing the URL: https://evoting.karvy.com
  - (b) Enter the login credentials (i.e. User ID and Initial Password provided by Karvy in e-mail). Your Folio No. / DP ID-Client ID will be your User ID. However, if you are already registered with Karvy for e-voting, you can use your existing User ID and password for casting your vote.
  - (c) After entering these details appropriately, click on "LOGIN".
  - (d) You will now reach password change Menu wherein you are required to mandatorily change your password. The new password shall comprise minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric (0-9) and a special character (@,#,$,etc.). The system will prompt you to change your password and update your contact details like mobile number, email ID, etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.
  - (e) You need to login again with the new credentials.
  - (f) On successful login, the system will prompt you to select the E-Voting Event Number for HB Stockholdings Limited.
  - (g) On the voting page enter the number of shares (which represents the number of votes) as on the cut-off date under "FOR / AGAINST" or alternatively, you may partially enter any number in "FOR" and partially in "AGAINST" but the total number in "FOR / AGAINST" taken together should not exceed your total shareholding as mentioned in voting slip. You may also choose the option "ABSTAIN" and the shares held will not be counted under either head.
  - (h) Members holding multiple folios / demat accounts shall choose the voting process separately for each of the folios / demat accounts.
  - (i) Voting has to be done for each item of the Notice separately. In case you do not desire to cast your vote on any specific item it will be treated as abstained.
  - (j) You may then cast your vote by selecting an appropriate option and click on "Submit".
  - (k) A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you confirm, you will not be allowed to modify your vote. During the voting period, Members can login any number of times till they have voted on the Resolution(s).
  - (l) Corporate / Institutional Members (i.e. other than Individuals, HUF, NRI. etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution / Authority Letter, etc., together with attested specimen signature(s) of the duly authorized representative(s), to the Scrutinizer at e-mail ID: fcs.ppa@gmail.com with a copy to Karvy at e-mail ID: evoting@karvy.com. They may also upload the same in the e-voting module in their login. The scanned image of the above mentioned documents should be in the naming format "Corporate Name_ EVENT NO."
- **In case a Member receives Notice in physical form [for Members whose email IDs are not registered with the Company / Depository Participants]:**
  - (a) User ID and Initial Password as given in the e-voting notice sent along with the Annual Report.
  - (b) Please follow all steps from Sr. No. (i) to (xii) as mentioned in (A) above, to cast your vote.

13. All documents referred to in this Notice shall be open for inspection at the Registered Office of the Company during normal business hours (10.00 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.

14. The Register of Directors and Key Managerial Personnel and their Shareholding maintained under Section 170 of the Companies Act, 2013; and the Register of Contracts or Arrangements in which Directors are interested maintained under Section 189 of the Companies Act, 2013 shall be made available for inspection at the Annual General Meeting.

15. Details of Director's seeking Re-appointment at the ensuing Annual General Meeting [Pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is enclosed with the Notice.

PROFILE OF DIRECTORS SEEKING REAPPOINTMENT IN THE ENSUING AGM (Please Refer Item no.2 of the Notice of the AGM)

Name of the Director	Mr. Anil Goyal
DIN	00001938
Date of Birth	22nd February 1959
Qualification(s)	B Com FCA
Brief Resume & Expertise in specific functional areas	A Fellow member of the Institute of Chartered Accountants of India with expertise in the fields of Finance, taxation, investment banking, corporate restructuring and strategic planning. He has good experience of Corporate and Legal matters including SEBI related Laws.
Other Listed Companies in which directorship held as on 31.3.2018	HB Portfolio Limited- Managing Director HB Leasing & Finance Co Ltd- Managing Director HB Estate Developers Ltd – Director Chairman Director
Chairmanship / Membership of the Committees of the Board as on 31.3.2018 of Listed entities	**Member in HB Stockholdings Ltd** • Audit Committee • Stakeholders Relationship Committee • CSR Committee **Member in HB Portfolio Limited** • Stakeholders Relationship • CSR Committee **Member in HB Estate Developers Limited** • Stakeholders Relationship • CSR Committee **Member in HB Leasing & Finance Co. Limited** • Stakeholders Relationship
Shareholding of the Director as on 31.03.2018	**NIL**
Whether related to any Board members of the Company	**No**

By the order of the Board
FOR HB STOCKHOLDINGS LIMITED

Sd/-
ANIL KUMAR MITTAL
COMPANY SECRETARY
M. No. FCS 2360

Place : Gurugram
Dated : 25th May, 2018

DIRECTORS' REPORT

To The Members,

Your Directors are pleased to present the 31st Annual Report and the Audited Accounts of your Company for the financial year ended 31st March 2018.

FINANCIAL RESULTS

The Financial performance of the Company for the year is summarised below:

(Rs in Lacs)

PARTICULARS	Current Year Ended 31-03-2018	Previous year Ended 31-03-2017
Total Revenue	**202.95**	1517.73
Total Expenses	**211.07**	318.87
Profit for the Year before Tax and exceptional items	**(8.12)**	1198.86
-Tax Expenses (including earlier years)	**42.00**	137.00
- Exceptional items	**(0.01)**	(0.23)
Profit After tax and Exceptional Items	**(50.11)**	1062.09
Earning per Equity Shares (Before exceptional items)		
---EPS Basic (Rs.)	**(0.70)**	4.46
---EPS Diluted (Rs.)	**(0.70)**	4.46
(After Exceptional Items)		
---EPS Basic (Rs.)	**(0.70)**	4.46
---EPS Diluted (Rs.)	**(0.70)**	4.46

DIVIDEND

In view of loss [due to the effect given in the Books of Accounts on sanction of Scheme of Arrangement between the company, HB Portfolio Limited and HB Estate Developers Limited and their respective members and creditors], Directors of your company do not recommend any dividend for the year ended 31st March 2018.

PERFORMANCE REVIEW & OUTLOOK

Due to the effect given in the Books of Accounts on sanction of Scheme of Arrangement between the company, HB Portfolio Limited and HB Estate Developers Limited and their respective members and creditors, the financial figures reported for the year ended 31st March 2018 are not comparable to the figures for the year ended 31st March 2017.

In line with the uptick in global economic activity, the Indian economy during 2017-18 is projected to see an improvement in GDP growth in October to March 2018 to 7.2% from 6.1% in first half of the Financial year 2018 and 7.5% in the year 2017, according to the Central Statistical Organization. The withdrawal of high denomination notes by the Reserve Bank of India in November 2016 and the implementation of the Goods and Services Tax in July 2017 resulted in a transient loss in growth momentum, especially in first half of the year. However, the recovery has been stronger in second half of 2018, led by Government consumption growth and gross fixed capital formation. On the sectoral front, while the industry slowed down, higher momentum was recorded for Construction, Transport, Communication, Financial and Real Estate sectors. The recovery is expected to continue with in the year 2019 and GDP growth being pegged at 7.5% as per yearly forecast.

On the bond market, the 10-year G-sec yield rose by 72 bps to 7.40% during the course of the year 2018. Uptick in inflation trajectory in second half of 2017-18, slippage in the year 2018 fiscal deficit and fast dwindling surplus on money market liquidity, amidst rise in global crude prices and hardening of US treasury yields cumulatively weighed on the market sentiment. The Indian Rupee weakened marginally by 0.5% and closed the year at Rs. 65.18 vis-a-vis the US dollar. Rupee largely remained stable amidst recovering global growth, a softer dollar and benign global financial market conditions. In addition, favourable domestic factors like normalization in second half of 2018 growth momentum and sovereign credit rating upgrade by international rating agency Moody's aided sentiment.

SCHEME OF ARRANGEMENT

The Board of Directors, in their meeting held in February 2016 approved a Composite Scheme of Arrangement between HB Stockholdings Limited ('the company'), HB Portfolio Limited (HBPL) and HB Estate Developers Limited (HBEDL) and their respective members and creditors under Sections 391 to 394 read with Sections 100 to 104 of the Companies Act, 1956 or any corresponding provisions of the Companies Act, 2013, subject to various Statutory approvals as may be required. The appointed date fixed for the Scheme of Arrangement was 1st April 2015.

Hearing in the Scheme of Arrangements was concluded on 22nd December 2017 by Hon'ble National Company Law Tribunal (NCLT) Bench at Chandigarh and a Copy of the Order was filed with the Registrar of Companies, (ROC) New Delhi. The Scheme of Arrangement becomes effective / operational on 30th January 2018.

On the Scheme of Arrrangement becoming effective / operational, the Books of Account of the Company have been recasted / adjusted based on the Appointed Date. Turnover, Operational Expenses, Profit / Loss, Assets and Liabilities of the Company pertaining to the Demerged undertaking(s) from Appointed Date till the Effective Date have been adjusted/ accounted for in the Account Books of the Company.

Gist of the Scheme of Arrangement is as under:-

a. Investment Division 1 was transferred by the Company to HB Portfolio Ltd (HBPL) (Demerger 1); and Investment Division 2 was transferred by the Company to HB Estate Developers Ltd (HBEDL) (Demerger 2);

b. (i) Consequent to the above, Shareholders of the Company (HBSL) shall get 25 Equity Share of Rs. 10/- each fully paid up of HBPL for every 100 Equity Shares of the Company as a consideration of Demerger 1.

   (ii) Shareholders of the Company (HBSL) shall get 24 Equity Share of Rs. 10/- each fully paid up of HBEDL for every 100 Equity Shares of the Company as a consideration of Demerger 2.

c. After the above mentioned demerger(s), the face value of the equity shares shall reduce from 1 (one) equity share of Rs. 10/- each fully paid up to 1 (one) equity share of Rs. 3/- each fully paid.

d. As a result, the issued and paid up equity share capital shall be reduced from Rs. 23,79,22,180 comprising of 2,37,92,218 shares of Rs. 10/- each to Rs. 7,13,76,654 comprising of 2,37,92,218 shares of Rs. 3/- each.

e. Simultaneously, 10 (Ten) equity shares of Rs.3/- each fully paid up shall be consolidated into 3 (three) fully paid- up share of Rs. 10/- each resulting in 71,37,665 fully paid-up Equity Shares of Rs. 10/- each after ignoring fraction shares.

In consultation of Stock Exchange(s), 12th March 2018 was fixed as Record Date by the Company for determining the List of Equity Shareholders who shall be allotted Equity Shares by HB Portfolio Limited (HBPL) and HB Estate Developers Limited (HBEDL) on transfer of Investment Undertakings respectively and also to determin the List of shareholders for Reduction and Reorganization of its Share Capital

A meeting of Capital Restructuring Committee (CRC) was held on 17th March 2018 for allotment of 71,37,665 new Equity Shares on Reduction of Capital to the allottees as per the List of Shareholders based on the aforesaid Record date. The Company applied to BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) for seeking Listing approval on completion of necessary formalities and the same was granted by BSE on 22nd May 2018 and NSE on 24th May 2018.

A Copy of Scheme of Arrangement along with all other documents are available on the website of the BSE Ltd. (BSE) and National Stock Exchange of India Limited (NSE), http://www.bseindia.com and on nseindia.com and also on the Company's website having following web link, **http://www.hbstockholdings.com/investorcentre/Scheme_of_Arrangement.html**

The Company has taken necessary steps to dispatch the New Share Certificate(s) to Shareholders holding Shares in the physical form and for others a Corporate Action shall be initiated with NSDL and CDSL for crediting the beneficiary account of respective shareholders.

SHARE CAPITAL

On implementation of the Scheme of Arrangement approved by the Hon'ble NCLT Bench Chandigarh, the Authorized Share Capital of the Company stands decreased by Rs. 65,00,00,000/- (Rupees Sixty Five Crore), i.e. from Rs. 100,00,00,000 (Rupees One Hundred Crore) to Rs. 35 00,00,000 (Rupees Thirty Five Crore) divided into 2,50,00,000 (Two Crore Fifty Lac) Equity Shares of Rs. 10/- each (Rupees Ten only) and 1,00,00,000 (One Crore) Redeemable Preference Shares of Rs. 10/- each (Rupees Ten only).

The paid up Share Capital of the Company as on March 31, 2018 was Rs. 7,13,76,650 consisting of 71,37,665 Equity shares of Rs. 10 /-each. During the year under review, the Company has not issued shares with differential rights for voting, dividend or otherwise and not granted Stock options to employees and sweat equity was issued to promoters.

SUBSIDIARY AND ASSOCIATE COMPANIES

Subsidiary

The company does not have an unlisted material subsidiary as per Reg 24(1) of SEBI (Listing Obligation and Disclosure Requirements) Reg 2015 in the immediately preceding accounting year. In Compliance to Reg 16 (c) of the Listing Regulations, a policy of determining Material Subsidiary was formulated by the Audit Committee and approved by the Board and the same was posted on the web site of the Company and may be accessed at the **web link www.hbstockholdings.com**

The company has prepared Consolidated Financial Statement along with subsidiary Company M/s Mount Finance Limited , the Indian Wholly Owned Subsidiary Company In compliance with the provision of Section 129 (3) of the Companies Act, 2013. A Report on the financial performance of Subsidiary Company in form **AOC-1 forms part of the Directors' Report**

Audited Financial Statement as on 31-03-2018 of Subsidiary Company shall be made available for inspection at its Regd. office upon request by any Member of the Company. The Financial Statements of the Subsidiary Company shall be available at website of the Company at link **www.hbstockholdings.com** / investor centre

Associate Company

Investment held by the Company in the Equity Shares of Taurus Asset Management Company Limited (TAMCO) has since been vested into HB Portfolio Limited as per the Scheme of Arrangement. In view of this TAMCO ceases to be an Associate Company within the meaning of Sec 2(6) of the Companies Act, 2013 w.e. f. 30th January 2018.

The Consolidated Financial Statement for the year 2017-18 forms a part of the Annual Report and Accounts and these documents shall be laid before the Annual General Meeting in the Company for approval.

RELATED PARTY TRANSACTIONS

The disclosure of Related Party Transactions under Section 134(3)(h) of the Companies Act, 2013 in Form AOC-2 is not applicable, since all Related Party Transactions during year ended 31st March 2018 were on arm's length basis and were in the ordinary course of business. There was no materially significant Related Party Transactions entered into by the Company during the year under review. None of the Directors of the Company has any pecuniary relationships or transactions vis-à-vis the Company.

On the recommendation of the Audit Committee, the Board of Directors has approved a Policy to regulate transactions between the Company and its Related Parties, in compliance of the Companies Act, 2013, and the Rules made there under read with Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Policy on Related Party Transactions has been uploaded on the Company's website at, www.hbstockholdings.com. The web link for the same is, www.hbstockholdings.com/Investor Information/Corporate Governance

Internal Control Systems and their Adequacy

The Internal Control System adopted by the Company is commensurate with its size, scale and business operations and covers all the business locations of the Company. To maintain objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee. The scope and authority of the Internal Audit function has been detailed in the Audit Committee section of the Corporate Governance Report of the Company.

Internal Auditors of the Company monitors and evaluates the efficacy and adequacy of internal control systems in the company, its compliance with the operating systems, accounting procedures and policies of the company's operation. Internal Audit Report stimulates other functional departments to improve their systems and procedures to strengthen the controls. All these issues are regularly placed before the Audit Committee meeting for its deliberations and monitoring.

Risk Management

In order to achieve sustained business growth, the Company has laid a Comprehensive Risk Assessment and minimization procedure. The Company has developed a Risk Management process to ensure that all current and future risk exposures are identified, assessed, quantified, appropriately mitigated, minimised and managed, and same is reviewed by the Audit Committee and approved by the Board from time to time. These procedures are reviewed to ensure management controls risks through means of a properly defined framework; best risk management policies are followed and risk minimisation exercises to be attributed and same are monitored by Audit Committee of the Board.

MANAGEMENT DISCUSSION AND ANALYSIS AND CORPORATE GOVERNANCE

As required under Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Management Discussion & Analysis Report; and a Report on the Corporate Governance together with the Compliance Certificate from G. C. Agarwal & Associate, Charted Accountants, Delhi, being the Company's Statutory Auditor's confirming compliance(s) forms an integral part of this Report.

NOMINATION AND REMUNERATION COMMITTEE

In terms of Section 178 of the Companies Act, 2013 read with Regulation 19 of SEBI (LODR) Regulations 2015, a Nomination and Remuneration Committee was constituted of all independent directors on the Board of the Company. Nomination and Remuneration Policy of the Company forms part of the Boards' Report, and enclosed at **Annexure I**. The detailed terms of reference of the Nomination and Remuneration Committee, number and date of the meetings held, attendance of the directors etc. are given separately in the attached Corporate Governance Report.

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Board constituted a Corporate Social Responsibility (CSR) Committee pursuant to Section 135 of the Act and composition of the Committee is stipulated in the Corporate Governance Report forms part of this Annual Report. The Corporate Social Responsibility Policy of the Company was approved by Board and its contents are disclosed in the **Annexure II**. The CSR Policy is available on the website of the Company at **wwwhbstockholdings.com**.

Based on the average Net profit of the Company in respect of immediately preceding three financial years ended 31-03-2017 the Company was to spend a sum of Rs. 4.22 Lakhs on Corporate Social Responsibility related expenses, however no amount could be spent during the year 2017. During the financial year a sum of Rs. 4.31 Lakhs was spent by the Company on CSR related activities by contributing to M/s Earth Saviour Foundation, an Organisation Founded by Sh Ravi Kalra, a Karamyogi as an Old Age Home (OAH) near Gurgaon. The amount was utilised by them to procure modern Utility appliances for their Kitchen and for Outdoor Lighting Units for their Old Age Home (OAH) Campus. The Report on CSR activities with expenditure incurred is given else wherein as an **Annexure IIA** of this Annual Report.

WHISTLE BLOWER POLICY / VIGIL MECHANISM

A Vigil Mechanism for Stakeholders, Employees and Directors of the Company has been established by the Company in terms of the provisions of Sec 177(9) & (10) of the Companies Act, 2013 and pursuant to the provisions of Regulation 22 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; Whistle Blower Policy duly approved by the Board is available on the website of the Company and can be accessed **at www.hbstockholdings.com**. During the year under review, no matter relating to Vigil Mechanism was reported to the Audit Committee.

AUDITORS

(1) Statutory Auditors

M/s G C. Agarwal & Associates, Chartered Accountants, Delhi having FRN 017851N, were appointed as Statutory Auditors of the Company for a period of Five years in the 30th Annual General Meeting held in 2017 subject to ratification of their appointment by the members of the Company every year in the Annual General Meeting. Accordingly, Board of the Company have recommended their re-appointment as Statutory Auditors for a further period of one year to the shareholders for approval in the ensuing AGM of the Company.

(2) Internal Auditors

M/s MARV & Associates LLP, Chartered Accountants, New Delhi were appointed as Internal Auditors of the Company by the Board in terms of Sec 138 of the Companies Act, 2013. Internal Audit Report is regularly placed before the Audit Committee of the Board for their review and follows up.

(3) Secretarial Auditors

M/s A N Kukreja & Co. Company Secretaries, New Delhi was appointed by the Board to undertake the Secretarial Audit of the Company for the year 2017-2018, pursuant to the provisions of Section 204 of the Companies Act, 2013 and other applicable rules. The Secretarial Audit Report in MR-3 is annexed herewith and marked as **Annexure III**.

(4) Observation on Statutory Auditor's and Secretarial Auditor's Report

There are no qualifications, reservation, or adverse remarks made by the Statutory Auditor's. Observation made by the Auditor's in their Report(s) has been suitably explained else wherein the Report of the Management. Except that no reservation or adverse remarks were made by the Auditors, save and except disclaimer made by them in discharge of their professional duties.

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

The Company did not have Managing Director, or Chief Executive Officer or Manager and in their absence a whole time director, since 1.12.2016.

Director's Comment:

The Board of Directors the Company is making efforts to fill up the vacancy of Managing Director/ Chief Executive Officer/ Manager.

DIRECTORS & OTHER KEY MANAGERIAL PERSONNEL

(1) Appointment and Reappointment of Directors' & KMP

Board members of the Company comprises of eminent persons with proven competence and integrity. All members have financial literacy, experience, leadership qualities and the ability of thinking strategically. Directors of the Company have a significant degree of commitment and devotion and spare their adequate time for the meetings and for other deliberations.

As per Article 89(1) and (2) of Article of Association of the Company read with Section 152 of the Companies Act, 2013, Mr. Anil Goyal, Director of the Company shall retire by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

(2) Meeting of Board of Director(s)

The Board of Directors of the Company meets at regular intervals to discuss and decide the business policy, strategy of the Company apart from other routine businesses. The Board meetings are held in Gurgaon and Notice of the meetings are given well in advance to all the directors. Agenda papers of the Board and Committee meetings are circulated a week prior to the date of the meeting including notes on the important items to be discussed at the meeting(s) to enable directors to take an informed decision. Details of the Board Meeting(s) held during the year are given in the Corporate Governance Report attached with Directors' Report.

(3) Board Diversity

The Company recognizes the importance and benefits of having the diverse Board to enhance quality of its performance.

A diverse Board will enhance the quality of the decisions made by the company by utilizing the different skills, qualification, professional experience, gender, knowledge etc. of the members of the Board, necessary for achieving sustainable and balanced growth of the Company. On the recommendations of the Nomination and Remuneration Committee, the Board of Directors has adopted a Policy on Diversity of Board of Directors in terms of Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(4) Annual Evaluation of the Board

The Board has carried out an Annual Performance Evaluation of its own performance and of all the Directors of the Company individually as well as the evaluation of the working of Audit, Nomination & Remuneration and other Compliance Committees; pursuant to the provisions of the Companies Act, 2013 and applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The manner in which the annual evaluation has been carried out is been suitably explained in the Corporate Governance Report.

(5) Declaration by Independent Directors

Declaration Forms duly filled in under Section 149(6) of the Companies Act 2013 were received from Mr. Gulshan Rai, Mr. Harbans Lal and Mrs Asha Mehra, Independent Directors of the Company, which confirms that all these directors respectively met with the criteria of Independence as prescribed in the Companies Act 2013 and also in Reg 16(b) of the SEBI Listing Regulations.

(6) Remuneration Policy

On the recommendation of the Nomination & Remuneration Committee, the Board has framed a policy for selection and appointment of directors, Senior Managerial personnel and payment of remuneration to them. The Nomination and Remuneration Policy being a part of the Corporate Governance Report is enclosed as Annexure I

(7) Remuneration of Directors, Key Managerial Personnel and Employees

Remuneration and other details as required under section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial personnel) Rules 2014 is not applicable as none of the Director / and or employee of the Company are in receipt of the remuneration specified in these Rules.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134 (3) (c) read with sub section (5) of the Companies Act, 2013, the Directors Responsibility Statements hereby states that **a)** in the preparation of the Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures; **b)** 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; **c)** 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; **d)** The Directors had prepared the annual financial statements have been prepared on a going concern basis and **e)** The Directors have laid down proper internal financial controls to be followed by the Company and that such internal financial controls were adequate and operating effectively. **f)** 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.

SIGNIFICANT AND OTHER MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

Approval of the Scheme of Arrangement between ('the Scheme') between HB Stockholdings Limited (HBSL), HB Portfolio Limited (HBPL) and HB Estate Developers Limited (HBEDL) and their respective Shareholders and Creditors under Sections 391 to 394 read with Section 100 to 104 of the Companies Act, 1956 by the Hon'ble National Company Law Tribunal (NCLT), Chandigarh Bench at Chandigarh.

There are no other 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.

Information as per Section 134 (3) (m) of the Companies Act, 2013

The particulars under Section 134 (3)(m) of the Companies Act, 2013 read with Rules 8(1) of Companies (Accounts) Rules 2014, information in respect of conservation of energy and technology absorption are not applicable to the Company.

During the year under review there were no Earnings or outgo of Foreign Exchange by the Company.

Particulars of Employees

A statement containing particulars of employees required pursuant to Section 197(12) of the Companies Act, 2013 read with Rules 5(2) of the Companies (Appointment and Remuneration of Managerial personnel) Rules 2014 is not given as none of the Employee is eligible.

SECRETARIAL STANDARDS

During the year under review, your Company had complied with all the applicable Secretarial Standards.

EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in Form MGT-9 is required under Section 92 of the Companies Act, 2013. The extract of Annual Return in Form MGT-9 is annexed herewith as Annexure V.

STATUTORY STATEMENT

The Board of Directors of your Company state's that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

1. Details relating to deposits covered under Chapter V of the Act.
2. The Managing / Whole Time Director(s), if any, of the Company receives no remuneration or commission from any of its subsidiaries.
3. As per the Annual Report submitted by the Committee constituted to monitor the cases for Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 during the year under review, there was no case filed or pending for review.
4. There was no change in the nature of business during the year under review.
5. No Listing Fee and other dues are pending to the Stock Exchange(s) and other depositories.

ACKNOWLEDGMENT

Your Directors would like to express their appreciations for the assistance and cooperation received from National Company Law Tribunal Chandigarh Bench, Stock exchange(s), Depositories, members and other stake holders during the year under review. Your Directors also wish to acknowledge the valuable services rendered by the executives and staff of the Company at all levels.

For and on Behalf of the Board of Directors

Sd/-
LALIT BHASIN
(CHAIRMAN)
DIN 00002114

Place : Gurugram
Date : 25th May, 2018

"ANNEXURE-I"

NOMINATION AND REMUNERATION POLICY (AMENDED)

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 11th February, 2015, in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and Regulation 19 of the SEBI(Listing Obligations & Disclosure Requirement) Reg.2015 read with Part D of Schedule II of the Regulation.

The Policy has been revised by the Board on 11th February 2016 on the recommendation of Nomination and Remuneration Committee Meeting held on the same day.

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 performance of Independent Director and the Board of Directors.

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 to extend or continue the terms of appointment of Independent Director on the basis of report of performance evaluation of an Independent Director.

2.10. To assist the Board in fulfilling responsibilities.

2.11 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 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 (1) 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 (5) 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 entities as an Independent Director and three listed entities as an Independent Director in case such person is serving as a Whole-time Director of a listed entities 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.

"ANNEXURE-II"

CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY

1. PREAMBLE:

The Board of Directors (the "Board") of HB Stockholdings Limited (the "Company" or "HBSH") in their meeting held on 11th 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 11th February, 2015.

2. SHORT TITLE & APPLICABILITY:

2.1 The CSR Policy of HB Stockholdings 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 stake holders 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 Swach 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 historically 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.

"ANNEXURE-IIA"

REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

1. A Brief outline of the Company's CSR Policy including overview of the Project:

CSR Policy of the Company is on Page 06 of the Annual Report. The expenditure incurred on CSR activates by the Company is on a activity / Project mentioned in the Policy adopted by the Board and extract of the same is as under:-

"'Eradicating hunger, poverty, malnutrition, promoting preventive healthcare and sanitation including contribution to the Swach Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water;"

2. The Composition of CSR Committee :

a. Mr. Lalit Bhasin – Chairman
b. Mr. Gulshan Rai
c. Mr. Anil Goyal

3. Average net profits and prescribed CSR Expenditure:

Particulars	Amount (Rs.)
Average Net profit of the Company for the last three Financial years i. e .2013-14 To 2015-16	6,32,63,440
2% of the average net profit	2,10,87,813
Minimum amount is to be spent in Financial year 2016-17	4,21,756

4. Details of amount spent during the Financial year:

Total amount spent during the Financial year 2016-2017	Nil
Total amount spent during the Financial year 2017-2018	4,31,000
Total spent during the year 2017-18	4,31,000
Amount unspent, if any out of the earlier years	Nil

5. Manner in which the amount spent during the financial year is detailed below:

Serial No.	CSR Project or activity undertaken	Sector in which the project is covered	Project or programs: 1. Local area or other 2. Specify the State and district where projects or programs undertaken	Amount outlay (Budget) project or program wise (Rupees)	Amount spent on the projects or programs Sub-heads: 1. Direct expenditure on project or programmes, 2. Overhead (in Rupees)	Cumulative Expenditure upto the Reporting period (In Rupees)	Amount spent: Direct or through implementing Agency ##
1..	Contribution to Earth Saviours Foundation for procurement of modern Kitchen Equipment and Smart Solar Street Lights with Poles with Batteries, with Auto on and off systems	Setting up of an Old Age Home (OAH)	Foundation seeking help is located in the Gurgaon District, near the place of registered office of the Company Assisted NGO is at: Bandwari Village on Gurgaon Faridabad Road - Gurugram	4,31,000	Rs. 4,31,000 has given directly to the Foundation	4,31,000	Implementing Agency

The Earth Saviours Foundation –Bandwari Village, Gurgaon Faridabad Road, Gurugram is an Internationally Recognised NGO, committed to serve the Humanity. NGO is registered with Income Tax department u/s 80G for seeking Income Tax Exemption and Its Registration no: is S/60983/2008. The Earth Saviours Foundation was established in the year 2008 by Mr. Ravi Kalra, a Karamyogi in Vasant Vihar Area of New Delhi. Later the Foundation was shifted to its present Location and it runs an Old Age Home having around 450 inmates. Mr. Ravi Kalra, with the help of his teams of volunteer's looks after homeless-abandoned senior citizens who have been disowned by their families and society and mentally disable people. The Foundation also helps the deprived and aged females neglected by the people and help them in the sunset years of their life irrespective of their cast creed and religion.

6. Responsibility Statement

Pursuant to the provisions of Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules 2014, the implementation of CSR Policy is in compliance with the CSR objectives and Policy of the Company.

For HB Stockholdings Limited
Sd/-
ANIL GOYAL
DIRECTOR

For HB Stockholdings Limited
Sd/-
LALIT BHASIN
CHAIRMAN OF CSR COMMITTEE

Place : Gurugram
Date : 25th May, 2018

"ANNEXURE-III"

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2018

(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 Stockholdings Limited.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **HB Stockholdings Limited-CIN:L65929HR1985PLC033936**(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 the **HB Stockholdings 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, 2018** 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 HB Stockholdings Limited for the financial year ended on **31st March,2018** 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, 2015;
     - (c) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations), 2015;
     - (d) 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;
     - (e) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
     - (f) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014*;
     - (g) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008*;
     - (h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009*; and
     - (i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998*.

       *Foreign Exchange Management Act, 1999 and the rules and regulations at sub-para (iv) of para 1 above and SEBI Regulations listed at sub-para (v) Serial Nos. (f), (g), (h) and (i) above are not applicable to the Company for 2017-18 as there were no corporate decisions/actions attracting these regulations.
   - (vi). The Other Laws applicable specifically to the Company are:
     - (a) The Reserve Bank of India Act, 1934.
       - (i) Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007;
       - (ii) The Non-Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 2008 and other applicable Directions, Guidelines, Standards/instructions issued by RBI;
       - (iii) Credit Information Companies (Regulation) Act, 2005.
         The Company is an NBFC-ND and holds valid Certificate of Registration No. 14.01345 dated 26.07.2000 issued under Section 45IA of the Reserve Bank of India Act, 1934.The Company has complied with the provisions of above Act, Directions, Guidelines, standards and instructions issued by Reserve Bank of India to the extent applicable.
     - (b) The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.
2. We have also examined the compliances with the applicable Regulations/Standards of the following:
   - (i). SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Listing Agreements with Bombay Stock Exchange Ltd. and the National Stock Exchange of India Ltd; and
   - (ii). Secretarial Standards issued by the Institute of Company Secretaries of India.
3. During the period under review the company has complied with the provisions of the Act, Rules, Regulations, Standards, Guidelines, etc. mentioned above, subject to the following:

   The Company did not have Managing Director, or Chief Executive Officer or Manager and in their absence a whole time director, since 1.12.2016.
4. We further report that:
   - (a) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-executive, 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 decisions are 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 having a bearing on Company's affairs in pursuance of the above referred laws, rules/regulations were taken except the following:

   The Hon'ble National Company Law Tribunal (NCLT), Chandigarh Bench at Chandigarh has approved/sanctioned the Composite Scheme of Arrangement (Demerger & Capital Reduction) amongst HB Stockholdings Ltd. (HBSL), HB Portfolio Ltd. (HBPL) & HB Estate Developers Ltd. (HBEDL) and their respective Shareholders and Creditors under Sections 391 to 394 read with Section 100 to 104 of Companies Act, 1956 vide its order dated 22.12.2017.The Company has filed the Certified True Copy of the order with the Registrar of Companies, Ministry of Corporate Affairs on 30.01.2018 which shall bedeemed to be the Effective Date for the purpose of the Scheme.

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
FCS 1070; CP 2318

Place: New Delhi
Date: 25th May, 2018

Annexure 'A'

To,
The Members of
HB Stockholdings 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
FCS 1070; CP 2318

Place: New Delhi
Date: 25th May, 2018

"ANNEXURE-IV"

STATEMENT OF DISCLOSURE OF REMUNERATION UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 AND RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014:

Note:

1. The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year and
2. The percentage increase in remuneration of each director, Chief Financial Officer, Company Secretary or Manager, if any, in the financial year:

Serial No.	Name of the Director / KMP	Designation	Increase in remuneration in the financial year 2017-18 (in %)	Ratio of Remuneration of each Director to median remuneration of employees
1.	Mr. Lalit Bhasin	Director (Non-executive)	Nil	Nil
2.	Mr. Anil Goyal	Director (Non-executive)	Nil	Nil
3.	Mr. Gulshan Rai	Director (Non-executive)	Nil	Nil
4.	Mr. Harbans Lal	Director (Non-executive)	Nil	Nil
5.	Mrs. Asha Mehra	Director (Non-executive)	Nil	Nil
6.	Mr. Mahesh Kumar Gupta	Chief Financial Officer	20.93	Nil
7.	Mr. Anil Kumar Mittal	Company Secretary	18.72	Nil

3. All Non- Executive Directors of the Company were paid sitting fee during the financial year ended 2017-18.
4. The percent increase in the median remuneration of employees in the financial year: **12%**
5. The Company has 06 (Six) permanent employees on the rolls of the Company as on 31st March 2018.
6. 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: **Not Applicable**
7. It is hereby confirm that the Remuneration paid to Director, KMP's and staff during the year was as per the Remuneration Policy of the Company.

For and on Behalf of the Board of Directors

Sd/-
LALIT BHASIN
CHAIRMAN
DIN 00002114

Place : Gurugram
Dated : 25th May, 2018

"ANNEXURE TO THE DIRECTORS' REPORT"

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 Statement of Subsidiaries / Associate Companies/Joint Ventures

PART "A": SUBSIDIARIES

Amounts in Rupees

Sl. No.	Particulars	Company - Details
1.	Name of the subsidiary	**Mount Finance Limited**
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	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.
4.	Share capital	83,00,060
5.	Reserves & surplus	(85,85,931)
5.	Total assets	21,41,379
7.	Total Liabilities	21,41,379
8.	Investments	Nil
9.	Turnover	Nil
10.	Profit before taxation	(4,91,195)
11.	Provision for taxation	Nil
12.	Profit after taxation	(4,91,195)
13.	Proposed Dividend	Nil
14.	% of shareholding	100%

Notes: **1.** Name of the Subsidiaries which are yet to commence operations - N.A.
2. Name of the Subsidiaries which have been liquidated / sold during the year - N.A.

For and on behalf of the Board

Sd/-
ANIL GOYAL
DIRECTOR
DIN-00001938

Sd/-
LALIT BHASIN
CHAIRMAN
DIN-00002114

Sd/-
ANIL KUMAR MITTAL
COMPANY SECRETARY

Sd/-
MAHESH KUMAR GUPTA
CHIEF FINANCIAL OFFICER

PLACE: GURUGRAM
DATE: 25TH MAY, 2018

"ANNEXURE- V"

Form No. MGT-9
EXTRACT OF ANNUAL RETURN
as on the financial year ended on 31st March, 2018

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

I. REGISTRATION AND OTHER DETAILS:

i)	**CIN**	**L65929HR1985PLC033936**
ii)	**Registration Date**	30-07-1985
iii)	**Name of the Company**	HB Stockholdings Limited
iv)	**Category / Sub-Category of the Company**	Public Company having Share Capital
v)	**Address of the Registered office and contact details**	Plot No. 31, Echelon Institutional Area Sector-32, Gurugram - 122001, Haryana, Ph: 0124-4675500 Fax: 0124-4370985, Website: www.hbstockholdings.com, E-mail: corporate@hbstockholdings.com
vi)	**Whether Listed Company**	Yes (BSE & NSE Stock Exchanges)
vii)	**Name, Address and Contact details of Registrar and Transfer Agent, if any**	RCMC Share Registry Pvt. Ltd. B- 25/1, First Floor, Okhla Industrial Area, Phase- II, New Delhi- 110020 Phone: 011-26387320/ 21 Fax: 011-26387322 Web site: rcmcdelhi.com Email : investor.services@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 and Description of main products / services	NIC Code of the Product / service	% to total turnover of the company
1	Dealing in Securities and other Financial Assets	6430	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES –

Sl. No.	NAME AND ADDRESS OF THE COMPANY	CIN / GLN	HOLDING / SUBSIDIARY/ ASSOCIATE	% of shares held	Applicable Section
1	**Mount Finance Limited** 301, Regent Chambers 208, Jamnalal Bajaj Marg Nariman Point Mumbai 400 021	U67120MH1985PLC038136	Subsidiary	100%	2(87)(ii)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

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	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual /HUF	12562307	0	12562307	52.80	3768691	0	3768691	52.80	0
b) Central Govt.	0	0	0	0	0	0	0	0	0
c) State Govt. (s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp.	98814	0	98814	0.42	29644	0	29644	0.42	0
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any Other.	0	0	0	0	0	0	0	0	0
Sub-total (A) (1):-	12661121	0	12661121	53.22	3798335	0	3798335	53.22	0
(2) Foreign									
a) NRIs - Individuals	0	0	0	0	0	0	0	0	0
b) Other - Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	0	0	0	0	0	0	0	0	0
d) Banks / FI	0	0	0	0	0	0	0	0	0
e) Any Other	0	0	0	0	0	0	0	0	0
Sub-Total (A) (2):	0	0	0	0	0	0	0	0	0
Total Shareholding of Promoter (A) = (A)(1)+(A)(2)	**12661121**	**0**	**12661121**	**53.22**	**3798335**	**0**	**3798335**	**53.22**	**0**
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	350	8250	8600	0.04	105	2475	2580	0.03	0
b) Banks / FI	20,000	290	20290	0.09	0	87	87	0	0
c) Central Govt.	0	0	0	0	0	0	0	0	0
d) State Govt. (s)	0	0	0	0	0	0	0	0	0

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	% of Total Shares	Demat	Physical	Total	% of Total Shares	
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIIs	0	0	0	0	10505	0	10505	0.15	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
Sub-total (B) (1):-	20350	8540	28890	0.12	10610	2562	13172	0.18	0
2. Non- Institutions									
a) Bodies Corp.									
i) Indian	2311708	38504	2350212	9.88	130106	11546	141652	1.98	0
ii) Overseas									
b) Individuals									
i) Individual shareholders holding Nominal Share Capital upto Rs.2 lakh	3761589	3645264	7406853	31.13	1929758	1071329	3001087	42.05	0
ii) Individual shareholders holding Nominal Share Capital in excess of Rs 2 lakh	992437	0	992437	4.17	30616	0	30616	0.43	0
c) Others (specify) Clearing members	57129	0	57129	0.24	38511	0	38511	0.54	0
i) Non -Residents	179449	116027	295476	1.24	80675	33572	114247	1.60	0.36
ii) Foreign Company	0	0	0	0	0	0	0	0	0
iii) Trusts	0	0	0	0	15	0	15	0	0
iv) NBFC	0	0	0	0	30	0	30	0	0
Sub-total (B) (2):-	**7302312**	**3799115**	**10806631**	**45.42**	**2209711**	**1116447**	**3326158**	**46.60**	**1.18**
Total Public Share holding (B)=(B)(1)+ (B)(2)	**7155170**	**3975927**	**11131097**	**46.78**	**2220321**	**1119009**	**3339330**	**46.78**	**0**
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	**19816291**	**3975927**	**23792218**	**100**	**6018656**	**1119009**	**7137665**	**100**	**0**

(ii) Shareholding of Promoters

Sl No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in Share holding 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	12262307	51.54	0	3678691	51.54	0	0
2.	Ayush Kapur	75000	0.32	0	22500	0.32	0	0
3	Kanishk Kapur	75000	0.32	0	22500	0.32	0	0
4.	Manasvin Arora	75000	0.32	0	22500	0.32	0	0
5.	Mehar Arora	75000	0.32	0	22500	0.32	0	0
6.	Merrygold Investments Ltd	30494	0.13	0	9148	0.13	0	0
7.	RRB Master Holdings Ltd	68320	0.29	0	20496	0.29	0	0
	Total	**12661121**	**53.22**	**0**	**3798335**	**53.22**	**0**	**0**

&& Due to implementation of Scheme of Arrangement between the company, HB Portfolio Limited and HB Estate Developers Limited and their respective members and creditors, the Promoters holding in number of Equity Shares held changed. However no shares were acquired / disposed of by the promoters during the year.

(iii) ***Change in Promoters' Shareholding during the year:***

Due to implementation of Scheme of Arrangement between the company, HB Portfolio Limited and HB Estate Developers Limited and their respective members and creditors, the Promoters holding in number of Equity Shares held changed. However no shares were acquired / disposed of by the promoters during the year 2017-18.

(iv) ***Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):***

Sl No.	For Each of the Top 10 Shareholders At the beginning of the year %	Shareholding at the beginning of the year	
		No. of Share at the begining ** 01.04.2017	% of total Shares of the Company
1	Delhi Iron & Steel Co. Pvt. Limited	1197402	5.03
2	Ashari Agencies Limited	474260	1.99
3	Composite Services Limited	225367	0.95
4	Vijay Kumar Agarwal	190500	0.80
5	Rohit Khullar	159083	0.67
6	Ajay Kumar Aggarwal	126662	0.53
7	Rajesh Jain	124075	0.52
8	Onkar Kishan Khullar	100500	0.42
9	Harsh Khullar	100000	0.42
10.	Rohit Khullar HUF	99000	0.42

**** Based on 2,37,92,218 Equity Share of Rs.10/- in the beginning of the year**

Sl No.	For Each of the Top 10 Shareholders at the end of the year	No. of Share at the end of 31-03-2018 @@	% of total Shares of the Company
1	Hetal Vinesh Patel	30616	0.43
2	Kumar Swamy B S	21132	0.30
3	ISHA Securities Limited	15900	0.22
4	Varsh Bhavesh Shah	15150	0.21
5.	Haridas Namdeo Rao Balki	15000	0.21
6	KLB Securities Pvt Ltd	13973	0.20
7	Karvy Stock Broking Ltd	12949	0.18
8	Avantha Holdings Limited	12474	0.17
9	Heetesh Kalyan Ji Veera	12322	0.17
10	Goldman Sachs (Singapore) Pte	10504	0.15

@@ Based on 71,37,665 Equity Shares of Rs.10/- each at the year-end on 31-03-2018

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

Sl. No.	For Each of the Top 10 Shareholders	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.	**HETAL VINESH PATEL**					
	At the beginning of the year	1-4-2017	0	0.00	0	0.00
	12-01-2018	Transfer	55,000	0.23	55,000	0.23
	02-02-2018	Transfer	-55,000	0.23	0	0.00
	09-02-2018	Transfer	13981	0.06	13,981	0.06
	16-02-2018	Transfer	490	0	14,471	0.06
	23-02-2018	Transfer	48383	0.20	62,854	0.26
	02-03-2018	Transfer	4671	0.02	67,525	0.28
	09-03-2018	Transfer	34529	0.15	102054	0.43
	At the end of the year	31-03-2018			30616 $	0.43
2.	**KUMAR SWAMY BS**					
	At the beginning of the year	1-4-2017	70,442	0.30	70,442	0.30
	At the end of the year	31-03-2018			21,132 $	0.30
3.	**ISHA SECURITIES LIMITED**					
	At the beginning of the year	1-4-2017	53001	0.22	53,001	0.22
	At the end of the year	31-03-2018			15900 $	0.22
4.	**VARSHA BHAVESH SHAH**					
	At the beginning of the year	1-4-2017	50,500	0.21	50,500	0.21
	At the end of the year	31-03-2018			15,150 $	0.21
5.	**HARDAS NAMDEO RAO BALKI**					
	At the beginning of the year	1-4-2017	0	0.00	0	0.00
	09-06-2017	Transfer	1000	0	1000	0.00
	16-06-2017	Transfer	19000	0.08	20,000	0.08
	18-08-2017	Transfer	2000	0.01	22,000	0.09
	08-09-2017	Transfer	1000	0	23,000	0.10
	29-09-2017	Transfer	7326	0.03	30,326	0.13
	27-10-2017	Transfer	-30326	-0.13	0	0
	17-11-2017	Transfer	50000	0.21	50,000	0.21
	At the end of the year	31-03-2018			15,000 $	0.21
6.	**KLB SECURITIES PVT LTD**					
	At the beginning of the year	1-4-2017	46,578	0.20	46,578	0.20
	28-04-2017	Transfer	-2696	-0.01	43,882	0.18
	05-05-2017	Transfer	2284	0.01	46,166	0.19
	12-05-2017	Transfer	-1000	0	45,166	0.19
	19-05-2017	Transfer	1000	0	46,166	0.19
	20-10-2017	Transfer	-100	0	46,066	0.19
	27-10-2017	Transfer	100	0	46,166	0.19
	15-12-2017	Transfer	-11600	-0.05	34,566	0.15
	22-12-2017	Transfer	-9716	-0.04	24,850	0.10
	29-12-2017	Transfer	21316	0.09	46,166	0.19
	19-01-2018	Transfer	-757	0	45,409	0.19
	26-01-2018	Transfer	1169	0	46,578	0.20
	At the end of the year	31-03-2018			13,973 $	0.20
7.	**KARVY STOCK BROKING LIMITED**					
	At the beginning of the year	1-4-2017	10,871	0.05	10,871	0.05
	07/04/2017	Transfer	939	0	11,810	0.05
	14/04/2017	Transfer	860	0	12,670	0.05
	21/04/2017	Transfer	-10	0	12,660	0.05

Sl. No.	For Each of the Top 10 Shareholders	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
	28/04/2017	Transfer	12330	0.05	24,990	0.11
	05/05/2017	Transfer	-5770	-0.02	19,220	0.08
	12/05/2017	Transfer	585	0	19,805	0.08
	19/05/2017	Transfer	-2585	-0.01	17,220	0.07
	26/05/2017	Transfer	-789	0	16,431	0.07
	02/06/2017	Transfer	396	0	16,827	0.07
	16/06/2017	Transfer	580	0	17,407	0.07
	23/06/2017	Transfer	-150	0	17,257	0.07
	30/06/2017	Transfer	-100	0	17,157	0.07
	07/07/2017	Transfer	-1000	0	16,157	0.07
	14/07/2017	Transfer	-150	0	16,007	0.07
	21/07/2017	Transfer	-1150	0	14,857	0.06
	28/07/2017	Transfer	250	0	15,107	0.06
	04/08/2017	Transfer	-150	0	14,957	0.06
	11/08/2017	Transfer	-50	0	14,907	0.06
	18/08/2017	Transfer	142	0	15,049	0.06
	25/08/2017	Transfer	-142	0	14,907	0.06
	01/09/2017	Transfer	125	0	15,032	0.06
	08/09/2017	Transfer	-250	0	14,782	0.06
	15/09/2017	Transfer	834	0	15,616	0.07
	22/09/2017	Transfer	-934	0	14,682	0.06
	29/09/2017	Transfer	1651	0.01	16,333	0.07
	06/10/2017	Transfer	300	0	16,633	0.07
	13/10/2017	Transfer	6446	0.03	23079	0.10
	20/10/2017	Transfer	-6111	-0.03	16,968	0.07
	27/10/2017	Transfer	2203	0.01	19,171	0.08
	03/11/2017	Transfer	7927	0.03	23098	0.11
	10/11/2017	Transfer	3806	0.02	30,904	0.13
	17/11/2017	Transfer	6180	0.03	37,084	0.16
	24/11/2017	Transfer	735	0	37,819	0.16
	01/12/2017	Transfer	-1065	0	36,754	0.15
	08/12/2017	Transfer	-177	0	36,577	0.15
	15/12/2017	Transfer	3039	0.01	39,616	0.17
	22/07/2017	Transfer	216	0	39,832	0.17
	29/07/2018	Transfer	4541	0.02	44,373	0.19
	05/07/2018	Transfer	-1321	-0.01	43,052	0.18
	12/07/2018	Transfer	856	0	43,908	0.18
	19/07/2018	Transfer	1691	0.01	45,599	0.19
	26/01/2018	Transfer	752	0	46,351	0.19
	02/02/2018	Transfer	-717	0	45,634	0.19
	09/02/2018	Transfer	-3168	-0.01	42,466	0.18
	16/02/2018	Transfer	-1530	-0.01	40,936	0.17
	23/02/2018	Transfer	5596	0.02	46,532	0.20
	02/03/2018	Transfer	-184	0	46,348	0.19
	09/03/2018	Transfer	-1133	0	45,215	0.18
	16/03/2018	Transfer	-2053	-0.01	43,162	0.18
	At the end of the year	31-03-2018			12,949 $	0.18
8.	**AVANTHA HOLDINGS LIMITED**					
	At the beginning of the year	1-4-2017	41,580	0.17	41580	0.17
	At the end of the year	31-03-2018			12,479 $	0.17
9.	**HEETESH KALYANJI VEERA**					
	At the beginning of the year	1-4-2017	0	0.00	0	0.00
	29-12-2017	Transfer	20802	0.09	20802	0.09
	05-01-2018	Transfer	20271	0.09	41073	0.17
	At the end of the year	31-03-2018			12,322 $	0.17
10.	**GOLDMAN SACHS (SINGAPORE) PTE**					
	At the beginning of the year	1-4-2017	0	0.00	0	0.00
	29-12-2017	Transfer	35017	0.15	35017	0.15
	At the end of the year	31-03-2018			10,505 $	0.15

Notes:

% None of the person in the List of Top 10 Shareholders as on 01-04-2017 was in the List of Top 10 shareholders as on 31-03-2018.

$ Due to implementation of the Scheme of Arrangement between the company, HB Portfolio Limited and HB Estate Developers Limited and their respective members and creditors Shareholdings of the above mentioned holders has reduced to 30% of their Original holding on Record date i.e. 12-03-2018 subject to fractions, if any.

(i) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	For Each of the Directors and KMP At the beginning / end of the year	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	12262307	51.54	3678691	51.54
2	Mr. Anil Goyal	0	0	0	0
3	Mrs. Asha Mehra	0	0	0	0
4.	Mr. Gulshan Rai	0	0	0	0
5.	Mr. Harbans Lal	0	0	0	0
6.	Mr. Mahesh Kr Gupta CFO (KMP)	0	0	0	0
7.	Mr. Anil Kr Mittal CS (KMP)	0	0	0	0

Due to implementation of Scheme of Arrangement between the company, HB Portfolio Limited and HB Estate Developers Limited and their respective members and creditors, the Promoters holding in number of Equity Shares had changed. However no shares were acquired / disposed of by the Director & KMP during the year.

V. INDEBTEDNESS

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

(Rs. In Lakhs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year i) Principal Amount ii) Interest due but not paid iii) Interest accrued but not due	 NIL NIL NIL	 NIL NIL NIL	 NIL NIL NIL	 NIL NIL NIL
Total (i+ ii+ iii)	**NIL**	**NIL**	**NIL**	**NIL**
Changes in Indebtedness during the financial year • Addition • Reduction	 90,00,000 11,86,258	 NIL NIL	 NIL NIL	 90,00,000 11,86,258
Net Change	**78,13,742**	NIL	**NIL**	**78,13,742**
Indebtedness at the end of the financial year i) Principal Amount ii) Interest due but not paid iii) Interest accrued but not due	 78,13,742 NIL NIL	 NIL NIL NIL	 NIL NIL NIL	 78,13,742 NIL NIL
Total (i+ ii+ iii)	**78,13,742**	**NIL**	**NIL**	**78,13,742**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and /or Manager:

Sl. No.	Particulars of Remuneration	Name of the Managing Director / Whole Time Director	Total Amount
		Not applicable	N A
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) The Income-tax Act, 1961 (c) Profits in lieu of Salary under section 17(3) Income tax Act, 1961	 **0** **0** **0**	 **0** **0** **0**
2.	Stock Option	**0**	**0**
3.	Sweat Equity	**0**	**0**
4.	Commission	**0**	**0**
5.	Others, PF & Superannuation	**0**	**0**
	Total (A)	**0**	**0**
	Ceiling as per the Act	**5 % of the net Profit of the Company is to be calculated as per Sec 198 of the Companies Act, 2013**	

B. Remuneration to other directors:

Sl. No.	Particulars of Remuneration	Name of Director(s)			
1.	**Independent Director(s)**	**Gulshan Rai**	**Harbans Lal**	**Mrs. Asha Mehra**	**Total (Amount)**
	Fee for attending Board / Committee Meetings Commission Others, please specify	**1,15,000** **00** **00**	**1,18,000** **00** **00**	**35,000** **00** **00**	
	Total (1)	**1,15,000**	**1,18,000**	**35,000**	
				TOTAL	**2,68,000**
2.	**Other Non -Executive Director**	Lalit Bhasin	Anil Goyal		
	Fee for attending Board / Committee Meetings Commission Others, please specify	**45,000** **00** **00**	**1,03,000** **00** **00**		
	Total (B)=(1+2)	**45,000**	**1,03,000**		
				TOTAL	**1,48,000**
	Total Managerial Remuneration				**Rs. 4,16,000**
	Ceiling as per the Act	**3% of the net Profit of the Company is to be calculated as per Sec 198 of the Companies Act, 2013**			

C. Remuneration to Key Managerial Personnel other than MD / Manager / WTD

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		
		Company Secretary	**CFO**	**Total (Amount)**
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	**6,00,000** **3,60,000** **00**	**9,00,000** **5,40,000** **00**	**15,00,000** **9,00,000** **00**
2.	Stock Option	**0**	**0**	**0**
3.	Sweat Equity	**0**	**0**	**0**
4.	Commission - as % of profit - others, specify	**0** **0**	**0** **0**	**0** **0**
5.	Others, PF	**2,57,982**	**3,01,067**	**5,59,049**
	Total	**12,17,982**	**17,41,067**	**29,59,049**

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

There were no penalties / punishment /compounding of offences for breach of any of the Section of Companies Act, 2013 against the Company or its other officers in default, if any, during the year.

For and on Behalf of the Board of Directors

Sd/-
LALIT BHASIN
CHAIRMAN
DIN 00002114

Place : Gurugram
Date : 25th May 2018

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

1. Operating Results

On the Scheme of Arrrangement between the company, HB Portfolio Limited and HB Estate Developers Limited and their respective members and creditors becoming effective / operational, the Books of Account of the Company have been recasted / adjusted based on the Appointed Date. Turnover, Operational Expenses, Profit / Loss, Assets and Liabilities of the Company pertaining to the Demerged undertaking(s) from Appointed Date till the Effective Date have been adjusted / accounted for in the Account Books of the Company.

The Total Revenue earned by the Company during the year (after giving effect on sanction of Scheme of Arrangement) was Rs. 202.95 Lakhs as compared to Rs. 1517.73 Lakhs in the previous year. Administrative Expenses, Depreciation and amortization including provisions for sub-standard & doubtful assets and provision against standard assets and Loans & Advances were Rs. 211.07 Lakhs as compared to Rs. 318.87 Lakhs during the previous year. Interest and Financial Charges was Rs. 4.42 Lakhs during the current year and previous year (Rs. NIL).

Previous year figures are not strictly comparable with current year's figure due to effect of Scheme of Arrangement.

2. Business Analysis during 2017-2018

In line with the uptick in global economic activity, the Indian economy during 2017-18 is projected to see an improvement in GDP growth in October to March 2017 to 7.2% from 6.1% in first half of the Financial year 2018 and 7.5% in the year 2018, according to the Central Statistical Organization. The withdrawal of high denomination notes by the Reserve Bank of India in November 2016 and the implementation of the Goods and Services Tax in July 2017 resulted in a transient loss in growth momentum, especially in first half of the year. However, the recovery has been stronger in second half of 2018, led by Government consumption growth and gross fixed capital formation. On the sectoral front, while the industry slowed down, higher momentum was recorded for Construction, Transport, Communication, Financial and Real Estate sectors. The recovery is expected to continue with in the year 2019 GDP growth being pegged at 7.5% as per yearly forecast.

During the year under review (after giving effect on sanction of Scheme of Arrangement) Revenue from Operations was Rs 202.95 Lakhs (Rs. 1517.73 Lakhs in previous year) and Net Loss before exceptional item was Rs. 8.12 Lakhs (previous year's net Profit of Rs. 1198.86 Lakhs). Securities Trading including Equity derivative trading Loss was Rs. 21.31 Lakhs (previous year Gain of Rs. 3.01 Lakhs) Profit booked on Sale of Investments during the year Rs.13.42 Lakhs (previous year of Rs. 524.74 Lakhs) Provision for diminution in the value of investment written back Rs. 246.76 Lakhs during the year under review (previous year Rs. 308.77 Lakhs).

Due to the effect given in the Books of Accounts on sanction of Scheme of Arrangement between the company, HB Portfolio Limited and HB Estate Developers Limited and their respective members and creditors, the financial figures reported for the year ended 31st March 2018 are not comparable to the figures for the year ended 31st March 2017.

3. Future Prospects and Outlook

On the bond market, the 10-year G-sec yield rose by 72 bps to 7.40% during the course of the year 2018. Uptick in inflation trajectory in second half of 2017-18, slippage in the year 2018 fiscal deficit and fast dwindling surplus on money market liquidity, amidst rise in global crude prices and hardening of US treasury yields cumulatively weighed on the market sentiment.

During the course of the year 2018, the Indian Rupee weakened marginally by 0.5% and closed the year at Rs. 65.18 vis-a-vis the US dollar. Rupee largely remained stable amidst recovering global growth, a softer dollar and benign global financial market conditions. In addition, favourable domestic factors like normalization in second half of 2018 growth momentum and sovereign credit rating upgrade by international rating agency Moody's aided sentiment.

4. Risks and concerns

The Company is mainly exposed to market risk (including liquidity risk), interest risk and credit risk. However prudent business and risk management practices followed by the company over the years helps it to manage the normal industry risk factors, which *inter-alia* includes economic / business cycle, fluctuations in the stock prices in the market, besides the interest rate volatility, and credit risk.

The Company is confident of managing these risks by observing a conservative financial profile in investment and trading of securities business.

5. Internal Control Systems and their Adequacy

The Company has an adequate and effective system of internal controls for its various business processes, with regard to operations, financial reporting, compliance with applicable laws and regulations, etc. Clearly defined roles and responsibility for all managerial positions gives strength to the internal control system of the organisation. Internal audits are done at regular intervals to ensure that responsibilities are executed effectively. Audit Committee of the Board of Directors on quarterly basis reviews the adequacy and effectiveness of internal control systems and suggests measures for improvement of the existing control system and strengthen the control in view of changing business needs and safe guarding the assets of the Company against significant misuse or Loss from time to time.

6. Financial Performance

a) Share Capital: The Company's Issued and Subscribed Share Capital consists of Equity Share Capital only. While giving effect of the Scheme of Arrangement between the company, HB Portfolio Limited and HB Estate Developers Limited and their respective members and creditors, the financial figures reported for the year ended 31st March 2018 are not comparable to the figures for the year ended 31st March 2017. Due to Reorganisation and Reduction of Share Capital approved by the NCLT Chandigarh, the paid up capital reduced from Rs. 23,79,22,180 to Rs. 7,13,76,665. Consequently, the Paid-up Share Capital of the company as on 31st March 2018 stood at Rs. 768.08 lakhs (including Rs. 54.32 Lakhs towards the original amount paid up on Equity Share forfeited) comprising of 71,37,665 Equity Shares of Rs.10/- each.

b) Reserves and Surplus: At the end of the year is Rs. 3691.42 Lakhs (previous year Rs. 12233.57 lakhs)

c) Fixed Assets stood at Rs. 121.00 Lakhs (Rs. 18.82 Lakhs in the previous year)

d) Non Current Investments stood at Rs. 83.00 Lakhs (previous year Rs. 9539.16 Lakhs)

e) Current Assets stood at Rs. 6912.78 Lakhs (previous year Rs. 5451.07 Lakhs)

7. Human Resources

Success of every business depends on proper human resource planning. The Company has adequate and experienced professionals having varied experience related to the Industry to carry out its business operations. Efforts are made to develop leadership capability in the team members which reflects in the decision making process.

8. Cautionary Statement

Statements in this "Management' Discussion and Analysis Report" 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, direct tax regimes, credit appraisal and monitoring system, Notifications and guidelines issued by Reserve Bank of India, economic developments and other factors such as litigation etc.

REPORT ON CORPORATE GOVERNANCE

Philosophy of the Company on Code of Governance

Corporate Governance is based on the principles of integrity, fairness, equity, transparency, accountability and commitment to values. Corporate Governance deals with conducting the affairs of the company in such a manner as to ensure that there is fairness to all the stakeholders and any action benefits to the greatest number of stakeholders. The accountability of the personal and corporate funds in a company in a more transparent and equitable manner and the essence of Corporate Governance which ensures investors protection and maximization of shareholders wealth. The Corporate Governance is a continuing exercise and the company would constantly endeavor to improve on these aspects.

Size and Composition of the Board

As per Reg 17(1) of the SEBI (LODR) Regulations, the composition of Board of Directors has an optimum combination of Non-Executive directors. As on 31st March 2018, the Board of Directors of the Company comprises of 5 Non-Executive Directors and out of whom 3 are Independent Directors. Mrs. Asha Mehra is the Women Director on the Board of the Company. Mr. Lalit Bhasin, Promoter of the Company is the Non-Executive Chairman of Board of Directors since 30th June 2004. The strength of the Independent Directors is more than half of the total current strength of the Board. All the Non-Executive Directors are proficient in their respective fields and bring with them tremendous experience in the areas of Banking, finance, Taxation, Legal expertise, Securities market operations, Corporate Affairs and Management. None of the Directors of the Company is a relative of an Executive of the Company / Non-Executive Director of the Company.

Number of Board Meeting(s)

The Board meets atleast once in every Calendar Quarter and the maximum gap between any two Boards meetings are not more than 120 days. During the year under review (1-04-2017 to 31-03-2018), the Board of Directors of the Company met Four (4) times respectively on 26th May 2017; 9th August 2017; 10th November 2017; and on 29th January, 2018. The Agenda of the Board Meeting is circulated to all the Directors well in advance and contains all the relevant information enabling the directors to grasp up the matter placed before them for discussion and decision.

Directors Attendance & their Directorships

Composition of the Board of Directors and Attendance of the Board members with their shareholding in the Company as on 31st March 2018 and status of presence in the last AGM are given hereunder:

Name of the Director(s) & Category	Directorships in other public companies as on 31-03-2018 (Excluding HBSH)		# Committee Membership held in other public co. (Excluding HBSH) as on 31-03-18		No. of Board Meetings during the year 31-03-2018	Attendance in the Last AGM	Shares held in the Company & % to the subscribed capital
	Director	Chairman	Member	Chairman	Attended		
Mr. Lalit Bhasin Chairman Promoter & Non-Executive	7	3	3	1	4	No	36,78,691 (51.54%)
Mr. Gulshan Rai Independent & Non Executive	Nil	Nil	Nil	Nil	4	Yes	NIL
Mr. Harbans Lal Independent & Non Executive	01	Nil	01	Nil	4	Yes	NIL
Mr. Anil Goyal Non-Independent Non-Executive	09	Nil	4	0	4	Yes	NIL
Mrs. Asha Mehra Independent Non-Executive **Women Director**	01	Nil	Nil	01	3	Yes	NIL

comprises only Audit Committee and Stakeholders Relationship Committee of public Ltd Company

As per the Articles of Association of the Company, at least two third of the Board members shall be retiring directors, excluding the Independent directors. One third of such directors are required to retire every year and, if eligible, the retiring director qualifies for reappointment. In view of that, out of retiring directors; one director of the Company shall retire at every Annual General Meeting in terms of Articles of Association of the Company. Mr. Anil Goyal Director being longest in the office as director shall retire by rotation at the ensuing Annual General Meeting and being eligible offers himself for reappointment. In terms of Reg 36(3) of SEBI Listing Regulations, brief Resume of Director to be appointed / reappointed, nature of their expertise in specific areas of business operations, directorships and committee memberships in other Companies, their shareholdings and relationships with other Board members are provided in the Notice convening the 31st Annual General Meeting of the Company.

Meeting of Independent Directors & their Performance Evaluation

In order to comply with the Reg 25(3) and (4) of the SEBI Listing Regulations and Sec 134 (p) of the Companies Act, 2013 during the year ended 31st March 2018, a meeting of Independent Directors of the Company was held on 29th January 2018, inter alia to discuss and evaluate:

- the performance of the Non-Independent directors and Board of Directors as a whole;
- the performance of the Chairman of the Company, taking into account the views of the executive and non-executive directors, non-independent directors and Board of Directors as a whole;
- the quality, quantity and timeliness of flow of information between the Management and the Board of Directors to effectively and reasonably perform their duties by the Board.

In compliance of applicable provisions of Companies Act, 2013 and SEBI Listing Regulations, the performance evaluation exercise was carried out in respect of various aspects of Board and its functions such as composition of committees, structure of Agenda and adequacy of information circulated through that, attendance of the members of various committees and their level of participation in the meetings etc. Performance of each individual directors were carried out and Director(s) were apprised and evaluated on set parameters viz. time spent in meeting deliberations, commitment for the Company's cause, involvement and contribution made thereof. The performance of the Chairperson of the Company was evaluated in terms of leadership qualities, and his ability in carrying forward the agenda through common view point along with all the stakeholders of the Company.

The Independent directors of the Company in their meeting held on 29th January 2018 carried out evaluation of the other non-Independent directors, Board of the Company as a whole, Chairperson of the company and system and procedures. View of other non-executive directors, were also solicited while apprising and evaluating. Independent Directors expressed their satisfaction over the evaluation of other non-Independent directors and Board of Directors as a whole

Familiarisation programme for Independent Directors

The programme aims to provide insights into the Company to enable the Independent Directors to understand its business in depth, to familiarize them with the processes, businesses and functionaries of the Company and to assist them in performing their role as Independent director of the Company. The Company's Policy of conducting the Familiarisation programme and the details of Familiarisation programme imparted to Independent directors during 2018 have been disclosed on the website of the Company at **http:// www. hbstockholdings.com/ corporate governance**

A slide show was organized relating to familiarization programme of the Company and it was displayed on the projector for the knowledge and updation of all the Independent directors of the Company. All the Independent Directors of the Company except Mrs. Asha Mehra were present in the Meeting.

Board Committee(s)

As stipulated in SEBI Listing Regulations 2015, all mandatory Board Committees are in place as on 31st March 2018 and their constitution fully meets the requirements as per Companies Act, 2013 as amended. In terms of Regulation 26(1)(b), the number of Committees' (Audit Committee and Stakeholders Relationship Committee) shall only be counted in which a director become member / Chairperson for the limits as provided in the said Regulation. All the directors of the Company are holding Committee membership / Chairmanship within the limits specified in the aforesaid regulation of the Listing Regulations 2015. All the Independent Director(s) of the Company are holding Directorship in specified no. of companies and adhering the limits as mentioned in Reg 26(1) of the SEBI Listing Regulations 2015.

Each of the Board Committees has the authority to engage outside experts, advisors, and counsels to the extent it considers appropriate to assist in its function. Minutes or proceedings of Committee Meetings are circulated to the directors and also placed before the Meeting of Board of Directors for taking a note thereat.

As per the SEBI Listing Regulations read with the Companies Act, 2013, the following Board Committees are presently in existence:-

(A) AUDIT COMMITTEE (AC) as per SEBI LODR Regulations 18

The Audit Committee of the Company is constituted in line with the provisions of Section 177 of the Companies Act, 2013 read with Regulations 18 of the Securities and Exchange Board of India (Listing Obligations and Disclosure requirements) Regulations, 2015. The primary objective of Audit Committee is oversighting the Company's financial reporting process with

a view to ensure accurate, timely and sufficient and credible disclosures and transparency, integrity and quality of financial reporting. Constitution of Audit Committee consists of Three Board Members and out of these two are Independent Directors. The Audit Committee Meeting of the Company presently comprises of the following members:

1. Mr. Gulshan Rai, Chairman
2. Mr. Anil Goyal, Member
3. Mr. Harbans Lal, Member

Mr. Jag Mohan Lal Suri, Executive Director (Operations) and Managing Director of the Company are the two permanent invitee's at the Audit Committee Meetings. In addition to that Internal Auditor of the Company and Statutory Auditor(s) are regularly attends the Audit Committee Meeting(s) held by the Company, during the year under review.

All the members of Audit Committee are financially literate and have requisite qualification(s) for appointment on the Committee and possess sound knowledge of finance, accounting practices and internal controls systems and procedures.

Role of the Audit Committee

As per Sec 177(4) of the Companies Act, 2013, read with Regulation 18 SEBI LODR Regulations, 2015 present scope of Audit Committee has been specified hereunder:-

(i) the recommendation for appointment, remuneration and terms of appointment of Auditors of the company;

(ii) review and monitor the auditor's independence and performance, and effectiveness of audit process;

(iii) examination of the financial statement and the auditors' report thereon;

(iv) approval or any subsequent modification of transactions of the company with related parties;

(v) scrutiny of inter-corporate loans and investments;

(vi) valuation of undertakings or assets of the company, wherever it is necessary;

(vii) evaluation of internal financial controls and risk management systems;

(viii) Monitoring the end use of funds raised through public offers and related matters.

Further to that the Audit Committee meeting may call for the comments of the Auditors about internal control systems, the scope of audit, including the observations of the Auditors and review of financial statement before their submission to the Board. The Board may also discuss any related issues with the internal and statutory auditors and the management of the company and they shall offer their view / comments, if any, for the sake of healthy discussions.

The Audit Committee Meetings shall have the authority to investigate into any matter in relation to the items specified in sub-section (4) of Section 177 of the Companies Act 2013 or referred to it by the Board and for this purpose the Committee shall have the power to obtain professional advice from external sources and may have full access to information contained in the records of the company.

During the year under review, 4 (Four) Audit Committee Meeting(s) of the Company were held respectively on 26-05-2017, 09-08-2017, 10-11-2017 and on 29-01-2018. All Audit Committee Meeting(s) were attended by the Committee members as well as by the Internal and Statutory Auditors of the Company.

Internal and Statutory Auditors of the company and the Key Managerial Personnel has a right to be heard in the Audit Committee meetings when it considers the Auditor's Report but they shall not vote on any resolution. The Chairman of the Audit Committee was present in the last Annual General Meeting of the Company held on 26th September 2017 to reply investors query.

(B) NOMINATION AND REMUNERATION COMMITTEE (NRC):

While complying the Reg 19 of the SEBI Listing Regulations 2015 read with Sec 178(1) of the Companies Act, 2013, as on 31-03-2018, the Nomination and Remuneration Committee of the Company comprises of three directors, all of whom are Non- Executive Independent Director and Mr. Harbans Lal Director being the Chairman of the Committee. The Nomination & Remuneration Committee has been constituted with the following Independent Directors:-

1. Mr. Harbans Lal- Chairman
2. Mr. Gulshan Rai- Member
3. Mrs. Asha Mehra – Member

The Role of the Nomination and Remuneration Committee shall inter alia include the following:-

a. Lays down Criteria on which Independent Directors shall be judged.

b. To identify persons who are qualified to become directors of the Company

c. To recommend the appointment of Senior management position in accordance with the criteria laid down

d. Formulate the criteria to determine, qualification, positive attributes and recommend candidate to the Board for appointment / or re-appointment and removal of Directors and Independent Directors

e. Evaluation of performance of all the Directors and Senior Executives of the Company

f. Reviewing and making recommendations to the Board on:

- The remuneration of the Managing Director, Whole time director and KMPs
- The total level of remuneration of Non-Executive director and for individual remuneration for Non-Executive directors and the Chairman
- The remuneration policies for all employees including base pay, incentive payments, stock option awards, retirement rights and service contracts.

During the year ended 31st March-2018, two meetings of Nomination and Remuneration Committee were held on 26th May 2017 and on 29th January 2018. Necessary quorum was present in both the Nomination & Remuneration Committee meeting and which were attended by all the Committee members except the last meeting held on 29-01-2018 when Mrs. Asha Mehra, Director could not attend due to her sudden illness. The Chairman of the Nomination and Remuneration Committee was present in the last Annual General Meeting of the Company held on 26th September 2017 to reply the investors query.

(C) STAKEHOLDERS RELATIONSHIP COMMITTEE (SRC)

In order to comply with Reg 20 of the SEBI Listing Regulations 2015 and Sec 178 of the Companies Act, 2013, the Board renamed its existing committee as Stakeholders Relationship Committee (SRC). The Stakeholders Relationship Committee presently comprises of two members namely. Mr. Harbans Lal and Mr. Anil Goyal Director (s) of the Company. Mr. Harbans Lal Non-Executive Independent Director being the Chairman of the Committee and Secretary of the Company being the compliance officer.

The terms of reference of the Stakeholders Relationship Committee (SRC), inter alia, include the following:-

a. approval / rejection of transfers and transmission of shares,

b. Issue of fresh / duplicate certificates upon split / consolidation / renewal / mutilated / remat / loss or otherwise of equity share certificate(s),

c. review the status of dematerialisation of company's shares and matters incidental thereto,

d. monitor the matters of litigation related to shareholders and take decisions relating thereto,

e. Consider, review and monitor the Complaints related to the Investors in respect of various grievances.

f. Consider, review and monitor the Investors Complaints received from Stock Exchanges, SEBI and CDSL/NSDL.

Share Transfer System

The authority for approval of Transfer of Shares has been vested with the Stakeholders Relationship Committee (SRC), which meets as frequently as the need be. However, when no meetings are in the offing then Mr. Anil Goyal, Director of the Company has been empowered by the Board of Directors to approve the request for Transfer of Shares up to 10,000 Equity Shares under one folio at a time when such requests accumulates for processing of Share Transfer between the two Meeting(s). Transfers of Shares are recorded in the Share Transfer Registers within a period of 15 days from the date of lodgement of documents for transfers. If the documents are not complete in all respects and not in order; then promptly returned to the Investors by Registered / Speed Post to rectify the defects in the documents.

The statistics of Share Transfers approved during the period under review as well as request for demat of shares processed are as under:

Transfer processing period	No of cases	No of Shares	% to Shares
1-15	153	16744	100%
16 & Above	0	0	0

Demat processing period	No of cases	No of Shares	% to Shares
1-15	944	83958	100%
16 & Above	0	0	0

The status of **Investor's Grievance Redressal** during the year 1-04-2017 to 31-03-2018 is as under:

Investors Query / Grievance received	Received	Disposed off
Investors	16	16
Stock Exchange(s)	03	03
SEBI	03	01
NSDL	0	0
Total	**22**	**20**

The Stakeholders Relationship Committee (SRC) meet 4 (Four) times during the year ended 31st March 2018 i.e. on 26-05-2017, 09-08-2017, 10-11-2017 and on 29-01-2018. All the Committee Meetings were attended by the Committee members, Secretary and Compliance Officer. The Chairman of the Stakeholders Relationship Committee was present at the last

Annual General Meeting of the Company held on 26th September 2017 to reply Shareholders query.

(D). CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

As per Schedule VII of the Companies Act 2013, Corporate Social Responsibility (CSR) Committee of the Board shall have the following Role:-

a. Formulate and recommend to the Board a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company out of the specified in schedule VII of the Act,

b. Recommend the amount of expenditure to be incurred on various activities undertaken by the committee.

c. Recommend to the Board, modification to the CSR policy as and when required

d. To provide guidance on various CSR activates to be undertaken by the Company and to monitor the progress and impact of the activities of the company.

In order to comply with the provisions of Sec 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules 2014 and the then Clause 49 of the Listing Agreement as amended from time to time a Corporate Social Responsibility Committee (CSR) was constituted by the Board of Directors in their meeting held on 17th May 2014.

The present CSR Committee of the Company was constituted with the following members:-

- Mr. Lalit Bhasin - Chairman
- Mr. Gulshan Rai - Independent Director
- Mr. Anil Goyal - Director

The Constitution of the Committee is as per section 135(1) of the Companies act, 2013 which stipulates that Committee shall consists of three or more directors, out of which atleast one director shall be an Independent Director.

Based on the previous year's average profits of the Company, an amount of Rs. 4,21,756 was to be spent on the CSR related activities in the year 2017. No amount could be spent in 2016-17 on CSR related activities. A CSR Committee meeting was held on 10th November 2017 and took a decision to spent on CSR related activities. An amount of Rs. 4.31 Lakhs was spent during the year ended 31st March-2018. Details of CSR Expenses are mentioned in **Annexure IIA** in this Annual Report.

Vigil Mechanism / Whistle Blower Policy

As per Sec 177(9) & 10 of the Companies Act, 2013, read with Regulation 22 of SEBI Listing Regulations 2015 a Whistle Blower Policy was formulated by the Company in the year 2015 and the Policy was modified by Board of Directors in the year 2016. The Policy deals with the Vigil Mechanism for Employees and Directors to Report their genuine concerns and grievances in the manner prescribed therein. Whistle Blower & Vigil Mechanism Policy implemented by the Company has been placed on the website of the Company.

The Vigil Mechanism provides safe guards against victimization of employees and directors who avails such facility and shall have an open and direct access to the Chairperson of the Audit Committee or such designated members of the Board of Directors as the case may be in exceptional cases.

During the year under review no case was referred to the Audit Committee which falls under the preview of Whistle Blower Policy of the Company.

Remuneration Policy for Directors, KMP's and Senior Managerial Personnel

A Remuneration policy has been outlined on the following lines:

a) The Remuneration / Compensation / Commission etc. to be paid to Managing Director / Executive Director, Non-Executive Director / Independent Directors and KMP's 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 Non-Executive / Independent Director may be paid Remuneration by way of Commission on Net Profit of the Company subject to the maximum of 3% of the Net Profit in a financial year to be computed as per Section 198 of the Companies Act, 2013.

d) The remuneration payable to other managerial personnel presently working for the Company shall also be governed by the Company's HR Policy and terms of their employment finalised while joining with the Company and amended from time to time based on their annual review.

The Nomination and Remuneration Committee recommend to the Board of Directors, the matter relating to Remuneration payable to the Non-Executive Directors, KMP's and other Senior Management Personnel of the Company.

Remuneration to Non-Executive Director(s)

All the Non-Executive Directors of the Company are remunerated by payment of sitting fees for each meeting of the Board and Committees thereof attended by them. During the year 01-04-2017 to 31-03-2018, Non-Executive Directors of the Company were paid remuneration as detailed below:

Director(s)	Relationship with other Director(s)	Sitting Fees (Rs.)	Salary & Perks (Rs.)	Commission, if any
Mr. Lalit Bhasin	N.A.	45,000	Nil	Nil
Mr. Gulshan Rai	N.A.	1,15,000	Nil	Nil
Mr. Harbans Lal	N.A.	1,18,000	Nil	Nil
Mr. Anil Goyal	N.A.	1,03,000	Nil	Nil
Mrs. Asha Mehra	N.A.	35,000	Nil	Nil

Payment of Sitting fee for Board and the Committee meetings were fixed by the Board of Directors within the overall ceiling limits laid down under Rule 4 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and the same shall be revised from time to time. None of the Non-Executive Director of the Company has any pecuniary relationship or transaction with the Company.

General Body Meetings

Location and time where the Annual General Meeting(s) were held during the last three years:-

Year(s)	Type	Location	Date	Time
2016-17	AGM	GIA House, I.D.C., Mehrauli Road, Opp.: Sector 14, Gurugram -122 001	26-09-2017	11.00 A.M.
2015-16	AGM		07-09-2016	11.00 A.M.
2014-15	AGM		09-09-2015	11.00 A.M.

Details of Special Resolution(s) passed, if any, in the previous 3 AGMs of the Company are as under:-

Serial No (s)	Subject Matter(s)	Reference and Date of passing at the AGM
1.	No Special Resolution(s) passed	30th AGM on 26-09-2017
2.	For the following matter(s):- a) Alteration in the Nomenclature of the Main Objects etc. of the Memorandum of Association of the Company b) Re-appointment of Mr. Vijay Sood, Managing Director for a period of Two years.	29th AGM on 07-09-2016
3.	No Special Resolution(s) passed	28th AGM on 09-09-2015

As per Rule 20 of the Chapter VII of the Companies Act, 2013 in the year 2015, 2016 and 2017 all the Resolution(s) were passed through E voting process. No Special Resolution during the last three year was passed through Postal Ballot. In the current year also no Resolution was proposed to be passed through Postal Ballot.

Disclosures

I. Related Party Transactions

All the transactions undertaken with the related parties as defined under the Companies Act, 2013 and Regulation 23(3) of the SEBI Listing Regulations during the financial year are in the ordinary course of business and are on arm's length basis and do not attract the provisions of Section 188 of the Companies Act, 2013. There were no materially significant transactions with Related Parties during the financial year which were in conflict with interest of the company. Suitable disclosure as required by the Accounting Standards has been made in the notes to the financial statements.

The Board of Directors has approved a policy for Related Party Transactions and the Policy is available on the Company's website. **www.hbstockholdings.com**

II. There were no materially significant Related Party Transactions, pecuniary transactions or relationships other than those disclosed in the financial statements for the year ended 31-03-2018 (Refer Notes to Accounts – No.22.1) forming part of the Balance Sheet & Statement of Profit & Loss). Accordingly the same have not been reproduced here.

III. No monetary penalty has been imposed on the Company or its officials or any strictures / comments have been passed by the Stock Exchange(s) or any other Statutory Regulatory Authority in any matter related to listing compliance(s) or Capital Market during the last year(s).

IV. The company has adopted a Code of Conduct applicable to all the Directors and Senior Management personnel of the company and the same is available on the company's website **www.hbstockholdings.com**. During the year under review, all Directors and Senior

Management personnel have confirmed their adherence to the provisions of said Code. A declaration under Reg 26(3) of SEBI Listing Reg 2015 to this effect on behalf of all the directors of the Company has been furnished by Mr. Anil Goyal, Director of the Company and the same is given at the end of Corporate Governance Report.

V. Risk assessment and minimisation procedures are in existence and are reviewed periodically.

VI. Mount Finance Limited, a Wholly Owned subsidiary company does not fall under 'Material Non Listed Subsidiary' in terms of Regulation 24 of the SEBI Listing Regulations 2015. However, the Financial Results and the Investments made by it, if any, are regularly placed before the Audit Committee Meeting and the Board of Directors of the Company for their review. A Policy for Material Subsidiary Company has been formed and the same has been hosted on the Company's web site at **www.hbstockholdings.com**

VII. The Mr. Anil Goyal, Director, and Mr. Mahesh Gupta, the CFO has given their Certification on the review of financial statements, including cash flow, for the year ended 31.03.2018 to the Board of Directors.

VIII. The Company has been compliant with all the relevant Regulations of SEBI (LODR) Regulations, 2015, in regard to the appointment of Compliance Officer, Appointment of Registrar and Share Transfer Agent, preservation of documents etc. The Company executed fresh Listing Agreement prescribed by the respective(s) Stock Exchanges, filed and fulfilled all the Listing requirements,' filing all relevant information(s) and documents with Stock Exchanges. An effective grievance redressal mechanism is presently inforce. The Company made payment of Listing fees and other relevant charges to stock exchanges and two depositories. Further, all mandatory requirements under Regulation 27 of SEBI Listing Regulations (relating to Corporate Governance norms) are being adhered to / complied with and has been adopted by the company.

Means of Communication

I. Quarterly Unaudited Financial Results and Annual Audited Results are disseminated soon after the conclusion of the Board Meeting through uploading on the Stock Exchange website and also through uploading on Company's website and through publication of financial results in Newspapers as per Regulation 33 of the SEBI Listing Regulations, 2015.

II. Duly adopted Results are normally published in Newspapers, Business Standard, English edition; circulated in whole of India and Business Standard Hindi Edition, circulated in the vicinity of the Regd. Office of the Company

III. Results (Unaudited & Audited) are promptly uploaded on Company's web site at **www.hbstockholdings.com** for display and for the information of the investors and members of the company.

IV. Website maintained by the Company interalia displays all Press Releases which were sent to the Stock Exchange(s) and also other important information sent to Stock Exchange(s). As per SEBI Listing Regulations, no presentations were made to institutional investor's or to analysist.

SHARE HOLDERS INFORMATION:

I. Ensuing Annual General Meeting, Day Date, time and venue:

Day and Date	Time	Venue
Thursday, 27th September 2018	11.00 A. M.	GIA House, I.D.C., Mehrauli Road, Opp. Sector 14, Gurugram- 122 001 (Haryana)

II. Financial Year : 1st April 2017 - 31st March 2018

III. **Date of Book Closure: 22nd September, 2018 to 27th September, 2018 (both days inclusive)**

IV. Dividend Payment Date: Not Applicable

V. Listing on Stock Exchange(s)

- BSE Ltd., Mumbai
- National Stock Exchange of India Ltd. Mumbai.

The Company paid Listing fee to both the Stock Exchanges on time.

VI. Stock Code

The Company's Scrip Code is as follows:

BSE , Mumbai **532216**

NSE, Mumbai **HBSTOCK**

VII. Dematerialisation of Share and Liquidity

The trading in the Equity Shares of the Company has come under compulsory dematerialisation w.e.f. 27th November 2000 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) enabling their members and Investors for D materialisation of the Equity shares of the Company.

VIII The trading in the Equity Shares of the Company was suspended by the BSE and NSE Stock Exchange(s) on 9th March 2018 upon fixing the Record date on 12th March 2018 for implementing the Scheme of Arrangement approved by the National Company Law Tribunal, Chandigarh Bench.

IX. SEBI vide its Circular no: IMD/FPIC/CIR/P/2018/61 dated April 3, 2018 has issued guidelines for Monitoring of Foreign Investment limits in listed Indian Companies to ensure Compliance with the various foreign investments limits and put in place a system for monitoring the limits. The Company in consultation of RTA has designated National Securities Depository Limited (NSDL) as the Monitoring Agency for the Company's Shareholding pattern in foreign Investment by various type of shareholders to put in place the infrastructure and IT system to disseminate the timely information to RBI and other SEBI designated regulator(s) for Monitoring. The system was to become Operational form 15th May 2018 but as per recent directives of NSDL the same has been postponed to 1st June 2018.

X. In order to reorganise the existing structure of business of the company, a Scheme of Arrangement was filed in Hon'ble Punjab & Haryana High Court at Chandigarh which was later shifted / transferred to Hon'ble National Company Law Tribunal, (NCLT) Bench at Chandigarh. The Scheme was sanctioned by NCLT Bench on 22nd December 2017. A certified copy of the NCLT Order was filed in ROC New Delhi and the Scheme become effective / operational from 30th January 2018. In order to implement the Scheme, the Company fixed the Record Date on 12th March 2018. A Capital Restructuring Committee (CRC) meeting allotted 71,37,665 Equity Shares to the Shares holders on account of Restructure and Reorganisation of existing Share Capital of the Company on 17th March 2018.

XI. The Company applied to BSE and NSE the Stock Exchange(s) for obtaining Listing Approval of 71,37,665 Equity Share Capital issued on account of Restructurings and Reorganisation of Capital and completed various formalities. Listing Approval was received from BSE on 22nd May 2018 and from NSE on 24th May 2018. The Company was in the process of dispatching the physical Share Certificate to the shareholders and a request for Corporate Action shall be submitted to NSDL and CDSL for crediting the Shares in the Electronic form to the beneficiaries of the Demat Shareholders of the Company.

XII. The ISIN No. allotted to Equity Shares of the Company is **INE550B01014**. As on 31-03-2018; **60,18,656 Equity Shares** constituting **84.32%** of the Company's Subscribed and Paid up Share Capital are held in dematerialised form.

XIII. Share Market Price: Monthly data of High, Low and Close price of Company's Equity Shares and Volume of shares traded during each month in the last financial year at BSE & NSE are as under:

Month(s)	BSE				NSE			
	High	Low	Close	Volume	High	Low	Close	Volume
Apr-17	26.40	16.30	23.60	5,07,807	26.30	16.05	23.60	9,90,691
May-17	30.75	21.95	28.05	6,54,494	30.45	22.00	28.15	13,44,898
Jun-17	31.50	25.55	26.00	1,86,151	31.45	25.25	26.00	2,76,820
Jul-17	28.00	24.85	26.15	1,10,829	28.45	25.00	26.35	1,58,456
Aug-17	27.00	22.20	24.00	1,12,557	27.25	22.55	24.00	1,31,751
Sep-17	26.75	22.25	25.80	1,51,964	26.95	22.25	25.65	2,82,783
Oct-17	45.90	26.00	32.85	7,70,137	45.95	25.65	32.80	17,18,687
Nov-17	43.75	28.10	40.45	15,43,748	44.00	28.20	40.20	35,51,439
Dec-17	56.35	34.85	50.30	18,40,226	56.35	34.65	50.05	56,35,124
Jan-18	58.75	44.25	48.95	8,61,439	49.10	44.50	49.50	31,97,817
Feb-18	51.80	39.10	41.95	6,91,694	51.95	37.35	41.55	22,53,018
Mar-18	42.70	33.00	33.45	1,06,834	42.55	32.90	33.30	3,94,457

XIV The Distribution of shareholders of the company as on 31st March 2018 is as under:

No of Shares	Shareholder(s)		Shareholding(s)	
	Nos.	% to total	Shares	% to total
1-500	69813	98.99	22,23,236	31.15
501-1000	392	0.56	2,65,622	3.72
1001-2000	190	0.27	2,64,453	3.71
2001-3000	58	0.08	1,48,511	2.08
3001-4000	15	0.02	53,065	0.74
4001-5000	20	0.03	89,560	1.26
5001-10000	22	0.03	1,66,476	2.33
10001 and above	16	0.02	39,26,742	55.01
TOTAL	**70,526**	**100.00**	**71,37,665**	**100.00**

The category-wise distribution of Company's Shareholding as on 31st March, 2018 is as follows:

Category	No. of folios	No of Shares held	% of Shareholdings
A. PROMOTERS HOLDING			
➢ Indian Promoter	07	3798335	53.22
➢ Foreign Promoters	00	0	0.00
B. PUBLIC SHAREHOLDING			
➢ Mutual funds	08	2580	0.04
➢ Foreign Institution Portfolios	01	10505	0.15
➢ FI/ Banks	03	87	0.00
➢ Central Govt./ State/ President of India	00	0	0.00
➢ NBFC	01	30	0.00
➢ Employee Trust	0	0	0.00
➢ Bodies Corporate	216	141652	1.98
➢ Clearing Members	77	38511	0.54
➢ NRI	636	114247	1.60
➢ Trust	1	15	0.00
➢ Indian Public (having Nominal Capital upto Rs. 2.00 Lakhs)	69574	3001087	42.04
➢ Indian Public (having Nominal Capital over Rs. 2.00 Lakhs)	1	30616	0.43
GRAND TOTAL	**70,525**	**71,37,665**	**100.00**

XV The Company has not issued any GDR's / ADR's / Warrants or any other such instruments outstanding for Conversion into Equity Shares.

XVI Sh. Anil Kumar Mittal-Company Secretary is the Compliance officer of the Company.

XVII Registrar and Share Transfer Agent of the Company for Correspondence:

RCMC Share Registry Pvt. Ltd.,
B-25/1, First Floor,
Okhla Industrial Area, Phase II
New Delhi 110 020
Phones: -011-26387320, 26387321,
Fax : - 011- 26387322
E-mail:- investor.services @ rcmcdelhi.com
Web site: http:// www.rcmcdelhi.com

(XVIII) Company's Address for Correspondence:
The Company Secretary
HB Stockholdings Ltd.
CIN L65929HR1985PLC033936
"HB House" Plot No: 31,
Echelon Institutional Area
Sector-32, Gurugram- 122 001 **(Haryana)**
Phone: 0124-4675500
Fax: 0124-4370985
Email: corporate@hbstockholdings.com
website: www.hbstockholdings.com

DIRECTOR'S DECLARATION ON CODE OF BUSINESS CONDUCT

TO
THE MEMBERS OF
HB STOCKHOLDINGS LIMITED
GURUGRAM

As provided under Regulation 26(3) of the SEBI Listing Regulation 2015 with the Stock Exchange(s) I, Anil Goyal, 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 the year ended 31st March 2018.

FOR HB STOCKHOLDINGS LTD
Sd/-
ANIL GOYAL
DIRECTOR
DIN 00001938

Place: Gurugram
Date: 25th May 2018

AUDITORS' CERTIFICATE OF CORPORATE GOVERNANCE

TO THE MEMBERS OF
HB STOCKHOLDINGS LTD
GURUGRAM

1. We have examined the compliance of conditions of Corporate Governance by **HB STOCKHOLDINGS LIMITED** ("the Company"), for the year ended on March 31, 2018, as stipulated in Regulation 17 to 27 and chapter IV clause (b) to (i) of sub-regulation (2) of Regulation 46 and Paragraphs C, D and E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") pursuant to the Listing Agreement entered into by the Company with the Stock Exchange(s).

2. The Compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company with the stock exchange.

3. We have examined the relevant records of the Company in accordance with the Generally Accepted Auditing Standards in India, to the extent relevant, and as per the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India.

4. In our opinion and to the best of our information and according to our examination of the relevant records and the explanations given to us and 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 the Listing Agreement of the said Company.

5. We state that such Compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

FOR G C AGARWAL & ASSOCIATES,
CHARTERED ACCOUNTANTS
FIRM REGISTRATION NO.: 017851N

Sd/-
G C AGARWAL
PROPRIETOR
Membership No.: 083820

Place : Gurugram
Date : 25th May, 2018

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF
HB STOCKHOLDINGS LIMITED

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **HB STOCKHOLDINGS LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss and the 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 the 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 Standalone 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 Standalone financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. 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 Standalone 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 31 March 2018 and its loss 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, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A, a statement on the matters specified in the paragraph 3 and 4 of the Order.
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 31 March 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2018 from being appointed as a director in terms of Section 164 (2) of the Act;
   (f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and
   (g) 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 has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 33 to the financial statements;
      ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
      iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

FOR G C AGARWAL & ASSOCIATES
CHARTERED ACCOUNTANTS
FIRM REGISTRATION NO.: 017851N

Sd/-
(G C AGARWAL)
PROPRIETOR
(Membership No. 083820)

PLACE : Gurugram
DATED : 25/05/2018

Annexure – A to the Auditors' Report

The annexure referred to in Independent Auditor's Report to the members of the company on the standalone financial statements for the year ended on 31st March,2018, We Report that:

1. a. The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets;
   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.
   c. The Company does not have any immovable property.
2. As explained to us, inventories (Investments) have been physically verified by the management at reasonable intervals during the year. As explained to us the discrepancies noticed on physical verification of inventory as compared to the book records were not material.
3. a. As explained to us, the Company has not granted any loans, secured or unsecured to Companies, firms, Limited Liability Partnership or other parties covered in the register maintained under Section 189 of the Companies Act, 2013.
4. In our opinion and according to the information and explanations given to us, the company has complied with the provision of section 185 and 186 of the Act, with respect to the loans and investment made, to the extent applicable to the Company. As per the information and explanation given to us, the Company has not given any guarantee or provided any security in connection with a loan to any other body corporate or person.
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, Service Tax, Customs Duty, Excise Duty, Value added 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 except for nonpayment of installments of advance tax. 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, 2018 for a period of more than six months from the date of becoming payable.
   b. The disputed statutory dues aggregating to ₹ 23,33,585/- that have not been deposited on account of matters pending before appropriate authorities are as under:

Sr. No.	Name of the statute	A.Y.	Nature of the Dues	Forum where Dispute is pending	Amount (₹)
1.	Income Tax Act, 1961	2007-08	Income Tax	Income Tax Appellant Tribunal	18,59,100/-
2.	Income Tax Act, 1961	2008-09	Income Tax	Assessing officer	1,73,453/-
3.	Income Tax Act, 1961	2005-06	Income Tax	Commissioner of Income Tax (Appeal)	3,01,032/-
				TOTAL	23,33,585/-

8. In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of loan/ borrowing from bank. The Company does not have any loans or borrowings from any financial institution, government or debenture holders during the year.
9. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments). The term loans (vehicle loan) were utilized for the purpose for which they were obtained.

10. In our opinion and according to the information and explanation given to us, no fraud by the company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
11. According to the information and explanations given to us and based on our examination of the record of the Company, the Company has not paid/ provided for managerial remuneration during the year.
12. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the order is not applicable.
13. According to the information and explanations given to us and based on or examinations of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transaction have been disclosed in the financial statements as required by the applicable accounting standards.
14. According to the information and explanations given to us and based on our examination of the record of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
15. According to the information and explanations given to us and based on our examination of the record of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the order is not applicable.
16. The Company is required to be registered under section 45-IA of the Reserve bank of India Act, 1934 and such registration has been obtained by the Company.

FOR G C AGARWAL & ASSOCIATES
CHARTERED ACCOUNTANTS
FIRM REGISTRATION NO.: 017851N

Sd/-
(G C AGARWAL)
PROPRIETOR
(Membership No. 083820)

PLACE : Gurugram
DATED : 25/05/2018

Annexure – B to the Auditors' Report

Report on the Internal Financial Control under clause (i) of sub section 3 of section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of HB Stockholdings Limited ("the Company") as of 31 March 2018 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

FOR G C AGARWAL & ASSOCIATES
CHARTERED ACCOUNTANTS
FIRM REGISTRATION NO.: 017851N

Sd/-
(G C AGARWAL)
PROPRIETOR
(Membership No. 083820)

PLACE : Gurugram
DATED : 25/05/2018

BALANCE SHEET AS AT 31ST MARCH, 2018

Particulars	Note(s)	AS AT 31st March 2018 (In ₹)	AS AT 31st March 2017 (In ₹)
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	2	**76808293**	243353823
Reserves and Surplus	3	**369142045**	1223356996
		445950338	1466710819
Non-Current Liabilities			
Long Term Borrowings	4	**6203145**	0
Long Term Provisions	5	**464197**	35989950
		6667342	35989950
Current Liabilities			
Other Current Liabilities	6	**248943588**	3839785
Short Term Provisions	7	**44663426**	29041300
		293607014	32881085
		746224694	1535581854
ASSETS			
Non-Current Assets			
Fixed Assets			
Tangible assets	8	**12100263**	1882227
Non-current investments	9	**8300060**	953916333
Long term loans and advances	10	**34546380**	34676784
		54946703	990475344
Current Assets			
Current investments	9	**235182823**	140439895
Cash and Bank Balances	11	**9738839**	44303523
Short-Term Loans and Advances	12	**430590020**	353145585
Other Current Asssets	13	**15766309**	7217506
		691277991	545106510
		746224694	1535581854
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 of even date

FOR G C AGARWAL & ASSOCIATES
CHARTERED ACCOUNTANTS
FRN : 017851N

For and on behalf of the Board

G C AGARWAL	**ANIL GOYAL**	**LALIT BHASIN**
Proprietor	**Director**	**Chairman**
Membership No.: 083820	**DIN 00001938**	**DIN 00002114**
Place : Gurugram	**ANIL KUMAR MITTAL**	**MAHESH KUMAR GUPTA**
Date : 25th May, 2018	**Company Secretary**	**Chief Financial Officer**

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED AT 31ST MARCH, 2018

Particulars	Note(s)	Year Ended 31st March, 2018 (In ₹)	Year Ended 31st March, 2017 (In ₹)
Revenue from operations	14	**20034559**	149715800
Other Income	15	**260208**	2057178
Total Revenue		**20294767**	151772978
Expenses:			
Employee Benefit Expense	16	**5618913**	14650062
Depreciation	8	**1546820**	598555
Finance Cost	17	**441544**	0
Other Expenses	18	**13012833**	16546208
Contingent Provision against Standard Assets		**486679**	91792
Total Expenses		**21106789**	31886617
Profit/(Loss) for the year before Tax		**(812022)**	119886361
Tax expense:			
Current tax		**4200000**	13700000
Tax adjustments for earlier years		**(1081)**	(22798)
Profit/(Loss) for the year after Tax		**(5010941)**	106209159
Exceptional Items		**0**	0
Profit/(Loss) after Tax and Exceptional Items		**(5010941)**	106209159
Earning per equity share:	29		
Equity share of Par value ₹ 10/-each			
Basic and Diluted		**(0.70)**	4.46
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 of even date

FOR G C AGARWAL & ASSOCIATES
CHARTERED ACCOUNTANTS
FRN : 017851N

For and on behalf of the Board

G C AGARWAL	**ANIL GOYAL**	**LALIT BHASIN**
Proprietor	**Director**	**Chairman**
Membership No.: 083820	**DIN 00001938**	**DIN 00002114**
Place : Gurugram	**ANIL KUMAR MITTAL**	**MAHESH KUMAR GUPTA**
Date : 25th May, 2018	**Company Secretary**	**Chief Financial Officer**

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2018

Particulars	(Amount in ₹) Year Ended 31st March, 2018	(Amount in ₹) Year Ended 31st March, 2017
A) CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax	**(812022)**	119886361
Adjustment for :		
Depreciation	**1546820**	598555
Contingent Provision against Standard Assets	**486679**	91792
Interest income on FDR	**0**	(2057178)
Operating Profit before Working Capital Changes	**1221477**	118519530
Adjustment for :		
Trade, other Receivables and loans & advances	**(85304040)**	33519475
Investments	**(70066868)**	(115305580)
Current and Non-current Liabilities	**125690416**	(1508625)
Cash Generated from operation	**(28459014)**	35224802
Income tax paid	**534919**	(4656840)
Net Cash from Operating Activities	**(28993933)**	30567962
B) CASH FLOW FROM INVESTMENTS ACTIVITIES		
Purchase of Fixed Assets	**(11764856)**	0
Interest income of FDR	**0**	2057178
Net Cash used in Investing Activities	**(11764856)**	2057178
C) CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds / Repayment of Long Term Borrowing	**6203145**	0
Net Cash used in Financing Activities	**6203145**	0
Net Increase in Cash & Cash Equivalents (A+B+C)	**(34555644)**	32625140
Cash and Cash Equivalents (Opening Balance)	**41928640**	9303500
Cash and Cash Equivalents (Closing Balance)	**7372996**	41928640
Components of cash and cash equivalents at the end of the year		
Balances with Banks		
-In Current and Deposit accounts	**6835764**	21421050
- Cheques / Drafts on hand	**0**	20000000
Cash-on-Hand	**537232**	507590
	7372996	41928640

The accompanying notes form an integral part of the Standalone Financial Statements
As per our Report of even date

FOR G C AGARWAL & ASSOCIATES
CHARTERED ACCOUNTANTS
FRN : 017851N

For and on behalf of the Board

G C AGARWAL	**ANIL GOYAL**	**LALIT BHASIN**
Proprietor	**Director**	**Chairman**
Membership No.: 083820	**DIN 00001938**	**DIN 00002114**
Place : Gurugram	**ANIL KUMAR MITTAL**	**MAHESH KUMAR GUPTA**
Date : 25th May, 2018	**Company Secretary**	**Chief Financial Officer**

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2018

COMPANY OVER VIEW

The Company is public limited company incorporated and domiciled in India having its registered office at Gurgaon,India. The Company is a Non-banking financial company- Non-Systemically important Non-Deposit taking Company registered with Reserve Bank of India.

1. SIGNIFICANT ACCOUNTING POLICIES

1.1 BASIS OF PREPRATION 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 Rule7of 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.

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.

1.3.2 Shares/Securities are capitalised at cost inclusive of brokerage, Service Tax, Education Cess.

1.3.3 Provision for loss in respect of Open Equity Derivative Instrument as at the Balance Sheet date is made Index-wise/Scrip-wise. As a matter of prudence, any anticipated profit is ignored.

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 Investments are classified into Current Investments and Non current/Long Term Investments.

1.6.2 Current Investments are valued at lower of cost or fair market value on category wise basis. Non current/Long Term Investments are valued at cost less other than temporary diminution, if any, on scrip wise basis. Provision for reduction/diminution in the value of Investments and reversal of such reduction/ diminution are included in the Profit & Loss Account. For the purpose of disclosure and presentation in the financial statements, and in compliance with Non- Banking Financial Company- Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions,2016:-

(a) on the assets side, investments are shown at cost;

(b) the diminution/depreciation is shown correspondingly under the head "Provisions"(Short term/Long term) in the liabilities side in the Balance Sheet without showing it as deduction from the value of Investments.

1.6.3 Cost of investments is computed using the Weighted Average Method.

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 Statement of Profit & Loss of the year in which they are incurred.

1.7.3 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 Statement of Profit & Loss. 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 Statement of Profit & Loss 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 2018

2. SHARE CAPITAL

Particulars	As at 31st March, 2018 (In ₹)	As at 31st March, 2017 (In ₹)
AUTHORIZED *		
2,50,00,000 (7,00,00,000) Equity Shares of ₹10/- each.	**250000000**	700000000
1,00,00,000 (3,00,00,000) Redeemable Preference Shares of ₹10/- each	**100000000**	300000000
	350000000	1000000000
ISSUED *		
87,88,704(2,54,43,257) Equity Shares of ₹10/- each.	**87887040**	254432570
	87887040	254432570
SUBSCRIBED & PAID UP		
71,37,665 (2,37,92,218) Equity Shares of ₹10/- each fully paid up.*	**71376650**	237922180
	71376650	237922180
Add: Forfeited shares- 16,51,039(16,51,039) Equity Shares (Amount originally paid up)	**5431643**	5431643
	76808293	243353823

-- 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.

-- Reconcilation of the number of shares outstanding and Amount of Share Capital as on 31st March, 2018 & 31st March,2017 is as under:

Particulars	As at 31st March, 2018		As at 31st March, 2017	
	No of shares	Amount (₹)	No of shares	Amount (₹)
Number of shares at the beginning	23792218	237922180	23792218	237922180
Less: Reorganisation of existing Share Capital	-23792218	-237922180	0	0
Add: Fresh shares issued pursuant to scheme of arrangement	7137665	71376650	0	0
Number of shares at the end*	**7137665**	**71376650**	**23792218**	**237922180**

-- Particulars of Shares in the company held by each shareholder holding more than 5% shares:

Name of shareholder	As at 31st March, 2018		As at 31st March, 2017	
	Number of shares held	% of holding	Number of shares held	% of holding
Delhi Iron & Steel Co. Pvt. Ltd.	**0**	**0**	1197402	5.03
Lalit Bhasin	**3678691**	**51.54**	12262307	51.54

* Pursuant to scheme of arrangement between the Company and HB Portfolio Ltd and HB Estate Developers Ltd,the issued and paid up equity share capital of the company was reduced by reducing the face value of the equity shares from Rs. 10/- fully paid up to Rs. 3/- each fully paid.

As a result, the issued and paid up equity share capital was reduced from Rs. 23,79,22,180 comprising of 2,37,92,218 shares of Rs. 10/- each to Rs. 7,13,76,654 comprising of 2,37,92,218 shares of Rs. 3/- each.

Simultaneously, 10 (Ten) equity shares of Rs. 3 each fully paid up stood consolidated into 3 (three) fully paid- up share of Rs. 10/- each resulting in 71,37,665 fully paid-up Equity Shares of Rs. 10/- each after ignoring fractional shares.

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. RESERVE AND SURPLUS

Particulars	As at 31st March, 2018 (In ₹)	As at 31st March, 2017 (In ₹)
Securities Premium Reserve-opening balance	**999689069**	999689069
Add: Addition during the year	**0**	0
Less: Business Reorganisation Reserve**	**(768925880)**	0
	230763189	999689069
Statutory Reserve -Opening balance *	**180016800**	158774968
Less: Pursuant to scheme of arrangement (From 01/04/2015 to 31/03/2017)	**(16055626)**	0
Add: Transferred from Surplus	**0**	21241832
	163961174	180016800
Surplus -opening balance	**43651127**	(41316200)
Less: Adjustment from 01.04.2015 to 31.03.2017 **	**(80278130)**	0
Add: Net Profit/(Loss) after tax transferred from Statement of Profit & Loss	**(5010941)**	106209159
	(41637944)	64892959
Add:: Adjusted to Statutory Reserve from 01.04.2015 to 31.03.2017**	**16055626**	0
Less:Transferred to Statutory Reserve for the year	**0**	21241832
Surplus-Closing balance	**(25582318)**	43651127
	369142045	1223356996

(*) Created by way of transfer of specified percentage of profits as per section 45IC 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.

** Pursuant to Scheme of Arrangement

4. LONG TERM BORROWINGS

Particulars	As at 31st March, 2018 (In ₹)		As at 31st March, 2017 (In ₹)	
Secured Loan	**Non-Current**	**Current**	**Non-Current**	**Current**
Term Loan From Bank*	**6203145**	**1610597**	0	0
(Secured against Hypothecation of Vehicle financed)				
	6203145	**1610597**	**0**	**0**

* The Loan taken are at Interest rate of 8.25%

- Maturity Profile of Secured Term Loan from banks are as under:				
	1-2 years	**2-3 years**	**3-4 years**	**4-5 years**
- Vehicle Loan from HDFC Bank	1742546	1885305	2039760	535534

5. LONG TERM PROVISIONS

Particulars	As at 31st March, 2018 (In ₹)	As at 31st March, 2017 (In ₹)
Provisions For Employee Benefits		
Leave encashment	**326011**	377986
Others		
Diminution in value of Long term/Non current Investments	**0**	35490595
Contingent provision against standard Assets	**138186**	121369
	464197	35989950

6. OTHER CURRENT LIABILITIES

Particulars	As at 31st March, 2018 (In ₹)	As at 31st March, 2017 (In ₹)
Unpaid Dividends *	**2365843**	2374884
Current Maturities of Long term Debt (Refer Note No. 4)	**1610597**	0
Expenses Payable	**1485260**	1371697
TDS Payable	**72854**	93204
Payable to HB Portfolio Ltd. pursuant to Scheme of Arrangement	**243409034**	0
	248943588	3839785

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

7. SHORT TERM PROVISIONS

Particulars	As at 31st March, 2018 (In ₹)	As at 31st March, 2017 (In ₹)
Provisions For Employee Benefits		
Leave encashment	**293375**	317173
Others		
Income Tax	**4200000**	13700000
Sub Standard & Doubtful Assets	**10000000**	10000000
Diminution in value of Current Investments	**28529892**	3853831
Contingent Provision against Standard Assets	**1640159**	1170296
	44663426	29041300

8. FIXED ASSETS

Sr. No	Particulars	Gross Block			Depreciation			Net Block	
		As at 01.04.2017	Addition during the year	As at 31.03.2018	up to 31.03.2017	For the year	Total up to 31.03.2018	As on 31.03.2018	As on 31.03.2017
	Tangible Assets								
1	Vehicles	6336277	11620346	17956623	4500238	1517385	6017623	11939000	1836039
2	Office Equipment	2045573	88800	2134373	2023369	10315	2033684	100689	22204
3	Data Processing Machine	499309	55710	555019	493186	13634	506820	48199	6123
4	Air conditioners	718555	0	718555	700694	5486	706180	12375	17861
	Total	**9599714**	**11764856**	**21364570**	**7717487**	**1546820**	**9264307**	**12100263**	**1882227**
	(Previous Year)	**9599714**	**0**	**9599714**	**7118932**	**598555**	**7717487**	**1882227**	**2480782**

9. INVESTMENTS

Name of the Company	Face Value	As at 31st March, 2018		As at 31st March, 2017	
	(₹)	Qty.(Nos.)	Amount in ₹	Qty.(Nos.)	Amount in ₹
NON CURRENT INVESTMENTS					
(LONG TERM INVESTMENTS)					
**A. TRADE INVESTMENTS (QUOTED) ** **					
INVESTMENT IN EQUITY INSTRUMENTS					
-FULLY PAID UP EQUITY SHARES					

Name of the Company	Face Value	As at 31st March, 2018		As at 31st March, 2017	
	(₹)	Qty.(Nos.)	Amount in ₹	Qty.(Nos.)	Amount in ₹
DCM SHRIRAM INDUSTRIES LIMITED	10	--	--	3894846	437339770
HB ESTATE DEVELOPERS LTD.	10	--	--	1465608	24900104
JAIPRAKASH ASSOCIATES LIMITED	2	--	--	4029367	36081316
RRB SECURITIES LIMITED *	10	--	--	100000	10000000
TOTAL (A) (TRADE INVESTMENTS)		**0**	**0**	**9489821**	**508321190**
B. NON TRADE INVESTMENTS (UNQUOTED)					
B.1 INVESTMENT IN EQUITY INSTRUMENTS					
-FULLY PAID UP EQUITY SHARES					
- IN WHOLLY OWNED SUBSIDIARY COMPANIES					
MOUNT FINANCE LIMITED	10	830006	8300060	830006	8300060
- IN ASSOCIATE COMPANIES **					
TAURUS ASSET MANAGEMENT CO LIMITED.	10	--	--	3406500	58815250
- IN OTHER COMPANIES **					
TAURUS INVESTMENT TRUST CO LIMITED	10	--	--	15430	155458
HB TELECOMMUNICATIONS LIMITED	10	--	--	100	1000
HB INSURANCE ADVISORS LIMITED	10	--	--	15000	150000
HARSAI INVESTMENTS LIMITED	10	--	--	200000	2000000
Q R PROPERTIES PVT LIMITED	10	--	--	4500	45000
SOVIKA AIRLINE SERVICES LIMITED	10	--	--	400000	12000000
HB PRIMA CAPITAL LIMITED	10	--	--	45000	1128375
-EQUITY SHARE APPLICATION**					
HB INSURANCE ADVISORS LTD	10	--	--	260000	2600000
TOTAL (B.1)		**830006**	**8300060**	**5176536**	**85195143**
B.2 INVESTMENT IN PREFERENCE SHARES **					
FULLY PAID-UP REDEEMABLE PREFERENCE SHARE (UN-QUOTED)					
HB ESTATE DEVELOPERS LTD.(9% NON CUMULATIVE)	100	--	--	750000	75000000
HB GROWTH FUND LIMITED (3% NON CUMULATIVE)	10	--	--	50000	500000
HB SECURITIES LIMITED (6% CUMULATIVE)	1000	--	--	10000	10000000
HB TELECOMMUNICATIONS LIMITED (3% NON CUMULATIVE)	10	--	--	40000	400000
GEMINI PORTFOLIOS PVT. LTD (9% NON CUMULATIVE)	100	--	--	500000	50000000
PREFERNCE SHARE APPLICATION (UNQUOTED)**					
HB GROWTH FUND LTD (9% NON CUMULATIVE)	100	--	--	685000	68500000
NARMADA CAPITAL SERVICES PVT LTD (9% CUMULATIVE)	100	--	--	435000	43500000
FALCON PORTFOLIO MANAGEMENT PVT LTD.(9% NON CUMULATIVE)	100	--	--	1125000	112500000
TOTAL (B.2)		**0**	**0**	**3595000**	**360400000**
TOTAL (B) (NON TRADE INVESTMENTS) (B.1+B.2)		**830006**	**8300060**	**8771536**	**445595143**
TOTAL (A+B)-NON CURRENT/LONG TERM INVESTMENTS		**830006**	**8300060**	**18261357**	**953916333**
** Transferred pursuant to Scheme of Arrangement					
CURRENT INVESTMENTS					
(A) INVESTMENTS IN EQUITY INSTRUMENTS					
a) QUOTED,FULLY PAID UP EQUITY SHARES					
AMRIT CORPORATION LIMITED	10	400	5600	400	5600
ARVIN LIQUID GASES LIMITED*	10	10000	182500	10000	182500
ASHOK LEYLAND LIMITED	1	200	7603	200	7603
BHARAT HOTELS LIMITED	10	300	6752	300	6752
CROMPTON GREAVES CONSUMER ELECTRICALS LIMITED	10	3815	757721	-----	-----
CIBA INDIA LIMITED	10	50	500	50	500
CLARIS LIFESCIENCE LIMITED	10	-----	-----	4000	1336520
COAL INDIA LIMITED	10	3250	995685	3250	995685
DWARIKESH SUGAR INDUSTRIES LTD.	1	72500	3985125	-----	-----
DEEPAK SPINNERS LIMITED	10	1000	107374	-----	-----
DOLPHIN OFFSHORE ENTERPRISES I LIMITED	10	10000	1166901	10000	1166901
DCM SHRIRAM LIMITED	2	54384	20684810	17500	3755450
EIH LTD.	2	46500	7801525	-----	-----
FOODS & INNS LIMITED	10	4540	7568534	-----	-----
GVK POWER & INFRA LTD.	1	25000	396040	-----	-----
HINDUSTAN ENGINEERING & INDS. LTD.*	10	108	147220	108	147220
HARYANA PETROCHEMICALS LIMITED*	10	9050	212192	9050	212192
HARYANA LEATHER CHEMICALS LTD.	10	31347	1686234	-----	-----
HB ESTATE DEVLOPERS LIMITED	10	125400	1500000	150000	1500000
HB LEASING & FINANCE CO LIMITED	10	43200	1186050	43200	1186050
HB PORTFOLIO LIMITED	10	60000	1000000	100000	1000000

Name of the Company	Face Value	As at 31st March, 2018		As at 31st March, 2017	
	(₹)	Qty.(Nos.)	Amount in ₹	Qty.(Nos.)	Amount in ₹
HIMACHAL FUTURISTIC COMMUNICATIONS LIMITED	1	200000	5165417		
HINDUSTAN OIL EXPPLORATION COMPANY LIMITED	10	216	25684	216	25684
HOTLINE GLASS LIMITED*	10	166382	552770	166382	552770
ICP SECURITIES LIMITED*	10	1800	18000	1800	18000
ISPAT PROFILES INDIA LIMITED*	10	10000	235020	10000	235020
IDFC BANK LTD	10	50000	2852880	-----	-----
INDRAPRASTHA GAS LTD.	2	27500	8923343	-----	-----
IST LIMITED	10	17890	18226757	-----	-----
JK PAPER LTD.	10	16015	1828744	-----	-----
JAI CORP LTD.	1	13000	1046979	-----	-----
JAI PRAKASH ASSOCIATES LTD.	2	3207671	74548621	-----	-----
JAYPEE INFRATECH LTD.	10	60000	1055476	-----	-----
JP POWER VENTURES LTD.	10	1650000	12473903	400000	2859983
KIRAN OVERSEAS EXPORTS LIMITED*	10	10000	335000	10000	335000
LCC INFOTECH LIMITED*	2	56300	387984	56300	387984
LT FOODS LIMITED	1	5000	481396	-----	-----
LUNAR DIAMONDS LIMITED*	10	21000	439065	21000	439065
MAWANA SUGARS LTD.	10	10000	885568	-----	-----
MERCATOR LTD.	1	50000	2150799	-----	-----
MMTC LIMITED	1	32500	1631832	50000	2510510
NMDC LIMITED	1	20000	2492643	20000	2492643
NAHAR CAPITAL AND FINANCIAL SERVICES LTD.	10	3000	461841	-----	-----
NAHAR POLYFILMS LIMITED	5	444	17643	444	17643
NBCC (INDIA) LIMITED	2	11000	2115935	-----	-----
NUCHEM LIMITED*	10	64755	168363	64755	168363
ORISSA EXTRUSIONS LIMITED*	10	10728	21456	10728	21456
ORINTAL BANK OF COMMERCE	10	100	12745	100	12745
OIL INDIA LTD.	10	3000	985983	3000	985983
OSWAL AGRO MILLS LTD.	10	30000	459399	-----	-----
PATHREJA FORGINGS LIMITED*	10	1000	19326	1000	19326
PETRONET LNG LTD.	10	34500	7474666	-----	-----
PRISM MILLS LIMITED*	10	10000	187500	10000	187500
PUNJAB WIRELESS LIMITED*	10	100	6100	100	6100
RAMA VISION LIMITED*	10	18300	553061	18300	553061
RELIANCE INDUSTRIES LTD.	10	2300	1161099	1100	1161099
RELIANCE HOME FINANCE LTD.	10	4	414	-----	-----
RELIANCE CAPITAL LIMITED	10	4	1496	4	1910
SAJJAN UDYOG EXPORTS LIMITED*	10	23600	590000	23600	590000
SAREGAMA INDIA LIMITED	10	5000	3640656	-----	-----
SAVANI FINANCIALS LIMITED*	10	7000	140000	7000	140000
SHREYANS INDUSTRIES LIMITED*	10	5600	96873	5600	96873
SATIN CREDITCARE NETWORKS LTD.	10	10000	4117284	-----	-----
SRI VASAVI INDUSTRIES LIMITED*	10	10890	584631	10890	584631
STEEL EXCHANGE OF INDIA LTD.	10	244	4060	121	4060
GLOBAL STONE INDIA LIMITED*	10	2000	34000	2000	34000
SUMMIT SECURITIES LTD.	10	2856	2767148	6	1494
UNITECH LTD.	2	1000000	9215661	-----	-----
U P HOTELS LIMITED*	10	45697	10209940	45697	10209940
VEDANTA LTD.	1	4250	978775	4250	978775
WELSPUN ENTERPRISES LIMITED	10	20000	3301967	-----	-----
TOTAL (a)		**7452690**	**234484268**	**1292451**	**37134591**
b) UNQUOTED,FULLY PAID UP EQUITY SHARES					
KESORAM TEXTILE LIMITED	10	172	4161	172	4161
TOTAL (b)		**172**	**4161**	**172**	**4161**
c) UNQUOTED PARTLY PAID UP EQUITY SHARES					
RATHI ALLOYS & STEELS LIMITED	10	46293	694395	46293	694395
TOTAL (c)		**46293**	**694395**	**46293**	**694395**
TOTAL- A (a+b+c)		**7499155**	**235182824**	**1338916**	**37833147**
(B) INVESTMENTS IN MUTUAL FUND					
UNQUOTED MUTUAL FUND- FULLY PAID UP					
RELIANCE LIQUID FUND- TRASURY PLAN- DAILY DIVIDEND	10	-----	-----	67119	102606748
TOTAL (B)		**0**	**0**	**67119**	**102606748**
TOTAL- CURRENT INVESTMENTS (A+B)		**7499155**	**235182823**	**1406035**	**140439895**

* Listed but not quoted

NOTES	Non Current/Long Term Investments		Current Investments	
	As at March 31, 2018	As at March 31, 2017	**As at March 31, 2018**	As at March 31, 2017
9.1 Aggregate Amount of Quoted Investments	**0**	508321190	**234484268**	37134591
9.2 Market Value of Quoted Investments	**0**	1285342467	**206652932**	33979315
9.3 Aggregate Amount of Unquoted Investments	**8300060**	445595143	**698555**	103305304
9.4 Aggregate Provision for Diminution in Value of Investments	**0**	35490595	**28529892**	3853831

9.5 Provision for diminution in the value of investments is charged in the statement of Profit & Loss and shown correspondingly under the head "Provisions" in the Balance sheet without showing it as deduction from the value of investments. This is being done in compliance with "Non-Banking Financial Company- Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions,2016. It has no impact on the Profit for the year and also on the net carried amount of the investments.The Net carrying value of investments are as under-

	Non Current/Long Term Investments		Current Investments	
	As at March 31, 2018	As at March 31, 2017	**As at March 31, 2018**	As at March 31, 2017
Gross Amount of Investments	**8300060**	953916333	**235182823**	140439895
Less: Provision for Diminution in the Value of Investments	**0**	35490595	**28529892**	3853831
Net Carrying Value	**8300060**	918425738	**206652932**	136586064

9.6 The Detail of Diminution in the value of Non-Current/Long Term Investments where the net Carrying Amount is other than at Cost (i.e at cost Less Provision for diminution other than temporary diminution) are as under:

Name of Investment	**Amount in ₹ As at March 31, 2018**	Amount in ₹ As at March 31, 2017
Equity Shares**		
RRB Securities Limited	**0**	8500000
HB Prima Capital Limited	**0**	1128375
HB Estate Developers Ltd.	**0**	9511220
HB Telecommunications Ltd	**0**	1000
HB Insurance Advisors Limited	**0**	150000
Sovika Airline Services Limited	**0**	11600000
Harsai Investments Limited	**0**	2000000
Equity Share Application**		
HB Insurance Advisors Ltd	**0**	2600000
Total	**0**	**35490595**

** Transferred pursuant to Scheme of Arrangement

10. LONG TERM LOANS AND ADVANCES

Particulars	**As at 31st March, 2018 (In ₹)**	As at 31st March, 2017 (In ₹)
(Unsecured,Considered Good, unless otherwise stated)-Standard		
Security Deposits *	**34546380**	34676784
	34546380	34676784

*Includes Rental Deposits given to related Party namely HB Estate Developers Ltd. ₹ 3,45,00,000/- (Previous Year ₹ 3,45,00,000/-). Also refer to Note no. 22

11. CASH AND BANK BALANCES

Particulars	**As at 31st March, 2018 (In ₹)**	As at 31st March, 2017 (In ₹)
Cash & Cash equivalents		
Balances with Banks		
-In Current Accounts	**6835764**	21421050
- Cheques / Drafts on hand	**0**	20000000
Cash-on-Hand	**537232**	507590
Other Bank balances		
- In Earmarked Unpaid Dividend Account	**2365843**	2374884
	9738839	44303523

12. SHORT TERM LOANS AND ADVANCES

Particulars	**As at 31st March, 2018 (In ₹)**	As at 31st March, 2017 (In ₹)
Unsecured,Considered Good,Unless otherwise stated:		
Advance to Related Parties*	**17789712**	620397
Others		
Inter Corporate Loans/advances & Deposits (including loans to LLPs) - Standard	**392250000**	333750000
Inter Corporate Loans & Deposits -Doubtful	**10000000**	10000000
Recoverable From Staff	**45000**	45000
Prepaid Expenses	**1727598**	324513
Income Tax/Tax deducted at source	**8777710**	8405675
	430590020	353145585

* To RRB Master Securities (Delhi) Ltd.-Also Refer to Note No. 22

13. OTHER CURRENT ASSETS

Particulars	**As at 31st March, 2018 (In ₹)**	As at 31st March, 2017 (In ₹)
Interest accured on loans / Inter Corporate Deposits	**11551860**	7217506
Receivable from HB Estate Developers Ltd. Pursuant to scheme of arrangement	**4214449**	0
	15766309	7217506

14. REVENUE FROM OPERATIONS

Particulars	For the Year ended 31st March, 2018 (In ₹)	For the Year ended 31st March, 2017 (In ₹)
Profit/(Loss) in Securities dealing/Equity derivative trading	**(2130685)**	301192
Profit/(Loss) on sale/disposal of investments (1)	**1342178**	52474152
Provision for diminution in value of investments written back/(made) (2)	**(24676062)**	30876551
Interest on Loans / Inter Corporate Deposit (Tax deducted at Source ₹ 40,73,509/-(Previous Year ₹ 38,73,921/-)	**41814989**	37659199
Dividend Income (Gross) (3)	**3684139**	28404706
	20034559	149715800

The Company,being an Investment and Finance company,the Income from Investment and Finance activities are Operational Income.

(1) Profit/(Loss) on Sale/Disposal of Investments includes Loss of ₹ 13,42,178 /- (Previous Year Loss ₹ 1,86,79,565/-) on Current Investments and Profit of ₹ NIL/- (Previous Year Profit ₹ 7,11,53,717/-) on Non current/Long Term Investments.

(2) Provision for diminution in value of Investments written back/made include ₹ NIL/- (previous year ₹ 64,62,026/-written back) in respect of Non Current/Long Term Investments and ₹ 2,46,76,062/- provision made (Previous Year provision written back ₹ 2,44,14,525/-) in respect of Current Investments .

(3) Dividend Income includes ₹ NIL/- (Previous Year ₹ 2,80,15,575/-) on Long Term/ Non current Investments and ₹ 36,84,139/-(Previous year ₹ 3,89,131/-) on Current Investments.

15. OTHER INCOME

Particulars	For the Year ended 31st March, 2018 (In ₹)	For the Year ended 31st March, 2017 (In ₹)
Interest Income on Fixed Deposit with Bank (Gross)	**0**	2057178
Interest from Income Tax Refund	**260208**	0
	260208	2057178

16. EMPLOYEE BENEFIT EXPENSES

Particulars	For the Year ended 31st March, 2018 (In ₹)	For the Year ended 31st March, 2017 (In ₹)
Salaries and Benefits	**4995141**	11416211
Contribution to Provident fund and superannuation fund	**497909**	463864
Gratuity	**0**	2631945
Staff welfare	**125863**	138042
	5618913	14650062

17. FINANCE COST

Particulars	For the Year ended 31st March, 2018 (In ₹)	For the Year ended 31st March, 2017 (In ₹)
Interest Expenses	**441544**	0
	441544	0

18. OTHER EXPENSES

Particulars	For the Year ended 31st March, 2018 (In ₹)		For the Year ended 31st March, 2017 (In ₹)	
Rent/Facility Charges		**1252639**		1259539
Vehicle Running and Maintenance		**970114**		973476
Insurance		**76563**		84573
Communication		**736759**		1699661
CSR Expenses		**431000**		0
Travelling and Conveyance		**2485117**		2599778
Printing and Stationery		**1268682**		3127065
Office Repairs and Maintenance		**163572**		177576
Depository and custodial		**200658**		135715
Subscription and Membership		**244160**		255787
Legal and Professional		**1454387**		3311469
Advertisement & Publicity		**329570**		354287
Listing Fees		**518516**		458000
Business Promotion		**1226878**		909733
Miscellaneous		**942423**		241963
Auditors Remuneration				
-Audit Fees	**16500**		172500	
-Tax Audit Fees	**0**		28750	
-Limited Review Reports	**30000**		34500	
- Income Tax matters	**25000**		40250	
- Certification and others	**43125**	**263125**	81377	357377
Directors Sitting Fees		**448670**		600209
		13012833		16546208

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

CONTINGENT LIABILITIES

Income Tax demand disputed ₹ 46,08,665/-(Previous year ₹ 81,62,724/-) against which appeals are pending with appropriate authorities and in respect of which the management is confident that appeals will be decided in favour of the company.

20 SCHEME OF ARRANGEMENT

The Company entered into a Composite Scheme of Arrangement (the Scheme) with HB Portfolio Ltd. and HB Estate Developers Ltd.. The said scheme of arrangement has been sanctioned / approved by Hon'ble National Company Law Tribunal, Chandigarh bench, Chandigarh (hereinafter referred to as the Hon'ble NCLT) vide its order dated 22-12-2017. Pursuant to said Scheme of arrangement, the long term equity undertaking of the company namely "HBSL Long Term Equity Undertaking" stands transferred to and vested in HB Portfolio Ltd. with all the rights, titles, interests, duties and liabilities pertaining to the undertaking with effect from the appointed date of April 1, 2015.

Further, the preference shares investment undertaking of the company namely "HBSL Preference Share Investment Undertaking" stands transferred to and vested in HB Estate Developers Ltd. with all the rights, titles, interests, duties and liabilities pertaining to the undertaking with effect from the appointed date of April 2, 2015. Certified copies of the order of the Hon'ble NCLT have been filed with the registrar of Companies, Delhi and Haryana and the scheme has become effective from 30.01.2018

a) Particulars of Assets and liabilities of long term equity undertaking of the company transferred to and vested in HB Portfolio Ltd.:-

Assets	Amount (in ₹)
Investments	62,58,00,439
Total	**62,58,00,439**
Liabilities	
Long Term Provisions	4,99,51,797
Other Liabilities	3,60,165
Total	**5,03,11,962**
Difference of assets over liabilities	**57,54,88,477**

In accordance with scheme of arrangement, the shareholders of the company will get 25 (Twenty five) equity shares of ₹ 10/- each fully paid up of HB Portfolio Ltd. for every 100 (one hundred) equity share held in the company.

b) Particulars of Assets and liabilities of Preference Share Investment undertaking of the company transferred to and vested in HB Estate Developers Ltd.:-

Assets	Amount (in ₹)
Investments	36,04,00,000
Total	**36,04,00,000**
Liabilities	
Other Liabilities	4,17,067
Total	**4,17,067**
Difference of assets over liabilities	**35,99,82,933**

In accordance with Scheme of Arrangement, the shareholders of the company will get 24 (Twenty four) equity shares of ₹ 10/- each fully paid up of HB Estate Developers Ltd. for every 100 (one hundred) equity share held in the company.

c) Pursuant to the Scheme, the difference of assets over liabilities after adjusting share capital account has been adjusted against Share Premium account.

21 QUANTITATIVE DETAILS

Quantitative information in respect of Investments in securities:

A. Non Current/Long Term Investments

EQUITY INSTRUMENTS

Particulars	Current Year		Previous Year	
	Qty. (Nos.)	Amount (₹)	Qty.(Nos.)	Amount (₹)
Opening Balance	**14666357**	**593516333**	14203626	615990613
Purchases/conversions	**0**	**0**	1839500	29003412
Sales/conversions/Transfer*	**13836351**	**585216273**	1376769	122631410
Closing Balance	**830006**	**8300060**	14666357	593516333

* Pursuant to Scheme of Arrangement

PREFERENCE SHARES

Particulars	Current Year		Previous Year	
	Qty. (Nos.)	Amount (₹)	Qty.(Nos.)	Amount (₹)
Opening Balance	**3595000**	**360400000**	3595000	360400000
Purchases/conversions	**0**	**0**	0	0
Sales/conversions/Transfer*	**3595000**	**360400000**	0	0
Closing Balance	**0**	**0**	3595000	360400000

* Pursuant to Scheme of Arrangement

B. CURRENT INVESTMENTS

EQUITY INSTRUMENTS

Particulars	Current Year		Previous Year	
	Qty. (Nos.)	Amount (₹)	Qty.(Nos.)	Amount (₹)
Opening Balance	**1338916**	**37833147**	2505869	33536588
Purchases/conversions	**6375681**	**235698453**	146897	24289974
Sales/conversions	**215442**	**39690955**	1313850	1313850
Closing Balance	**7499155**	**235182823**	1338916	37833147

MUTUAL FUNDS

Particulars	Current Year		Previous Year	
	Qty. (Nos.)	Amount (₹)	Qty.(Nos.)	Amount (₹)
Opening Balance	**67119**	**102606748**	0	0
Purchases/conversions	**34429**	**52633676**	68754	105106748
Sales/conversions	**101548**	**155240424**	1635	2500000
Closing Balance	**0**	**0**	67119	102606748

22 RELATED PARTY TRANSACTIONS

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

a) Key Managerial Personnel
   1. Shri Vijay Sood, (Managing Director upto 30.11.2016)
   2. Shri J.M.L.Suri, (Excecutive Director upto 31.05.2016)
   3 Shri Anil Kumar Mittal, Company Secretary
   4. Shri Mahesh Kumar Gupta, Chief Financial Officer

b) Person having control/significant influence /major shareholders
   1. Shri Lalit Bhasin

c) Enterprises over which control/significant influence exist of the relatives of persons mentioned in(c) above :-
   1. RRB Master Securities Delhi Ltd.

d) Enterprises under direct or indirect common control/significant influence:
   1. HB Portfolio Ltd.
   2 HB Estate Developers Ltd.
   3. HB Securities Ltd.(Subsidiary of HB Portfolio Ltd.)

22.2 Transactions during the financial year ended 31.03.2018 with related Parties as under.

Sr. No.	Particulars	Nature of Transaction	For the year ended 31.03.2018	For the year ended 31.03.2017
i	RRB Master Securities Delhi Ltd.	Advances given (net)	**17789712**	620397
		Margin / Advances paid & received back	**19300000**	10061650
		Purchase of Investment through them	**161028535**	21823056
		Sale of Investment through them	**37403826**	Nil
		Net Turnover of Derivative Trading	**2130685**	301192
		Receivable at the year end in respect of Loans & Advances	**17789712**	620397
ii	HB Estate Developers Ltd.	Rent/ Facility Charges Paid	**983964**	989714
		Receivable from HB Estate Developers Ltd. pursuant to scheme of arrangement	**4214449**	Nil
		Receivable at the year end in respect of Loans & Advances	**34500000**	34500000
iii	HB Portfolio Limited	Dividend Received	**Nil**	50000
		Payable to HB Portfolio Ltd. pursuant to scheme of arrangement	**243409034**	Nil
iv	HB Securities Ltd.	Depository Charges	**38140**	15490
v	Lalit Bhasin	Sitting Fees paid	**45000**	40000
vi	Vijay Sood	Remuneration & other services	**Nil**	8460712
vii	J.M.L Suri	Remuneration & other services	**Nil**	270771
viii	Anil Kumar Mittal	Remuneration & other services	**1217982**	1032080
ix	Mahesh Kumar Gupta	Remuneration & other services	**1741067**	1370261

23 SEGMENT REPORTING

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

24 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 Statement of Profit & Loss Account
	Amount (Rs.)	Amount (Rs.)	
Contribution to Provident Fund	**3,05,690/-**	3,28,864/-	Contribution to Provident fund and superannuation fund
Contribution to superannuation fund	**1,35,000/-**	1,35,000/-	Contribution to Provident fund and superannuation 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)	**23,75,649/-**	22,48,740/-	**6,95,159/-**	15,38,197/-
Interest Cost (B)	**1,84,113/-**	1,68,656/-	**53,875/-**	1,15,365/-
Current service cost (C)	**61,202/-**	1,34,617/-	**36,276/-**	43,200/-
Benefits paid (D)	**11,25,000/-**	27,02,885/-	**1,11,163/-**	7,76,868/-
Actuarial loss/ (gain) on obligation (E)	**(5,15,431/-)**	25,26,521/-	**(54,761/-)**	(2,24,735/-)
Present value of obligations as at the end of the year (F=A+B+C-D+E)	**9,80,533/-**	23,75,649/-	**6,19,386/-**	6,95,159/-

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

Particulars	Gratuity (Funded)		Leave (Unfunded)	
	Current Year	Previous Year	Current Year	Previous Year
Present value of obligation (A)	**9,80,533/-**	23,75,649/-	**6,19,386/-**	6,95,159/-
Estimated fair value of plan assets (B)	**15,33,143/-**	24,74,064/-	**Nil**	Nil
Net Liability (Assets) (C=A-B)	**(5,52,610/-)**	(98,415/-)	**6,19,386/-**	6,95,159/-
Amounts in the Balance Sheet				
Liabilities (Assets)	**5,52,610/-**	(98,415/-)	**6,19,386/-**	6,95,159/-
Amount charged to Statement of Profit & Loss				
Current Service Cost	**61,202/-**	1,34,617/-	**36,276/-**	43,200/-
Interest Cost	**1,84,113/-**	1,68,656/-	**53,875/-**	1,15,365/-
Expected Return on Plan Asset	**(1,91,740/-)**	(1,69,966/-)	**Nil**	Nil
Actuarial(Gain)/Loss	**(5,07,770/-)**	25,08,638/-	**(54,761/-)**	(2,24,735/-)
	(4,54,195/-)	26,41,945/-	**35,390/-**	(66170/-)
Head under which shown in the Profit & Loss account	Gratuity		Salary & benefits	

The Actual Return on Plan Assets is as follows

Particulars	Gratuity	
	Current Year	Previous Year
Actual return on plan assets	**1,91,740/-**	1,69,966/-

Following are the Principal Actuarial Assumptions used as at the balance sheet date

Particulars	Gratuity	
	Current Year	Previous Year
Discount Rate	**7.75%**	7.50%
Expected Rate of Return on Plan Assets	**7.75%**	7.50%
Salary Escalation Rate	**5%**	5%

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	**24,74,064/-**	22,66,215/-
i)	Expected Return on Plan Assets	**1,91,740/-**	1,69,966/-
ii)	Actuarial Gains / (Losses)	**(7,661/-)**	17,883/-
iii)	Contribution by the Employer	**Nil**	20,000/-
iv)	Benefits Paid	**11,25,000/-**	Nil
	Closing Fair Value of Plan Assets	**15,33,143/-**	24,74,064/-

25 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 ₹ 11,56,165/- (Previous Year ₹12,61,332/-)

Later than one year but not Later than five years ₹ 3,35,580/- (Previous Year ₹22,575/-)

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 2018 is ₹ 12,52,639/- (Previous Year ₹ 12,59,539/-).

c) General description of the lease arrangement.

The lease is for an initial period of 3 years, which may be renewal for further period as may be mutually agreed upon.

Restrictions imposed by 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.

26 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,2018 and 31st March,2017.

27 Disclosure pursuant to Accounting Standard AS-22 for accounting for taxes on Income: -

The company is having brought forward losses under the Income Tax Act. In the absence of virtual as well as reasonable certainty of the realization and on the consideration of prudence, credit for Deferred Tax Assets has not been recognised to comply with Accounting Standard AS-22.

28 Disclosure of Loans/Advances in the nature of loans in terms of provision of regulation 34 of the SEBI (Listing Obligation and Disclosure requirements) regulations, 2015 -

(Amount in ₹)

Sl. No.	Particulars	Outstanding Balance as on 31.03.2018	Max. Balance outstanding during the year	Outstanding Balance as on 31.03.2017	Max. Balance outstanding during the previous Year
i.	Loans & Advances in the nature of loans to subsidiary.	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 186 of the Companies Act,2013	Nil	Nil	Nil	Nil
iv.	Loans & Advances in the nature of loans to firms/companies in which directors are interested.	Nil	Nil	Nil	Nil
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** Nil	**Amount.** Nil	**No. of Shares** Nil	**Amount.** Nil

29 Earning per share pursuant to Accounting Standard (AS-20) "Earning Per Share".

Particulars	Current Year ₹	Previous Year ₹
Net Profit/(Loss) as Per Statement of Profit and Loss attributable to Equity Shareholders.	**(5010941)**	106209159
Earning Per Share (face value of ₹10 each)		
Weighted Average Nos. of Equity Share Outstanding	**7137665**	23792218
Basic and diluted Earning per share (₹)	**(0.70)**	4.46

30 Disclosure relating to outstanding derivative exposures in securities :-

a) Cash Margin amounting to ₹ 1,77,89,712 (Rs 6,20,397) on Equity Derivative instruments contracts has been paid and outstanding as at the end of previous year.

b) Detail of Open Interest in Equity Stock Futures Contracts as at the year-end 31.03.2018

Name of Equity Stock Future	No. of Contracts	Units(In Nos.) Long	Units(In Nos.) (Short)
J.P. Associates Limited	14	34000	Nil
	(1)	(68000)	(Nil)
ITC Limited	4	2400	(Nil)
	(Nil)	(Nil)	(Nil)

31 Dividend paid to Non-Resident Shareholders:- NIL (Previous Year- NIL)

32. Schedule as required in terms of Paragraph 18 of " Non-Banking Financial Company -Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016.

(₹ in lakhs)

Particulars	Amount outstanding	Amount overdue
LIABILITIES SIDE :		
(1) Loans and advances availed by the NBFCs inclusive of interest accrued thereon but not paid:		
(a) Debentures : Secured	Nil (Nil)	Nil (Nil)
: Unsecured (other than falling within the meaning of public deposits)	Nil (Nil)	Nil (Nil)
(b) Deferred Credits	Nil (Nil)	Nil (Nil)
(c) Term Loans	Nil (Nil)	Nil (Nil)
(d) Inter-corporate loans and borrowing	Nil (Nil)	Nil (Nil)
(e) Commercial Paper	Nil (Nil)	Nil (Nil)
(f) Public Deposits	Nil (Nil)	Nil (Nil)
(f) Other Loans (Vehicle Loan)	78.14 (Nil)	Nil (Nil)
(2) Break-up of(1) (f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid		
(a) In the form of Unsecured debentures	Nil (Nil)	Nil (Nil)
(b) In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	Nil (Nil)	Nil (Nil)
(c) Other public deposits	Nil (Nil)	Nil (Nil)

ASSETS SIDE :

(3)	**Break-up of Loans and Advances including bills receivables [other than those included in (4) below] :**	**Amount outstanding ***
	(a) Secured	Nil (Nil)
	(b) Unsecured	4579.11 (3766.34)

* Net of Provisions and includes security deposits etc

(4)	**Break up of Leased Assets and stock on hire and hypothecation loans counting towards AFC activities**	
	(i) Lease assets including lease rentals under sundry debtors :	
	(a) Financial lease	Nil (Nil)
	(b) Operating lease	Nil (Nil)
	(ii) Stock on hire including hire charges under sundry debtors:	
	(a) Assets on hire	Nil (Nil)
	(b) Repossessed Assets	Nil (Nil)
	(iii) Other loans counting towards AFC activities	
	(a) Loans where assets have been repossessed	Nil (Nil)
	(b) Loans other than (a) above	Nil (Nil)

Particulars		Amount outstanding *
(5)	**Break-up of Investments :**	-
	Current Investments	
	1. Quoted :	
	(i) Shares : (a) Equity	2344.84 (371.35)
	(b) Preference	Nil (Nil)
	(ii) Debentures and Bonds	Nil (Nil)
	(iii) Units of mutual funds	Nil (Nil)
	(iv) Government Securities	Nil (Nil)
	(v) Others (please specify)	Nil (Nil)
	2. Unquoted :	
	(i) Shares : (a) Equity	6.99 (6.99)
	(b) Preference	Nil (Nil)
	(ii) Debentures and Bonds	Nil (Nil)
	(iii) Units of mutual funds	Nil (1026.07)
	(iv) Government Securities	Nil (Nil)
	(v) Others (please specify)	Nil (Nil)
	Long Term investments	
	1. Quoted :	
	(i) Shares : (a) Equity	Nil (5083.81)
	(b) Preference	Nil (Nil)
	(ii) Debentures and Bonds	Nil (Nil)
	(iii) Units of mutual funds	Nil (Nil)
	(iv) Government Securities	Nil (Nil)
	(v) Others (please specify)	Nil (Nil)
	2. Unquoted :	
	(i) Shares : (a) Equity	83.00 (851.95)
	(b) Preference	Nil (3604.00)
	(ii) Debentures and Bonds	Nil (Nil)
	(iii) Units of mutual funds	Nil (Nil)
	(iv) Government Securities	Nil (Nil)
	(v) Others (please specify)	Nil (Nil)

(6) **Borrower group-wise classification of assets financed as in (3) and (4) above:**

Category	Amount net of provisions		
	Secured	**Unsecured**	**Total**
1. Related Parties			
(a) Subsidiaries	Nil (Nil)	Nil (Nil)	Nil (Nil)
(b) Companies in the same group	Nil (Nil)	522.90 (351.20)	522.90 (351.20)
(c) Other related parties	Nil (Nil)	Nil (Nil)	Nil (Nil)
2. Other than related parties	Nil (Nil)	4056.21 (3415.14)	4056.21 (3415.14)
Total	**Nil (Nil)**	**4579.11 (3766.34)**	**4579.11 (3766.34)**

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

Category	Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)
1. Related Parties		
(a) Subsidiaries	NIL (2.06)	83.00 (83.00)
(b) Companies in the same group*	74.55 (1053.69)	25.00 (1043.89)
(c) Other related parties	0.99 (1009.97)	0.99 (589.05)
2. Other than related parties	1990.99 (16774.70)	2040.54 (8834.18)
Total	**2066.53 (18840.42)**	**2149.53 (10550.12)**

(8) **Other information**

Particulars	Amount
(i) Gross Non-Performing Assets	100.00 (100.00)
(a) Related parties	Nil Nil
(b) Other than related parties	100.00 (100.00)
(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)

33 Litigation

The Company is in appeal in respect of various income tax matters.The Contingent liability in respect thereof is disclosed in note no. 19.Besides,in respect of appeals decided in favour of the company,the department is in appeals in certain cases.

In addition,the company is subject to legal proceedings and claims,which have arisen in the ordinary course of business.The Company's management does not reasonably expect that the above legal claims and proceedings, when ultimately concluded and decided will have a meterial and adverse effect on the company's results of operations or financial statements.

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

35 The Company is required to spent Rs.4,20,856/- (Previous year Rs. 4,21,756/-) on Corporate Social Responsibility(CSR) activities during the year. Amount spent during the year Rs. 4,31,000/- (Previous Year Rs. Nil/-).

36 The Previous year figures have been regrouped/reclassified,wherever necessary to confirm to the Current Year's presentation. Previous year figures are not strictly comparable with current year's figure due to effect of scheme of arrangement.

As per our Report attached on even date
FOR G C AGARWAL & ASSOCIATES
CHARTERED ACCOUNTANTS
FRN : 017851N

For and on behalf of the Board

G C AGARWAL	**ANIL GOYAL**	**LALIT BHASIN**
Proprietor	**Director**	**Chairman**
Membership No.: 083820	**DIN 00001938**	**DIN 00002114**
Place : Gurugram	**ANIL KUMAR MITTAL**	**MAHESH KUMAR GUPTA**
Date : 25th May, 2018	**Company Secretary**	**Chief Financial Officer**

INDEPENDENT AUDITOR'S REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

TO,
THE MEMBERS OF
HB STOCKHOLDINGS LIMITED

1. Report on the Consolidated Financial Statements.

We have audited the accompanying consolidated financial statements of **HB STOCKHOLDINGS LIMITED** (hereinafter referred to as "the Holding Company") and its subsidiary (the Holding company and its subsidiary together referred to as 'the group'), comprising of the Consolidated Balance Sheet as at March 31, 2018, 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 that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group 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 Board of Directors of the companies included in the Group 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 the 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. 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 as at 31st March, 2018, 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 one subsidiary, whose financial statements / financial information reflect total assets of ₹ 21,41,380/- as at 31st March, 2018, total revenues of ₹ Nil and net cash flows amounting to (₹ 60,904) /- 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 subsidiary, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, insofar as it relates to the aforesaid subsidiary, is based solely on the reports of the other auditor. (Also refer note no.19).

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

1. As required by Section 143(3) of the Act, we report, to the extent applicable, 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 of the aforesaid consolidated financial statements.

(b) 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.

(c) 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.

(d) 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.

(e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2018 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary company, none of the directors of the Group companies and its associate company is disqualified as on 31stMarch, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) with respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in "Annexure A"; and

(g) 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:

i. The Consolidated financial statements disclosed the impact of pending litigations on the consolidated financial position of the Group – Refer Note 31 to the consolidated financial statements;

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

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Group company.

FOR G C AGARWAL & ASSOCIATES
CHARTERED ACCOUNTANTS
FIRM REGISTRATION NO.: 017851N

Sd/-
(G. C. AGARWAL)
PROPRIETOR
(Membership No. 083820)

PLACE : Gurugram
DATED : 25/05/2018

Annexure – A to the Auditors' Report

Report on the Internal Financial Control under clause (i) of sub section 3 of section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31 March 2018, We have audited the internal financial controls over financial reporting of HB Stockholdings Limited ("the Holding Company") and its subsidiary company which is company incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Holding Company and its subsidiary company , in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

FOR G C AGARWAL & ASSOCIATES
CHARTERED ACCOUNTANTS
FIRM REGISTRATION NO.: 017851N

Sd/-
(G. C. AGARWAL)
PROPRIETOR
(Membership No. 083820)

PLACE : Gurugram
DATED : 25/05/2018

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2018

Particulars	Note(s)	As at 31st March 2018 (In ₹)	As at 31st March 2017 (In ₹)
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	2	**76808293**	243353823
Reserves and Surplus	3	**360556115**	1253423677
		437364408	1496777500
Non-Current Liabilities			
Long Term Borrowings	4	**6203145**	0
Long Term Provisions	5	**464197**	35989950
		6667342	35989950
Current Liabilities			
Other Current Liabilities	6	**248970838**	3863785
Short Term Provisions	7	**44663426**	29041300
		293634264	32905085
		737666014	1565672535
ASSETS			
Non-Current Assets			
Fixed Assets			
Tangible assets	8	**13986961**	4095965
Non-current investments	9	**0**	983777690
Long term Loans and Advances	10	**34566720**	34697124
		48553681	1022570779
Current Assets			
Current investments	9	**235182824**	140439895
Cash and Bank Balances	11	**9771930**	44397520
Short Term Loans and Advances	12	**428391270**	351046835
Other Current Asssets	13	**15766309**	7217506
		689112333	543101756
		737666014	1565672535
SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS	1 to 34		

The accompanying notes form an integral part of the Consolidated financial statements
As per our Report of even date
FOR G C AGARWAL & ASSOCIATES
CHARTERED ACCOUNTANTS
FRN : 017851N

For and on behalf of the Board

G C AGARWAL	**ANIL GOYAL**	**LALIT BHASIN**
Proprietor	**Director**	**Chairman**
Membership No.: 083820	**DIN 00001938**	**DIN 00002114**
Place : GURUGRAM	**ANIL KUMAR MITTAL**	**MAHESH KUMAR GUPTA**
Date : 25th May, 2018	**Company Secretary**	**Chief Financial Officer**

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED AT 31ST MARCH, 2018

Particulars	Note(s)	Year Ended at 31st March, 2018 (In ₹)	Year Ended at 31st March, 2017 (In ₹)
Revenue from operations	14	**20034559**	149715800
Other Income	15	**260208**	2057178
Total Revenue		**20294767**	**151772978**
Expenses:			
Employee Benefit Expense	16	**5618913**	14650062
Depreciation	8	**1873860**	925595
Finance Cost	17	**441544**	0
Other Expenses	18	**13176987**	16706102
Contingent Provision against Standard Asssets		**486679**	91792
Total Expenses		**21597983**	**32373551**
Profit for the year before Tax		**(1303216)**	**119399427**
Tax expense:			
Current tax		**4200000**	13700000
Tax adjustments for earlier years		**(1081)**	(22798)
Profit for the year after Taxation before Share of Profit/(Loss) in Associates		**(5502135)**	**105722225**
Share of Profit in Associates		**0**	10526041
Profit for the year after Taxation		**(5502135)**	**116248266**
Earning per equity share:	26		
Equity share of Par value ₹ 10/-each			
Basic and Diluted		**(0.77)**	4.89
SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS	1 to 34		

The accompanying notes form an integral part of the Consolidated financial statements
As per our Report of even date
FOR G C AGARWAL & ASSOCIATES
CHARTERED ACCOUNTANTS
FRN : 017851N

For and on behalf of the Board

G C AGARWAL	**ANIL GOYAL**	**LALIT BHASIN**
Proprietor	**Director**	**Chairman**
Membership No.: 083820	**DIN 00001938**	**DIN 00002114**
Place : GURUGRAM	**ANIL KUMAR MITTAL**	**MAHESH KUMAR GUPTA**
Date : 25th May, 2018	**Company Secretary**	**Chief Financial Officer**

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2018

Particulars	*(Amount in ₹) Year Ended 31st March, 2018*	(Amount in ₹) Year Ended 31st March, 2017
A) CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax	**-1303216**	129925468
Adjustment for :		
Depreciation	**1873860**	925595
Contingent Provision against Standard Assets	**486679**	91792
Interest income on FDR	**0**	(2057178)
Operating Profit before Working Capital Changes	**1057323**	128885677
Adjustment for :		
Trade & other Receivables	**-85204040**	33719476
Investments	**-70066867**	(125831620)
Current and Non-current Liabilities	**125693666**	(1519811)
Cash Generated from operation	**-28519918**	35253722
Less:		
Income tax paid	**(534919)**	(4656840)
Net Cash from Operating Activities	**-29054837**	30596882
B) CASH FLOW FROM INVESTMENTS ACTIVITIES		
Purchase of Fixed Assets	**(11764856)**	0
Interest income on FDR	**0**	2057178
Net Cash used in Investing Activities	**(11764856)**	2057178
C) CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds / Repayment of Long Term Borrowing	**6203145**	0
Net Cash used in Financing Activities	**6203145**	0
Net Increase in Cash & Cash Equivalents A+B+C	**(34616548)**	32654060
Cash and Cash Equivalents (Opening Balance)	**42022636**	9368576
Cash and Cash Equivalents (Closing Balance)	**7406088**	42022636
Components of cash and cash equivalents at the end of the year		
Particulars		
-In Current and Deposit accounts	**6855282**	21501472
- Cheques / Drafts on hand	**0**	20000000
-Cash-on-Hand	**550806**	521164
	7406088	42022636

The accompanying notes form an integral part of the Consolidated financial statements
As per our Report of even date
FOR G C AGARWAL & ASSOCIATES
CHARTERED ACCOUNTANTS
FRN : 017851N

For and on behalf of the Board

G C AGARWAL	**ANIL GOYAL**	**LALIT BHASIN**
Proprietor	**Director**	**Chairman**
Membership No.: 083820	**DIN 00001938**	**DIN 00002114**
Place : GURUGRAM	**ANIL KUMAR MITTAL**	**MAHESH KUMAR GUPTA**
Date : 25th May, 2018	**Company Secretary**	**Chief Financial Officer**

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS ON CONSOLIDATED ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2018

1. SIGNIFICANT ACCOUNTING POLICIES ON CONSOLIDATED ACCOUNTS

1.1 PRINCIPLES OF CONSOLIDATION

The consolidated Financial Statements relate to HB Stockholdings Ltd. (the company) and its subsidiary company Mount Finance Ltd..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 subsidiay company 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 PREPRATION 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 Rule7of 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

All Income & Expenditure are accounted for on accrual basis.

1 All Income & Expenditure are accounted for on accrual basis.

2 Shares/Securities are capitalised at cost inclusive of brokerage, Service Tax, Education Cess.

3 Provision for loss in respect of Open Equity Derivative Instrument as at the Balance Sheet date is made Index-wise/Scrip-wise. As a matter of prudence, any anticipated profit is ignored.

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

1 Investments are classified into Current Investments and Non current/ Long Term Investments.

2 Current Investments are valued at lower of cost or fair market value on category wise basis. Non current/Long Term Investments are valued at cost less other than temporary diminution, if any, on scrip wise basis. Provision for reduction/diminution in the value of Investments and reversal of such reduction/ diminution are included in the Profit & Loss Account. For the purpose of disclosure and presentation in the financial statements, and in compliance with Non- Banking Financial Company-Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions,2016:-

(a) on the assets side, investments are shown at cost;

(b) the diminution/depreciation is shown correspondingly under the head "Provisions"(Short term/Long term) in the liabilities side in the Balance Sheet without showing it as deduction from the value of Investments.

Cost of investments is computed using the Weighted Average Method.

g) EMPLOYEE BENEFITS

1 Employee Benefits are recognized/accounted for on the basis of revised AS-15 detailed as under :-

2 Short Term Employee benefits are recognized as expense at the undiscounted amount in the Statement of Profit & Loss of the year in which they are incurred.

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 Statement of Profit & Loss. Contribution to Superannuation are funded with Life Insurance Corporation of India.

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.

5 Termination benefits are recognized as an Expense as and when incurred.

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

h) 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.

i) 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.

j) CONTINGENCIES

The Group 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 ACCOUNTS FOR THE YEAR ENDED 31st MARCH 2018

2. SHARE CATPITAL

Particulars	As at 31st March, 2018 (In ₹)	As at 31st March, 2017 (In ₹)
AUTHORIZED *		
2,50,00,000 (7,00,00,000) Equity Shares of ₹ 10/- each.	**250000000**	700000000
1,00,00,000 (3,00,00,000) Redeemable Preference Shares of ₹10/- each	**100000000**	**300000000**
	350000000	**1000000000**
ISSUED *		
87,88,704(2,54,43,257) Equity Shares of ₹ 10/- each.	**87887040**	**254432570**
	87887040	**254432570**
SUBSCRIBED & PAID UP		
71,37,665 (2,37,92,218) Equity Shares of ₹ 10/- each fully paid up.*	**71376650**	**237922180**
Add: Forfeited shares- 16,51,039(16,51,039) Equity Shares (Amount originally paid up)	**5431643**	**5431643**
	76808293	**243353823**

– 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.

– Reconcilation of the number of shares outstanding and Amount of Share Capital as on 31st March,2018 & 31st March, 2017 is as under:

Particulars	As at 31st March, 2018		As at 31st March, 2017	
	No of shares	Amount (₹)	No of shares	Amount (₹)
Number of shares at the beginning	23792218	237922180	23792218	237922180
Less: Reorganisation of existing Share Capital	-23792218	-237922180	0	0
Add: Fresh shares issued pursuant to scheme of arrangement	7137665	71376650	0	0
Number of shares at the end*	7137665	71376650	23792218	237922180

-- Particulars of Shares in the company held by each shareholder holding more than 5% shares:

Name of shareholder	As at 31st March, 2018		As at 31st March, 2017	
	Number of shares held	% of holding	Number of shares held	% of holding
Delhi Iron & Steel Co. Pvt. Ltd.	**0**	**0**	1197402	5.03
Lalit Bhasin	**3678691**	**51.54**	12262307	51.54

* Pursuant to Scheme of Arrangement between the Company and HB Portfolio Ltd and HB Estate Developers Ltd,the issued and paid up equity share capital of the company was reduced by reducing the face value of the equity shares from Rs. 10/- fully paid up to Rs. 3/- each fully paid.

As a result, the issued and paid up equity share capital was reduced from Rs. 23,79,22,180 comprising of 2,37,92,218 shares of Rs. 10/- each to Rs. 7,13,76,654 comprising of 2,37,92,218 shares of Rs. 3/- each.

Simultaneously, 10 (Ten) equity shares of Rs. 3 each fully paid up stood consolidated into 3 (three) fully paid- up share of Rs. 10/- each resulting in 71,37,665 fully paid-up Equity Shares of Rs. 10/- each after ignoring fractional shares.

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, 2018 (In ₹)	As at 31st March, 2017 (In ₹)
Securities Premium Reserve-opening balance	**999689069**	999689069
Add: Addition during the year	**0**	0
Less: Business Reorganisation Reserve	**(768925880)**	
	230763189	999689069
Statutory Reserve -Opening balance *	**180016800**	158774968
Less: Pursuant to scheme of arrangement (From 01/04/2015 to 31/03/2017)	**(16055626)**	
Add: Transferred from Surplus	**0**	21241832
	163961174	180016800
Surplus -opening balance	**73717808**	(21288626)
Less: Net Loss from 01.04.2015 to 31.03.2017**	**(80278130)**	0
Less: Adjusted group share of profit/losses upto 31.03.2017 **	**(38161417)**	0
Add: Net Profit after tax transferred from Statement of Profit & Loss	**(5502135)**	116248266
	(50223874)	94959640
Add: Adjusted to Statutory Reserve from 01.04.2015 to 31.03.2017**	**16055626**	
Less:Transferred to Statutory Reserve	**0**	21241832
Surplus-Closing balance	**(34168248)**	73717808
	360556115	**1253423677**

(*) Created by way of transfer of specified percentage of profits as per section 45IC 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.

** Pursuant to Scheme of Arrangement

4. LONG TERM BORROWINGS

Particulars	As at 31st March, 2018 (In ₹)		As at 31st March, 2017 (In ₹)	
Secured Loan	Non-Current	Current	Non-Current	Current
Term Loan From Bank (Secured against Hypothecation of Vehicle financed)	6203145	1610597	0	0
	6203145	**1610597**	**0**	**0**

*The loan taken are at intreast rate of 8.25%

- Maturity Profile of Secured Term Loan from banks are as under:				
	1-2 years	2-3 years	3-4 years	4-5 years
- Vehicle Loan from HDFC Bank	1742546	1885305	2039760	535534

5. LONG TERM PROVISIONS

Particulars	As at 31st March, 2018 (In ₹)	As at 31st March, 2017 (In ₹)
Provisions For Employee Benefits		
Leave encashment	**326011**	377986
Others		
-For Diminution in value of Long term/Non current Investments	**0**	35490595
-Contingent provision against Standard Assets	**138186**	121369
	464197	35989950

6. OTHER CURRENT LIABILITIES

Particulars	As at 31st March, 2018 (In ₹)	As at 31st March, 2017 (In ₹)
Unpaid Dividends *	**2365843**	2374884
Current Maturities of Long Term Debt (Refer Note No. 4)	**1610597**	0
Expenses Payable	**1512510**	1395697
TDS Payable	**72854**	93204
Payable to HB Portfolio Ltd. pursuant to Scheme of Arrangement	**243409034**	0
	248970838	3863785

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

7. SHORT TERM PROVISIONS

Particulars	As at 31st March, 2018 (In ₹)	As at 31st March, 2017 (In ₹)
Provisions For Employee Benefits		
Leave encashment	**293375**	317173
Others		
Income Tax	**4200000**	13700000
Sub Standard & Doubtful Assets	**10000000**	10000000
Diminution in value of Current Investments	**28529892**	3853831
Contingent Provision against Standard Assets	**1640159**	1170296
	44663426	29041300

8. FIXED ASSETS

Sr. No	Particulars	Gross Block			Depreciation			Net Block	
		As at 01.04.2017	Addition during the year	As at 31.03.2018	As at 01.04.2017	For the year	Total upto 31.03.2018	As on 31.03.2018	As on 31.03.2017
	Tangible Assets								
1	Flat	4823385	0	4823385	2636017	327040	2963057	1860328	2187368
2	Vehicles	6336277	11620346	17956623	4500238	1517385	6017623	11939000	1836039
3	Office Equipment	2294948	88800	2383748	2260275	10315	2270590	113158	34673
4	Data Processing Machine	499309	55710	555019	493186	13634	506820	48199	6123
5	Air conditioners	996578	0	996578	964816	5486	970302	26276	31762
	Total	14950497	11764856	26715353	10854532	1873860	12728392	13986961	4095965
	(Previous Year)	**14950497**	**0**	**14950497**	**9928937**	**925595**	**10854532**	**4095965**	**5021560**

9. INVESTMENTS

Name of the Company	Face Value	As at 31st March, 2018		As at 31st March, 2017	
	(₹)	Qty.(Nos.)	Amount in ₹	Qty.(Nos.)	Amount in ₹
NON CURRENT INVESTMENTS					
(LONG TERM INVESTMENTS)					
(1) IN ASSOCIATE**					
-UNQUOTED (NON-TRADE) FULLY PAID UP EQUITY SHARES					
TAURUS ASSET MANAGEMENT CO LIMITED.					
Cost of acquisition :	10	**0**	**0**	3406500	48314480
Add / (Less) : Group Share of Profits/(Losses) upto 31.03.2017			**0**		38161417
Add: Amount of Goodwill / Capital Reserve			**0**		10500770
-		**0**	**0**	3406500	96976667
TOTAL-(1) Investments in Associate Company		**0**	**0**	3406500	96976667
(2) IN OTHERS					
A. TRADE INVESTMENTS (QUOTED)**					
INVESTMENT IN EQUITY INSTRUMENTS					
-FULLY PAID UP EQUITY SHARES					
DCM SHRIRAM INDUSTRIES LIMITED	10	--	--	3894846	437339770
HB ESTATE DEVELOPERS LTD.	10	--	--	1465608	24900104
JAIPRAKASH ASSOCIATES LIMITED	2	--	--	4029367	36081316
RRB SECURITIES LIMITED*	10	--	--	100000	10000000
TOTAL (A) (TRADE INVESTMENTS)		**0**	**0**	9489821	508321190
B. NON TRADE INVESTMENTS					
B.1 Investment in Equity Instruments**					
-FULLY PAID UP EQUITY SHARES (UNQUOTED)					
TAURUS INVESTMENT TRUST CO LIMITED	10	--	--	15430	155458
HB TELECOMMUNICATIONS LIMITED	10	--	--	100	1000
HB INSURANCE ADVISORS LIMITED	10	--	--	15000	150000
HARSAI INVESTMENTS LIMITED	10	--	--	200000	2000000
Q R PROPERTIES PVT LIMITED	10	--	--	4500	45000
SOVIKA AIRLINE SERVICES LIMITED	10	--	--	400000	12000000
HB PRIMA CAPITAL LIMITED	10	--	--	45000	1128375
-EQUITY SHARE APPLICATION**					
HB INSURANCE ADVISORS LTD	10	--	--	260000	2600000
FALCON PORTFOLIO PRIVATE LIMITED.	10	**0**	**0**	0	0
TOTAL B.1		**0**	**0**	940030	18079833
B.2 Investments in Preference Shares**					
FULLY PAID-UP REDEEMABLE PREFERENCE SHARE (UNQUOTED)					
HB ESTATE DEVELOPERS LTD.(9% NON CUMULATIVE)	100	--	--	750000	75000000
HB GROWTH FUND LIMITED (3% NON CUMULATIVE)	10	--	--	50000	500000
HB SECURITIES LIMITED (6% CUMULATIVE)	1000	--	--	10000	10000000
HB TELECOMMUNICATIONS LIMITED (3% NON CUMULATIVE)	10	--	--	40000	400000
GEMINI PORTFOLIOS PVT. LTD (9% NON CUMULATIVE)	100	--	--	500000	50000000
PREFERNCE SHARE APPLICATION (UNQUOTED)**					
HB GROWTH FUND LTD (9% NON CUMULATIVE)	100	--	--	685000	68500000
NARMADA CAPITAL SERVICES PVT LTD (9% CUMULATIVE)	100	--	--	435000	43500000
FALCON PORTFOLIO MANAGEMENT PVT. LTD. (9% NON CUMULATIVE)	100	--	--	1125000	112500000
TOTAL B.2		**0**	**0**	3595000	360400000

Name of the Company	Face Value	As at 31st March, 2018		As at 31st March, 2017	
	(₹)	Qty.(Nos.)	Amount in ₹	Qty.(Nos.)	Amount in ₹
TOTAL B.1+B.2 (NON TRADE INVESTMENTS)		**0**	**0**	4535030	378479833
TOTAL-2 (A+B) INVESTMENTS IN OTHERS		**0**	**0**	14024851	886801023
TOTAL- (1+2) NON CURRENT/LONG TERM INVESTMENTS		**0**	**0**	17431351	983777690
**** Transferred pursuant to scheme of arrangement**					
CURRENT INVESTMENTS					
(A) INVESTMENTS IN EQUITY INSTRUMENTS					
a) QUOTED,FULLY PAID UP EQUITY SHARES					
AMRIT CORPORATION LIMITED	10	**400**	**5600**	400	5600
ARVIN LIQUID GASES LIMITED*	10	**10000**	**182500**	10000	182500
ASHOK LEYLAND LIMITED	1	**200**	**7603**	200	7603
BHARAT HOTELS LIMITED	10	**300**	**6752**	300	6752
CROMPTON GREAVES CONSUMER ELECTRICALS LIMITED	10	**3815**	**757721**		
CIBA INDIA LIMITED	10	**50**	**500**	50	500
CLARIS LIFESCIENCE LIMITED	10	**-----**	**-----**	4000	1336520
COAL INDIA LIMITED	10	**3250**	**995685**	3250	995685
DWARIKESH SUGAR INDUSTRIES LTD.	1	**72500**	**3985125**		
DEEPAK SPINNERS LIMITED	10	**1000**	**107374**		
DOLPHIN OFFSHORE ENTERPRISES I LIMITED	10	**10000**	**1166901**	10000	1166901
DCM SHRIRAM LIMITED	2	**54384**	**20684810**	17500	3755450
EIH LTD.	2	**46500**	**7801525**		
FOODS & INNS LIMITED	10	**4540**	**7568534**		
GVK POWER & INFRA LTD.	1	**25000**	**396040**		
HINDUSTAN ENGINEERING & INDS. LTD.*	10	**108**	**147220**	108	147220
HARYANA PETROCHEMICALS LIMITED*	10	**9050**	**212192**	9050	212192
HARYANA LEATHER CHEMICALS LTD.	10	**31347**	**1686234**		
HB ESTATE DEVLOPERS LIMITED	10	**125400**	**1500000**	150000	1500000
HB LEASING & FINANCE CO LIMITED	10	**43200**	**1186050**	43200	1186050
HB PORTFOLIO LIMITED	10	**60000**	**1000000**	100000	1000000
HIMACHAL FUTURISTIC COMMUNICATIONS LIMITED	1	**200000**	**5165417**	0	0
HINDUSTAN OIL EXPPLORATION COMPANY LIMITED	10	**216**	**25684**	216	25684
HOTLINE GLASS LIMITED*	10	**166382**	**552770**	166382	552770
ICP SECURITIES LIMITED*	10	**1800**	**18000**	1800	18000
ISPAT PROFILES INDIA LIMITED*	10	**10000**	**235020**	10000	235020
IDFC BANK LTD	10	**50000**	**2852880**		
INDRAPRASTHA GAS LTD.	2	**27500**	**8923343**		
IST LIMITED	10	**17890**	**18226757**		
JK PAPER LTD.	10	**16015**	**1828744**		
JAI CORP LTD.	1	**13000**	**1046979**		
JAI PRAKASH ASSOCIATES LTD.	2	**3207671**	**74548621**		
JAYPEE INFRATECH LTD.	10	**60000**	**1055476**		
JP POWER VENTURES LTD.	10	**1650000**	**12473903**	400000	2859983
KIRAN OVERSEAS EXPORTS LIMITED*	10	**10000**	**335000**	10000	335000
LCC INFOTECH LIMITED*	2	**56300**	**387984**	56300	387984
LT FOODS LIMITED	1	**5000**	**481396**		
LUNAR DIAMONDS LIMITED*	10	**21000**	**439065**	21000	439065
MAWANA SUGARS LTD.	10	**10000**	**885568**		
MERCATOR LTD.	1	**50000**	**2150799**		
MMTC LIMITED	1	**32500**	**1631832**	50000	2510510
NMDC LIMITED	1	**20000**	**2492643**	20000	2492643
NAHAR CAPITAL AND FINANCIAL SERVICES LTD.	10	**3000**	**461841**		
NAHAR POLYFILMS LIMITED	5	**444**	**17643**	444	17643
NBCC (INDIA) LIMITED	2	**11000**	**2115935**		
NUCHEM LIMITED*	10	**64755**	**168363**	64755	168363
ORISSA EXTRUSIONS LIMITED*	10	**10728**	**21456**	10728	21456
ORINTAL BANK OF COMMERCE	10	**100**	**12745**	100	12745
OIL INDIA LTD.	10	**3000**	**985983**	3000	985983
OSWAL AGRO MILLS LTD.	10	**30000**	**459399**		
PATHREJA FORGINGS LIMITED*	10	**1000**	**19326**	1000	19326
PETRONET LNG LTD.	10	**34500**	**7474666**		
PRISM MILLS LIMITED*	10	**10000**	**187500**	10000	187500
PUNJAB WIRELESS LIMITED*	10	**100**	**6100**	100	6100

Name of the Company	Face Value	As at 31st March, 2018		As at 31st March, 2017	
	(₹)	Qty.(Nos.)	Amount in ₹	Qty.(Nos.)	Amount in ₹
RAMA VISION LIMITED*	10	**18300**	**553061**	18300	553061
RELIANCE INDUSTRIES LTD.	10	**2300**	**1161099**	1100	1161099
RELIANCE HOME FINANCE LTD.	10	**4**	**414**		
RELIANCE CAPITAL LIMITED	10	**4**	**1496**	4	1910
SAJJAN UDYOG EXPORTS LIMITED*	10	**23600**	**590000**	23600	590000
SAREGAMA INDIA LIMITED	10	**5000**	**3640656**		
SAVANI FINANCIALS LIMITED*	10	**7000**	**140000**	7000	140000
SHREYANS INDUSTRIES LIMITED*	10	**5600**	**96873**	5600	96873
SATIN CREDITCARE NETWORKS LTD.	10	**10000**	**4117284**		
SRI VASAVI INDUSTRIES LIMITED*	10	**10890**	**584631**	10890	584631
STEEL EXCHANGE OF INDIA LTD.	10	**244**	**4060**	121	4060
GLOBAL STONE INDIA LIMITED*	10	**2000**	**34000**	2000	34000
SUMMIT SECURITIES LTD.	10	**2856**	**2767148**	6	1494
UNITECH LTD.	2	**1000000**	**9215661**		
U P HOTELS LIMITED*	10	**45697**	**10209940**	45697	10209940
VEDANTA LTD.	1	**4250**	**978775**	4250	978775
WELSPUN ENTERPRISES LIMITED	10	**20000**	**3301967**		
TOTAL (a)		**7452690**	**234484268**	1292451	37134591
b) UNQUOTED,FULLY PAID UP EQUITY SHARES					
KESORAM TEXTILE LIMITED	10	**172**	**4161**	172	4161
TOTAL (b)		**172**	**4161**	172	4161
c) UNQUOTED PARTLY PAID UP EQUITY SHARES					
RATHI ALLOYS & STEELS LIMITED	10	**46293**	**694395**	46293	694395
TOTAL (c)		**46293**	**694395**	46293	694395
TOTAL- A (a+b+c)		**7499155**	**235182824**	1338916	37833147
(B) INVESTMENTS IN MUTUAL FUND					
UNQUOTED MUTUAL FUND- FULLY PAID UP					
RELIANCE LIQUID FUND- TRASURY PLAN-DAILY DIVIDEND	10	**0**	**0**	67119	102606748
		0	**0**	67119	102606748
TOTAL- (A+B)		**7499155**	**235182824**	1406035	140439895

* Listed but not quoted

Notes	Non Current/Long Term Investments		Current Investments	
	As at 31st March, 2018	As at 31st March, 2017	**As at 31st March, 2018**	As at 31st March, 2017
9.1 Aggregate Amount of Quoted Investments	**0**	508321190	**234484268**	37134591
9.2 Market Value of Quoted Investments	**0**	1285342467	**206652932**	33979315
9.3 Aggregate Amount of Unquoted Investments	**0**	475456500	**698556**	103305304
9.4 Aggregate Provision for Diminution in Value of Investments	**0**	35490595	**28529892**	3853831

9.5 Provision for diminution in the value of investments is charged in the statement of Profit & Loss and shown correspondingly under the head "Provisions" in the Balance sheet without showing it as deduction from the value of investments. This is being done in compliance with "Non-Banking Financial Company- Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions,2016. It has no impact on the Profit for the year and also on the net carried amount of the investments.The Net carrying value of investments are as under-

	Non Current/Long Term Investments		Current Investments	
	As at 31st March, 2018	As at 31st March, 2017	**As at 31st March, 2018**	As at 31st March, 2017
Gross Amount of Investments	**0**	983777690	**235182824**	140439895
Less: Provision for Diminution in the Value of Investments	**0**	35490595	**28529892**	3853831
Net Carrying Value	**0**	**948287095**	**206652932**	**136586064**

9.6 The Detail of Diminution in the value of Non-Current/Long Term Investments where the net Carrying Amount is other than at Cost (i.e at cost Less Provision for diminution other than temporary diminution) are as under:

Name of Investment	Amount in ₹ As at March 31, 2018	Amount in ₹ As at March 31, 2017
Equity Shares**		
RRB Securities Limited	**0**	8500000
HB Prima Capital Limited	**0**	1128375
HB Estate Developers Ltd.	**0**	9511220
HB Telecommunications Ltd	**0**	1000
HB Insurance Advisors Limited	**0**	150000
Sovika Airline Services Limited	**0**	11600000
Harsai Investments Limited	**0**	2000000
Equity Share Application		
HB Insurance Advisors Ltd	**0**	2600000
Total	**0**	**35490595**

** Transferred pursuant to Scheme of Arrangement

10. LONG TERM LOANS AND ADVANCES

Particulars	As at 31st March, 2018 (In ₹)	As at 31st March, 2017 (In ₹)
(Unsecured,Considered Good)-Standard		
Security Deposits *	**34566720**	34697124
	34566720	34697124

*Includes Rental Deposits given to related Party namely HB Estate Developers Ltd. ₹ 3,45,00,000/- (Previous Year ₹ 3,45,00,000/-) Refer Note no. 22

11. CASH AND BANK BALANCES

Particulars	As at 31st March, 2018 (In ₹)	As at 31st March, 2017 (In ₹)
Cash & Cash equivalents		
Balances with Banks		
-In Current Accounts	**6855282**	21501472
- Cheques / Drafts on hand	**0**	20000000
Cash-on-Hand	**550806**	521164
Other Bank balances		
- In Earmarked Unpaid Dividend Account	**2365843**	2374884
	9771930	44397520

12. SHORT TERM LOANS AND ADVANCES

Particulars	As at 31st March, 2018 (In ₹)	As at 31st March, 2017 (In ₹)
Unsecured,Considered Good,Unless otherwise stated:		
Advance to Related Parties*	**17789712**	620397
Others		
Inter Corporate Loans/advances & Deposits (including loans to LLPs) Standard	**389850000**	331450000
Inter Corporate Deposit-Doubtful	**10000000**	10000000
Recoverable From Staff	**45000**	45000
Prepaid Expenses	**1727598**	324513
Income Tax/Tax deducted at source	**8978960**	8606925
	428391270	351046835

* To RRB Master Securities (Delhi) Ltd. Also refer to Note no. 22

13. OTHER CURRENT ASSETS

Particulars	As at 31st March, 2018 (In ₹)	As at 31st March, 2017 (In ₹)
Interest accured on loans / Inter Corporate Deposits	**11551860**	7217506
Receivable from HB Estate Developers Ltd. Pursuant to scheme of arrangement	**4214449**	0
	15766309	7217506

14. REVENUE FROM OPERATIONS

Particulars	For the Year ended 31st March, 2018 (In ₹)	For the Year ended 31st March, 2017 (In ₹)
Profit/(Loss) in Securities dealing/Equity derivative trading	**(2130685)**	301192
Profit/(Loss) on sale/disposal of investments (1)	**1342178**	52474152
Provision for diminution in value of investments written back/(made) (2)	**(24676062)**	30876551
Interest on Loan / Inter Corporate Deposit (Tax deducted at Source ₹ 40,73,509 /-(Previous Year ₹ 39,51,503/-)	**41814989**	37659199
Dividend Income (Gross) (3)	**3684139**	28404706
	20034559	149715800

The Company,being an Investment and Finance company,the Income from Investment and Finance activities are Operational Income.

(1) Profit/(Loss) on Sale/Disposal of Investments includes Loss of ₹ 13,42,178 /- (Previous Year Loss ₹ 1,86,79,565/-) on Current Investments and Profit of ₹ NIL/- (Previous Year Profit ₹ 7,11,53,717/-) on Non current/Long Term Investments.

(2) Provision for diminution in value of Investments written back/made include ₹ NIL/- (previous year ₹ 64,62,026/-written back) in respect of Non Current/Long Term Investments and ₹ 2,46,76,062/- provision made (Previous Year provision written back ₹ 2,44,14,525/-) in respect of Current Investments .

(3) Dividend Income includes ₹ NIL/- (Previous Year ₹ 2,80,15,575/-) on Long Term/ Non current Investments and ₹ 36,84,139/-(Previous year ₹ 3,89,131/-) on Current Investments.

15. OTHER INCOME

Particulars	For the Year ended 31st March, 2018 (In ₹)	For the Year ended 31st March, 2017 (In ₹)
Interest Income on Fixed Deposit with Bank (Gross)	**0**	2057178
Interest from Income Tax Refund	**260208**	0
	260208	2057178

16. EMPLOYEE BENEFIT EXPENSES

Particulars	For the Year ended 31st March, 2018 (In ₹)	For the Year ended 31st March, 2017 (In ₹)
Salaries and Benefits	**4995141**	11416211
Contribution to Provident fund and superannuation fund	**497909**	463864
Gratuity	**0**	2631945
Staff welfare	**125863**	138042
	5618913	14650062

17. FINANCE COST

Particulars	For the Year ended 31st March, 2018 (In ₹)	For the Year ended 31st March, 2017 (In ₹)
Interest Expenses	**441544**	0
	441544	0

18. OTHER EXPENSES

Particulars	For the Year ended 31st March, 2018 (In ₹)		For the Year ended 31st March, 2017 (In ₹)	
Rent/Facility Charges		**1252639**		1259539
Vehicle Running and Maintenance		**970114**		973476
Insurance		**76563**		84573
Communication		**736759**		1699661
CSR Expenses		**431000**		
Travelling and Conveyance		**2485117**		2599778
Printing and Stationery		**1268682**		3127065
Office Repairs and Maintenance		**297272**		314135
Depository and custodial		**200658**		135715
Subscription and Membership		**244160**		255787
Legal and Professional		**1463601**		3319695
Advertisement & Publicity		**329570**		354287
Listing Fees		**518516**		458000
Business Promotion		**1226878**		909733
Miscellaneous		**945663**		245357
Auditors Remuneration				
-Audit Fees	**183000**		184215	
-Tax Audit Fees	**0**		28750	
-Limited Review Reports	**30000**		34500	
- Income Tax matters	**25000**		40250	
-Certification and others	**43125**	**281125**	81377	369092
Directors Sitting Fees		**448670**		600209
		13176987		**16706102**

19 The accompanying consolidated financial statement includes the accounts of HB Stockholdings Ltd. and its following subsidiary & associate company:

a)	Name Of Company	Country of Incorporation	Proportion of ownership interest and relationship	Financial Year end
	Mount Finance Ltd.	India	100% Subsidiary of HB stockholdings Ltd	31.03.2018

b) The accompanying Consolidated Financial Statements consider the following Associate Company.

Name of Associates Company	Country of Incorporation	Proportion of ownership interest
Taurus Asset Management Co. Ltd.(*)	India	NIL* (Previous year 20.12%)

* Pursuant to Scheme of Arrangement, cease to be an associate.

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

CONTINGENT LIABILITIES

Income Tax demand disputed ₹ 52,39,011/-(Previous year ₹ 87,93,070/-) against which appeals are pending with appropriate authorities and in respect of which the management is confident that appeals will be decided in favour of the company.

21 SCHEME OF ARRANGEMENT

The Company entered into a Composite Scheme of Arrangement (the Scheme) with HB Portfolio Ltd. and HB Estate Developers Ltd.. The said scheme of arrangement has been sanctioned / approved by Hon'ble National Company Law Tribunal, Chandigarh bench, Chandigarh (hereinafter referred to as the Hon'ble NCLT) vide its order dated 22-12-2017. Pursuant to said Scheme of arrangement, the long term equity undertaking of the company namely "HBSL Long Term Equity Undertaking" stands transferred to and vested in HB Portfolio Ltd. with all the rights, titles, interests, duties and liabilities pertaining to the undertaking with effect from the appointed date of April 1, 2015.

Further, the preference shares investment undertaking of the company namely "HBSL Preference Share Investment Undertaking" stands transferred to and vested in HB Estate Developers Ltd. with all the rights, titles, interests, duties and liabilities pertaining to the undertaking with effect from the appointed date of April 2, 2015. Certified copies of the order of the Hon'ble NCLT have been filed with the registrar of Companies, Delhi and Haryana and the scheme has become effective from 30.01.2018.

a) Particulars of Assets and liabilities of long term equity undertaking of the company transferred to and vested in HB Portfolio Ltd.:-

Assets	Amount (in ₹)
Investments	62,58,00,439
Total	**62,58,00,439**
Liabilities	
Long Term Provisions	4,99,51,797
Other Liabilities	3,60,165
Total	**5,03,11,962**
Difference of assets over liabilities	**57,54,88,477**

In accordance with Scheme of Arrangement, the shareholders of the company will get 25 (Twenty five) equity shares of ₹ 10/- each fully paid up of HB Portfolio Ltd. for every 100 (one hundred) equity share held in the company.

b) Particulars of Assets and liabilities of Preference Share Investment undertaking of the company transferred to and vested in HB Estate Developers Ltd.:-

Assets	Amount (in ₹)
Investments	36,04,00,000
Total	**36,04,00,000**
Liabilities	
Other Liabilities	4,17,067
Total	**4,17,067**
Difference of assets over liabilities	**35,99,82,933**

In accordance with Scheme of Arrangement, the shareholders of the company will get 24 (Twenty four) equity shares of ₹ 10/- each fully paid up of HB Estate Developers Ltd. for every 100 (one hundred) equity share held in the company.

c) Pursuant to the Scheme, the difference of assets over liabilities after adjusting share capital account has been adjusted against Share Premium account.

22 RELATED PARTY TRANSACTIONS

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

a) Key Managerial Personnel
   1. Shri Vijay Sood, (Managing Director upto 30.11.2016)
   2. Shri J.M.L.Suri, (Excecutive Director upto 31.05.2016)
   3 Shri Anil Kumar Mittal ,Company Secretary
   4. Shri Mahesh Kumar Gupta, Chief Financial Officer

b) Person having control/significant influence /major shareholders
   1. Shri Lalit Bhasin

c) Enterprises over which control/significant influence exist of the relatives of persons mentioned in(c) above :-
   1. RRB Master Securities Delhi Ltd.

d) Enterprises under direct or indirect common control/significant influence:
   1. HB Portfolio Ltd.
   2 HB Estate Developers Ltd.
   3. HB Securities Ltd.(Subsidiary of HB Portfolio Ltd.)

22.2 Transactions during the financial year ended 31.03.2018 with related Parties as under.

Sr. No.	Particulars	Nature of Transaction	For the year ended 31.03.2018	For the year ended 31.03.2017
i	RRB Master Securities Delhi Ltd.	Advances given (net)	**17789712**	620397
		Margin / Advances paid & received back	**19300000**	10061650
		Purchase of Investment through them	**161028535**	21823056
		Sale of Investment through them	**37403826**	Nil
		Net Turnover of Derivative Trading	**2130685**	301192
		Receivable at the year end in respect of Loans & Advances	**17789712**	620397
ii	HB Estate Developers Ltd.	Rent/ Facility Charges Paid	**983964**	989714
		Receivable from HB Estate Developers Ltd. pursuant to scheme of arrangement	**0**	Nil
		Receivable at the year end in respect of Loans & Advances	**34500000**	34500000
iii	HB Portfolio Limited	Dividend Received	**Nil**	50000
		Payable to HB Portfolio Ltd. pursuant to scheme of arrangement	**% of holding**	Nil
iv	HB Securities Ltd.	Depository Charges	**38140**	15490
v	Lalit Bhasin	Sitting Fees paid	**45000**	40000
vi	Vijay Sood	Remuneration & other services	**Nil**	8460712
vii	J.M.L Suri	Remuneration & other services	**Nil**	270771
viii	Anil Kumar Mittal	Remuneration & other services	**1217982**	1032080
ix	Mahesh Kumar Gupta	Remuneration & other services	**1741067**	1370261

23 SEGMENT REPORTING

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

24 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 Statement of Profit & Loss Account
	Amount (Rs.)	Amount (Rs.)	
Contribution to Provident Fund	**3,05,690/-**	3,28,864/-	Contribution to Provident fund and superannuation fund
Contribution to superannuation fund	**1,35,000/-**	1,35,000/-	Contribution to Provident fund and superannuation 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)	**23,75,649/-**	22,48,740/-	**6,95,159/-**	15,38,197/-
Interest Cost (B)	**1,84,113/-**	1,68,656/-	**53,875/-**	1,15,365/-
Current service cost (C)	**61,202/-**	1,34,617/-	**36,276/-**	43,200/-
Benefits paid (D)	**11,25,000/-**	27,02,885/-	**1,11,163/-**	7,76,868/-
Actuarial loss/ (gain) on obligation (E)	**(5,15,431/-)**	25,26,521/-	**(54,761/-)**	(2,24,735/-)
Present value of obligations as at the end of the year (F=A+B+C-D+E)	**9,80,533/-**	23,75,649/-	**6,19,386/-**	6,95,159/-

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

Particulars	Gratuity (Funded)		Leave (Unfunded)	
	Current Year	Previous Year	**Current Year**	Previous Year
Present value of obligation (A)	**9,80,533/-**	23,75,649/-	**6,19,386/-**	6,95,159/-
Estimated fair value of plan assets (B)	**15,33,143/-**	24,74,064/-	**Nil**	Nil
Net Liability (Assets) (C=A-B)	**(5,52,610/-)**	(98,415/-)	**6,19,386/-**	6,95,159/-
Amounts in the Balance Sheet				
Liabilities (Assets)	**5,52,610/-**	(98,415/-)	**6,19,386/-**	6,95,159/-
Amount charged to Statement of Profit & Loss				
Current Service Cost	**61,202/-**	1,34,617/-	**36,276/-**	43,200/-
Interest Cost	**1,84,113/-**	1,68,656/-	**53,875/-**	1,15,365/-
Expected Return on Plan Asset	**(1,91,740/-)**	(1,69,966/-)	**Nil**	Nil
Actuarial(Gain)/Loss	**(5,07,770/-)**	25,08,638/-	**(54,761/-)**	(2,24,735/-)
	(4,54,195/-)	26,41,945/-	**35,390/-**	(66170/-)
Head under which shown in the Profit & Loss account	Gratuity		Salary & benefits	

The Actual Return on Plan Assets is as follows

Particulars	Gratuity	
	Current Year	Previous Year
Actual return on plan assets	**1,91,740/-**	1,69,966/-

Following are the Principal Actuarial Assumptions used as at the balance sheet date

Particulars	Gratuity	
	Current Year	Previous Year
Discount Rate	**7.75%**	7.50%
Expected Rate of Return on Plan Assets	**7.75%**	7.50%
Salary Escalation Rate	**5%**	5%

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	**24,74,064/-**	22,66,215/-
i)	Expected Return on Plan Assets	**1,91,740/-**	1,69,966/-
ii)	Actuarial Gains / (Losses)	**(7,661/-)**	17,883/-
iii)	Contribution by the Employer	**Nil**	20,000/-
iv)	Benefits Paid	**11,25,000/-**	Nil
	Closing Fair Value of Plan Assets	**15,33,143/-**	24,74,064/-

25 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 ₹ 11,56,165/- (Previous Year ₹12,61,332/-)

Later than one year but not ₹ 3,35,580/- (Previous Year ₹22,575/-)

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 2018 is ₹ 12,52,639/- (Previous Year ₹ 12,59,539/-).

c) General description of the lease arrangement.

The lease is for an initial period of 3 years, which may be renewal for further period as may be mutually agreed upon.

Restrictions imposed by 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.

26 Earning per share pursuant to Accounting Standard (AS-20) "Earning Per Share.

Particulars	Current Year ₹	Previous Year ₹
Net Profit/(Loss) as Per Statement of Profit and Loss attributable to Equity Shareholders.	**(5502135)**	116248266
Earning Per Share (face value of ₹10 each)		
Weighted Average Nos. of Equity Share Outstanding	**7137665**	23792218
Basic and diluted Earning per share (₹)	**(0.77)**	4.89

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,2018 and 31st March,2017.

28 Disclosure pursuant to Accounting Standard AS-22 for accounting for taxes on Income:-

The company is having brought forward losses under the Income Tax Act. In the absence of virtual as well as reasonable certainty of the realization and on the consideration of prudence, credit for Deferred Tax Assets has not been recognised to comply with Accounting Standard AS-22.

29 Dividend paid to Non-Resident Shareholders:- Nil (Previous Year Nil)

30 Additional information as per schedule III of the companies act,2013.

Name of the entity	Net Assets i.e Total assets minus total Liabilities		Share in Profit/ Loss	
	As % of consolidated net assets	**Amount**	**As % of consolidated Profit/Loss**	**Amount**
1	2	3	4	5
Parent				
HB Stockholdings Ltd.	100.07	437650278	91.07	-5010941
	(93.51)	(1399595509)	(91.36)	(106209159)
Subsidiary (Indian)				
Mount Finance Ltd.	-0.07	-285870	8.93	-491194
	(0.01)	(205324)	(-0.42)	(-486934)
Associates (Investments as per Equity method)				
Taurus Assets Management Co Limited	0.00	0	0.00	0
	(6.48)	(96976667)	(9.05)	(10526041)
Total	100.00	437364408	100.00	-5502135
	(100.00)	(1496777500)	(100.00)	(116248266)

* Figure in bracket relates to previous year.

31 Litigation

The Group is in appeal in respect of various income tax matters.The Contingent liability in respect thereof is disclosed in note no. 20.Besides,in respect of appeals decided in favour of the company,the department is in appeals in certain cases.

In addition,the Group is subject to legal proceedings and claims,which have arisen in the ordinary course of business.The Group management does not reasonably expect that the above legal claims and proceedings, when ultimately concluded and decided will have a meterial and adverse effect on the group results of operations or financial statements.

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

33 The Company is required to spent Rs.4,20,856/- (Previous year Rs. 4,21,756/-) on Corporate Social Responsibility(CSR) activities during the year. Amount spent during the year Rs. 4,31,000/- (Previous Year Rs. Nil/-).

34 The Previous year figures have been regrouped/reclassified,wherever necessary to confirm to the Current Year's presentation. Previous year figures are not strictly comparable with current year's figure due to effect of scheme of arrangement.

As per our Report of even date
FOR G C AGARWAL & ASSOCIATES
CHARTERED ACCOUNTANTS
FRN : 017851N

For and on behalf of the Board

G C AGARWAL
Proprietor
Membership No.: 083820

ANIL GOYAL
Director
DIN 00001938

LALIT BHASIN
Chairman
DIN 00002114

Place : Gurugram
Date : 25th May, 2018

ANIL KUMAR MITTAL
Company Secretary

MAHESH KUMAR GUPTA
Chief Financial Officer

HB STOCKHOLDINGS 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 : L65929HR1985PLC033936
Name of the Company : HB Stockholdings Limited
Regd. Office : Plot No. 31, Echelon Institutional Area, Sector - 32, Gurugram - 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..... or failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the **31st ANNUAL GENERAL MEETING** of the Company to be held on **Thursday,** the **27th day of September 2018 at 11:00 A.M. at GIA HOUSE, I.D.C. Mehrauli Road, Opp. Sector 14, Gurugram - 122 001, 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 ending March 31, 2018 and the report of Board of Directors and Auditors' thereon.
2. Re-appointment of Mr. Anil Goyal (DIN: 00001938), who retires by rotation and bing eligible offers him self for appointment, as Director of the Company.
3. Re-appointment of M/s. G.C. Agarwal & Associates, Chartered Accountants, Delhi as the Statutory Auditors of the Company for a term of One (1) year and authorise the Board to fix their remuneration.

Signed this _____day of _____, 2018

Affix Rupee 1/- Revenue Stamp

Signature of the Shareholder _____ Signature of Proxyholder(s) _____

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 STOCKHOLDINGS LIMITED

ATTENDANCE SLIP

31ST ANNUAL GENERAL MEETING

Day : **Thursday**
Time : **11.00 A.M., 27th day of September, 2018**
Place : **GIA House, I.D.C. Mehrauli Road, Opp. Sector - 14, Gurugram - 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 **31th Annual General Meeting held on Thursday, 27th day of September, 2018 at 11.00 A.M.** at GIA House, I.D.C. Mehrauli Road, Opp. Sector - 14, Gurugram - 122 001, Haryana

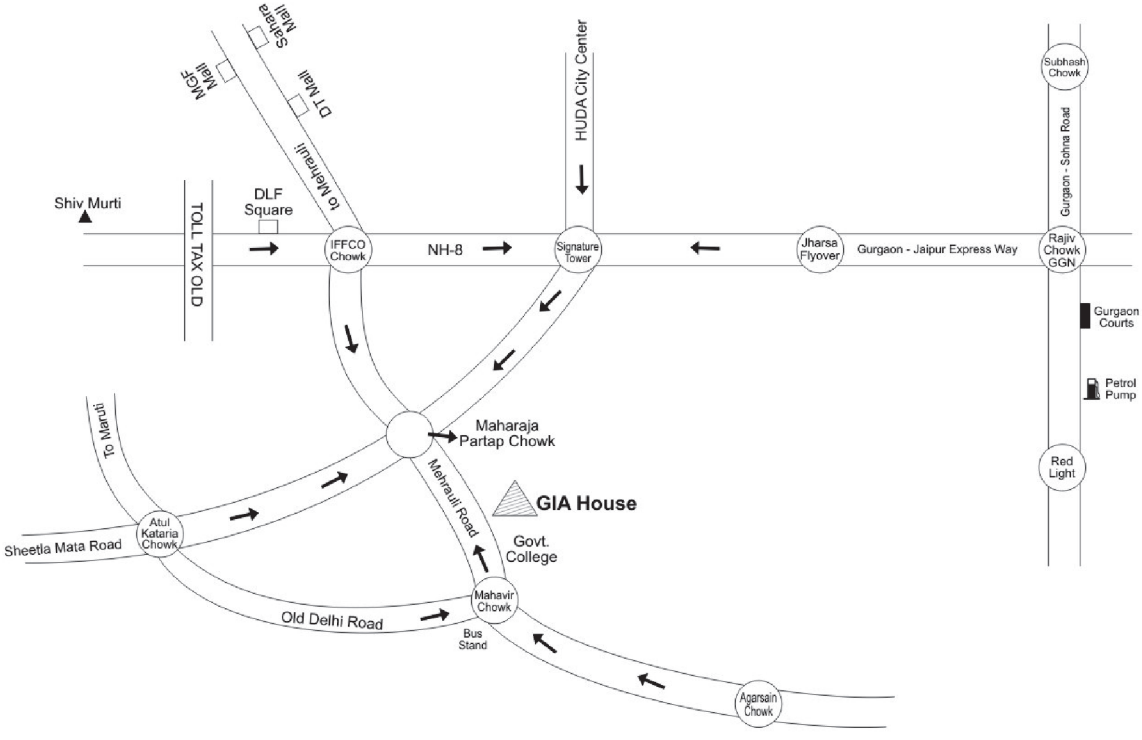
Folio No. / DP-Id : .....

Client-Id : .....

No. of Shares : ..... Signature(s).....

Members may please note that the Auditorium 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



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