35th Annual Report 2021 - 22

HB STOCKHOLDINGS LIMITED

BOARD OF DIRECTORS	
Mr. Lalit Bhasin	Chairman
Mr. Anil Goyal	Director
Mr. Ashish Kapur	Director
Mr. Gulshan Rai	Director
Mr. Harbans Lal	Director
Mrs. Asha Mehra	Director

COMPANY SECRETARY
Ms. Reema Miglani

CHIEF FINANCIAL OFFICER (CFO)
Mr. Mahesh Kumar Gupta

MANAGER
Mr. Naresh Khanna

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

REGISTERED OFFICE
HB Stockholdings Limited
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

CONTENTS

Notice 1
Board's Report....6
Management Discussion and Analysis Report 12
Report on Corporate Governance 13
Independent Auditor's Report (Standalone) 19
Standalone Financial Statements....22
Notes of Standalone Financial Statements 24
Independent Auditor's Report (Consolidated) 39
Consolidated Financial Statements....41
Notes of Consolidated Financial Statements....43
Form AOC-1 (Subsidiaries / Associate).... 57

NOTICE

NOTICE IS HEREBY GIVEN THAT THE 35TH ANNUAL GENERAL MEETING (AGM) OF THE MEMBERS OF HB STOCKHOLDINGS LIMITED WILL BE HELD ON THURSDAY, 22ND SEPTEMBER, 2022, AT 11.00 A.M. THROUGH VIDEO CONFERENCING ("VC")/ OTHER AUDIO-VISUAL MEANS ("OAVM") TO TRANSACT THE FOLLOWING BUSINESSES:

ORDINARY BUSINESS:

1. **ADOPTION OF AUDITED FINANCIAL STATEMENTS INCLUDING CONSOLIDATED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2022 TOGETHER WITH THE REPORTS OF THE BOARD OF DIRECTORS AND AUDITORS THEREON.**

   To consider and, if thought fit, to pass, the following resolution as an Ordinary Resolution:

   "**RESOLVED THAT** the Audited Financial Statements including Consolidated Financial Statements of the Company for the Financial Year ended 31st March, 2022, including the Audited Balance Sheet as at 31st March, 2022, the Statement of Profit & Loss, Cash Flow Statement for the year ended on that date together with the Reports of the Board of Directors and Auditors thereon be and are hereby approved and adopted."

2. **TO DECLARE DIVIDEND ON EQUITY SHARES FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2022.**

   To consider and, if thought fit, to pass, the following resolution as an Ordinary Resolution:

   "**RESOLVED THAT** a dividend of Re. 1/- (Rupee One Only) per equity share of face value of ₹ 10/- (Rupees Ten Only) each as recommended by the Board of Directors of the Company at its meeting held on 18th May, 2022, be and is hereby declared for the financial year ended 31st March, 2022 and the same be paid out of the profits of the Company."

3. **RE-APPOINTMENT OF MR. ASHISH KAPUR (DIN: 00002320), WHO RETIRES BY ROTATION AND BEING ELIGIBLE OFFERS HIMSELF FOR RE-APPOINTMENT.**

   To consider and, if thought fit, to pass, the following resolution as an Ordinary Resolution:

   "**RESOLVED THAT** pursuant to Section 152 (6) and other applicable provisions, if any, of the Companies Act, 2013, Mr. Ashish Kapur (DIN: 00002320), who retires by rotation and being eligible offers himself for re-appointment, be and is hereby re-appointed as a Director of the Company."

4. **APPOINTMENT OF M/S N.C. AGGARWAL & CO, CHARTERED ACCOUNTANTS, NEW DELHI (FRN: 003273N) AS THE STATUTORY AUDITORS OF THE COMPANY AND TO FIX THEIR REMUNERATION.**

   To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

   "**RESOLVED THAT** pursuant to the provisions of Sections 139, 141, 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), and based on the recommendations of the Audit Committee and the Board of Directors, approval of the members be and is hereby accorded for appointment of M/s N.C. Aggarwal & Co., Chartered Accountants, New Delhi (Firm Registration No. 003273N) as the Statutory Auditors of the Company to hold office for a term of 5 (five) years from the conclusion of this 35th Annual General Meeting until the conclusion of 40th Annual General Meeting of the Company at such remuneration as may be mutually agreed between the Board of Directors of the Company and the Statutory Auditors."

SPECIAL BUSINESS:

5. **TO CONSIDER REVISION IN REMUNERATION OF MR. NARESH KHANNA, MANAGER (KMP) OF THE COMPANY**

   To consider and, if thought fit, to pass, the following resolution as a Special Resolution:

   "**RESOLVED THAT** pursuant to the resolution passed by the Board of Directors in their meeting held on 11th November, 2021 and subject to the provisions of Section 196, 197 and 198 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Schedule V and all other applicable provisions of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and the applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), approval of the members be and is hereby accorded for revision in remuneration of Mr. Naresh Khanna as Manager of the Company w.e.f 01st August, 2021 for the remaining currency of his tenure i.e. from 01st August, 2021 to 06th June, 2024 as detailed in the explanatory statement annexed hereto.

   RESOLVED FURTHER THAT subject to the provisions of Schedule V of the Companies Act, 2013, the remuneration shall be payable as minimum remuneration comprising salary and other perquisites to the Manager (KMP) in the event of absence / inadequacy of profits in any financial year.

   RESOLVED FURTHER THAT the Board be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

BY ORDER OF THE BOARD
FOR HB STOCKHOLDINGS LIMITED

Sd/-
REEMA MIGLANI
(Company Secretary)
Membership No: A-45762

Place : Gurugram
Date : 18th May, 2022

NOTES:

1. In view of the massive outbreak of the COVID-19 pandemic and its continuation in the current year, the Ministry of Corporate Affairs ("MCA") has vide its Circular No. 14/2020 dated 08th April, 2020, Circular No.17/2020 dated 13th April, 2020, Circular No. 20/2020 dated 05th May, 2020 and Circular No. 02/2021 dated 13th January, 2021 and Circular No. 03/2022 dated 05th May, 2022 and Securities and Exchange Board of India ("SEBI") vide its Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May, 2020 and Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated 15th January, 2021 and Circular No. SEBI/HO/CFD/CMD2/CIRP/P/2022/62 dated 13th May, 2022 (hereinafter collectively referred to as "the Circulars"), the Companies are permitted to hold the Annual General Meeting (AGM) through Video Conferencing (VC) / Other Audio Visual Means (OAVM), without the physical presence of the members at a common venue. In compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and the Circulars as mentioned hereinabove, the 35th AGM of the Company is being held through VC / OAVM. The deemed venue of this AGM shall be the Registered Office of the Company.
2. Since this AGM is being held through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly,the facility for appointment of proxies by the Members to attend and cast vote for the members will not be available for this AGM and hence the Proxy Form, Attendance Slip and route map are not annexed to this Notice.
3. The Register of Members and Share Transfer Books of the Company shall remain closed from **Friday, 16th September, 2022 to Thursday, 22nd September, 2022** (Both days inclusive).
4. A final dividend of Re. 1/- (Rupee One Only) per equity share of face value of ₹ 10/- (Rupees Ten Only) has been recommended by the Board of Directors for the financial year ended 31st March, 2022. Subject to the approval of the shareholders at the ensuing AGM, the dividend is proposed to be paid to those members whose names appear as Members in the Register of Members of the Company or Register of Beneficial Owners as on the cut-off date i.e. **Thursday, 15th September, 2022.**
5. The Company has appointed National Securities Depositary Limited ("NSDL"), to provide VC/OAVM facility for the AGM and the attendant enablers for conducting the AGM.
6. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 Members on first come first served basis as per the circular. However, this number does not include the large Shareholders i.e. Shareholders holding 2% or more shareholding, Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairman of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
7. Pursuant to Section 113 of the Companies Act, 2013, Institutional/Corporate Shareholders (i.e. other than Individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/JPEG Format) of its Board Resolution or Authorization Letter authorizing its representative to attend the AGM through VC / OAVM and to vote on their behalf through remote e-voting or through e-voting at the AGM. The said Resolution or Authorization Letter shall be sent to the Scrutinizer, Mrs. Jaya Yadav by an e-mail through its registered email address to jayayadav@whitespan.in with a copy marked to evoting@nsdl.co.in
8. The attendance of the Members attending the AGM through VC will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
9. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at this AGM.
10. In compliance with MCA and SEBI Circulars and owing to the difficulties involved in dispatching of physical copies of the financial statements including Board's Report, Auditor's report or other documents required to be attached therewith (together referred to as Annual Report 2021-22) and Notice of AGM are being sent through electronic mode to those Members whose e-mail addresses are registered with the Company or the Depository Participant(s) unless any member has requested for a physical copy of the same at **investor.hb@rcmcdelhi.com** mentioning their Folio No. / DP ID and Client ID.
11. The Annual Report 2021-22 and Notice of AGM shall also be available on the website of the Company, **www.hbstockholdings.com;** website of the Stock

Exchange(s) i.e. BSE Limited at **www.bseindia.com,** National Stock Exchange of India Limited at **www.nseindia.com** and the website of NSDL (agency for providing the Remote e-voting facility) i.e. **https://www.evoting.nsdl.com.**

12. Details of Directors seeking Appointment/ Re-appointment at the ensuing Annual General Meeting [Pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard – 2 issued by the Institute of Company Secretaries of India] is annexed hereto and forms an integral part of this Notice.

13. An Explanatory Statement(s) pursuant to Section 102 of the Companies Act, 2013 in respect of the Ordinary and Special Business herein is annexed hereto and forms an integral part of this Notice.

14. All documents referred to in the Notice shall be made available for inspection in electronic mode, from the date of circulation of this Notice up-to the date of the meeting. Members may request the same by sending an e-mail from their registered e-mail address stating their Name, DP ID / Client ID Number / Folio Number, Mobile Number to the Company at **corporate@hbstockholdings.com.**

15. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of Contracts or Arrangements in which Directors are interested under Section 189 of the Companies Act, 2013 shall be made available for inspection in electronic mode during the AGM upon login at NSDL e-voting system at **https://www.evoting.nsdl.com**

16. Members who would like to express their views/ask questions with regard to the Financial Statements or any other matter can submit their queries in advance through an e-mail from their registered e-mail address mentioning their Name, DP ID / Client ID Number / Folio Number, Mobile Number to the Company at **corporate@hbstockholdings.com** on or before **18th September, 2022 till 05.00 P.M.** The views/questions of those Members will only be taken up who have mailed it to the Company within time and the same will be replied by the Company suitably.

17. As per Regulation 40 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, securities of listed companies can be transferred only in dematerialized form from 01st April, 2019, except in case of request received for transmission or transposition of securities. In view of the same and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialised form. For any assistance in this regard, the Members can contact to Registrar and Share Transfer Agent ("RTA") 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

18. The Ministry of Corporate Affairs (MCA) has notified provisions relating to Unpaid / Unclaimed Dividend under Sections 124 and 125 of the Companies Act, 2013 and the Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016. As per these rules, the amount of Dividend remaining Unpaid or Unclaimed for a period of seven (7) years from the date of transfer to Unpaid Dividend Account of the Company are liable to be transferred to the Investor Education and Protection Fund (IEPF), constituted by the Central Government. The shares in respect of such unclaimed dividend are also liable to be transferred to the demat account of the IEPF Authority. The Equity Shareholders whose unclaimed dividends/ shares have been transferred to IEPF, may claim back the same by making an application to the IEPF Authority, in Form No. IEPF-5 available on www.iepf.gov.in The members can file only one consolidated claim in a financial year as per IEPF Rules.

During the financial year 2021-22, the Company has not transferred any amount to the IEPF Account as no Dividend has been declared by the Company after Financial Year 2012-13 till Financial Year 2021-22.

The Company Secretary of the Company has been appointed as the Nodal Officer in terms of the provisions of IEPF Rules and complete details are available on the website of the Company;

https://www.hbstockholdings.com/Investor%20Information/Listing%20Information/ig.html

19. Updation of PAN and other details:

SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_ RTAMB/P/CIR/2021/655 dated 03rd November, 2021 and clarification issued vide Circular No. SEBI/HO/MIRSD/MIRSD_ RTAMB/P/CIR/2021/687 dated 14th December, 2021 has mandated all listed Companies to record/update the KYC details i.e. Postal address with PIN Code, e-mail address, mobile number, bank account details, Nomination for the shares held in physical mode through Form ISR-1, Form ISR-2 and Form ISR-3 etc. (as applicable). The said circular is effective form 01st January, 2022. Detailed information in this regard is available at the Company's website **www.hbstockholdings.com.**

Members holding shares in physical form are requested to ensure the aforesaid KYC details are updated before 01st April, 2023, post which the said folios shall be frozen. In case, the folios continue to remain frozen, till 31st December, 2025, the same shall be referred to the Administering Authority under the Benami Transactions (Prohibitions) Act, 1988 and Prevention of Money Laundering Act, 2002.

The Company has sent individual letters to all the Members holding shares in physical mode whose details are yet to be updated seeking the aforesaid information.

20. SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_ RTAMB/P/CIR/2022/8 dated 25th January, 2022 has mandated the listed entity that the service requests received for Issuance of Duplicate Share Certificate, Release of Shares from Unclaimed Suspense Account of the Company, Renewal/Exchange of Share Certificate, Endorsement, Sub-division/Splitting of Share Certificate, Consolidation of Folios/Share Certificates, Transmission and Transposition shall be processed by issuing shares in dematerialised form only and Physical Share Certificates shall not be issued by the Company to the Share Holder/Claimant.

Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR – 4, the format of which is available on the Company's website under the weblink: **www.hbstockholdings.com.**

21. INFORMATION ON REMOTE E-VOTING, ATTENDING THE AGM THROUGH VC / OAVM AND E-VOTING DURING AGM:

(A) VOTING THROUGH ELECTRONIC MEANS:

(i) In compliance with Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI Listing Regulations and various Circulars as mentioned above, the Members are provided with the facility to attend AGM through VC / OAVM, to cast their vote electronically through the remote e-voting before the AGM and through e-voting during the AGM, through the Authorised Agency, **National Securities Depository Limited (NSDL).**

(ii) The remote e-voting period commences on **Monday, 19th September, 2022 (09.00 A.M)** and ends on **Wednesday, 21st September, 2022 (05.00 P.M).** The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is casted by the Member, the Member shall not be allowed to change it subsequently.

(iii) 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. Thursday, 15th September, 2022**, may cast their vote by remote e-voting / e-voting at the meeting.

(iv) Any person who acquires Shares of the Company and becomes a Member of the Company after the dispatch of the Notice and holding Shares as on the cut-off date, **i.e. Thursday, 15th September, 2022**, may obtain the login Id and password by sending a request at evoting@nsdl.co.in. However, if you are already registered with NSDL for remote e-voting then you can use your exiting user ID and password for casting your vote.

(v) Mrs. Jaya Yadav, Company Secretary in Whole-time Practice (Membership No.: F10822, C.P. No.: 12070) failing her Mr. Pushkar Garg, Company Secretary (Membership No.: A69734) have been appointed as the Scrutinizer(s) for conducting the remote e-voting & e-voting at AGM in a fair and transparent manner.

(vi) In case of any grievance connected with the facility for voting by electronic means, Members can directly contact Ms. Soni Singh, Assistant Manager - NSDL, e-mail ID: evoting@nsdl.co.in or call on Toll Free No.: 1800-222-990. Members may also write to the Company Secretary at the e-mail ID:corporate@hbstockholdings.com

(B) INSTRUCTIONS FOR REMOTE E-VOTING PRIOR TO AGM ARE AS UNDER:

The way to vote electronically on NSDL e-voting system consists of "Two Steps" which are mentioned below:

Step 1: Log-in to NSDL e-voting system at https://www.evoting.nsdl.com

Step 2: Cast your vote electronically and join the AGM on NSDL e-voting system.

Step 1: Log-in to NSDL e-voting system at https://www.evoting.nsdl.com

I. **Login method for e-voting and joining virtual meeting for INDIVIDUAL SHAREHOLDERS holding securities in demat mode:**

In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09th December, 2020 in relation to e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for **Individual Shareholders** holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	1. If you are already registered with NSDL **IDeAS** facility, please visit the e-Services website of NSDL.Open web browser by typing the following URL:https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the home page of e-Services is launched click on the "**Beneficial Owner"** icon under **"Login"** which is available under **'IDeAS'** section. A new screen will open that this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-voting services under Value added services. Click on **"Access to e-voting"** under e-voting services and you will be able to see e-Voting page. Click on Company name or **e-voting service provider i.e. NSDL** and you will be re-directed to NSDL e-Voting website for casting your vote during the remote e-voting period or joining virtual meeting & voting during the meeting. 2. If you are not registered for NSDL IDeAS facility, option to register is available at https://eservices.nsdl.com. Select **"Register Online for IDeAS Portal"** or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3. Visit the e-voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open that will prompt you to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on Company name or NSDL e-voting service provider and you will be redirected to e-voting website of NSDL for casting your vote during the remote e-voting period or joining virtual meeting & voting during the meeting. 4. Shareholders/Members can also download NSDL Mobile App "**NSDL Speede**" facility by scanning the QR code mentioned below for seamless voting experience. NSDL Mobile App is available on App Store Google Play
Individual Shareholders holding securities in demat mode with CDSL	1. Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-voting page without any further authentication. The URL for users to login to Easi / Easiest arehttps://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. 2. After successful login of Easi/Easiest the user will be also able to see the E-voting Menu. The Menu will have links of **E-Voting Service Provider (ESP) i.e. NSDL.** Click on **NSDL** to cast your vote. 3. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration. 4. Alternatively, the user can directly access e-voting page by providing Demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & E-mail as recorded in the Demat Account. After successful authentication, user will be provided links for the respective ESP i.e. **NSDL** where the e-voting is in progress.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-voting facility. Once logged in, you will be able to see e-voting option. Click on e-voting option and you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-voting feature. Click on company name or e-voting service provider i.e. NSDL and you will be redirected to e-voting website of NSDL for casting your vote during the remote e-voting period or joining virtual meeting & voting during the meeting.

Important note: *Members who are unable to retrieve User ID/ Password are advised to use Forget User ID/ Password option available at abovementioned website.*

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL:

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 022-23058542-43

II. **Login Method for e-Voting and joining virtual meeting for Shareholders OTHER THAN INDIVIDUAL SHAREHOLDERS holding securities in demat mode and Shareholders holding securities in Physical Mode:**

1. Visit the e-voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

   Alternatively, if you are registered for NSDL e-services i.e. IDeAS, you can log-in at https://eservices.nsdl.com/ with your existing IDeAS login. Once you log-in to NSDL e-services after using your log-in credentials, click on e-voting and you can proceed to Step 2 i.e. Cast your vote electronically.
4. Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example, if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example, if your Beneficiary ID is 12********** then your user ID is 12**********
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example, if folio number is 001*** and EVEN is120993 then user ID is 120993 001***

5. Your password details are given below:

   a) If you are already registered for e-voting, then you can use your existing password to login and cast your vote.

   b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

   c) How to retrieve your 'initial password'?

   - If your email ID is registered in your demat account or with the Company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the e-mail and open the attachment i.e. a .pdf file.The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
   - If your email ID is not registered, please refer the **"PROCEDURE FOR REGISTRATION OF E-MAIL ID FOR OBTAINING E-VOTING USER ID & PASSWORD, NOTICE OF AGM, ANNUAL REPORT 2021-22 AND UPDATION OF BANK ACCOUNT DETAILS"** provided hereinafter.

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

   a) Click on **"Forgot User Details/Password?"**(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.

   b) **Physical User Reset Password?"** (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.

c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.

d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-voting system of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

8. Now, you will have to click on "Login" button.

9. After you click on the "Login" button, Home Page of e-voting will open.

Step 2: Cast your vote electronically and join the AGM on NSDL e-Voting system.

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.

2. Select "EVEN" of company for which you wish to cast your vote during the remote e-voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join General Meeting".

3. Now you are ready for e-voting as the Voting page opens.

4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/ modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.

5. Upon confirmation, the message "Vote cast successfully" will be displayed.

6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.

7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

>> General Guidelines for Shareholders:

1. Once the vote on a resolution is cast by a Member, the Member shall not be allowed to change it subsequently.

2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/ Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.

3. In case of any queries/ grievances, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 180022 44 30 or send a request to Ms. Soni Singh, Assistant Manager at evoting@nsdl.co.in

(C) INSTRUCTIONS FOR MEMBERS FOR E-VOTING ON THE DAY OF THE AGM ARE AS UNDER:

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.

2. Only those Members/ Shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system in the AGM.

3. Members who have voted through Remote e-voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

4. The details of the person who may be contacted for any grievances connected with the facility for e-voting on the day of the AGM shall be the same person mentioned for remote e-voting.

(D) INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the AGM through VC/ OAVM through the NSDL e-voting system. Members may access the same by following the steps mentioned above for access to NSDL e-voting system. After successful login, you can see link of "VC/OAVM link" placed under "Join General meeting" menu against Company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same by following the remote e-voting instructions mentioned in the notice to avoid last minute rush.

2. Members are encouraged to join the Meeting through Laptops for better experience.

3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/ Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

5. Members who would like to express their views/ask questions during the meeting may pre-register themselves as a speaker by sending a request from their registered e-mail address mentioning their Name, DP ID / Client ID Number / Folio Number, Mobile Number to the Company at **corporate@hbstockholdings.com.** Those Members who have registered themselves as a speaker on or before **18th September, 2022 till 5:00 P.M.** will only be allowed to express their views/ask questions during the meeting. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM. Questions that remain unanswered at the AGM will be appropriately responded by the Company at the earliest post the conclusion of the AGM.

(E) PROCEDURE FOR REGISTRATION OF E-MAIL ADDRESS FOR OBTAINING E-VOTING USER ID & PASSWORD, NOTICE OF AGM, ANNUAL REPORT 2021-22 AND UPDATION OF BANK ACCOUNT DETAILS.

(i) **Members holding Shares in physical form** who have not registered their e-mail address are requested to send scanned copy of duly signed request letter to Company's Registrar and Share Transfer Agent (RTA), RCMC Share Registry Private Limited through an e-mail at **investor.hb@rcmcdelhi.com** providing Folio No., Name of Shareholder along with scanned copy of the Share Certificate (front and back), self-attested scanned copy of the PAN Card and any one of the following documents viz., Aadhaar Card, Driving License, Voter Card, Passport or Utility bill in support of the address proof of the Member as registered with the Company for the purpose of obtaining e-voting User ID & Password, Notice of AGM and Annual Report 2021-22.

For updation of Bank Account Details, please provide (i) Bank Account Number (ii) Bank Name and Branch Address (iv) MICR Number (v) IFSC Code (vi) Cancelled cheque leaf or copy of Bank Passbook / Bank Statement duly attested by the Bank.

Please note that the registration of e-mail address / updation of Bank Account Details on the basis of scanned documents is only for the purpose this AGM. The Members will be required to send hard copy of the aforesaid documents to RTA for necessary updation in the master records of the Company.

(ii) **Members holding Shares in demat form** can update their e-mail address and Bank Account Details with their Depository Participants.

(F) DECLARATION OF RESULTS ON THE RESOLUTIONS:

(i) The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first unblock the votes cast at the meeting through e-voting, 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 forty eight (48) hours from 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.

(ii) The Company shall submit to the BSE Limited & National Stock Exchange of India Limited, within forty-eight (48) hours from 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, **http://www.hbstockholdings.com** and on the website of NSDL, **https://www.evoting.nsdl.com** immediately after the declaration of results.

(iii) Subject to the receipt of requisite number of votes, the resolution(s) shall be deemed to be passed on the date of the meeting.

PROFILE OF DIRECTOR SEEKING APPOINTMENT/RE-APPOINTMENT AT THIS ANNUAL GENERAL MEETING

Name of Director	MR. ASHISH KAPUR
Directors Identification Number (DIN)	00002320
Date of Birth	27th July, 1969
Date of First Appointment on the Board	23rd July, 2020
Profile / Expertise in Specific functional Areas.	Mr. Kapur is a Commerce Graduate from Punjab University. He has also done Master in Business Administration with major in Finance from Narsee Monjee Institute of Management Studies (NMIMS). He has got more than two decades of rich working experience in Finance, Investments and Capital Markets. He started his career in 1993 with Jardine Fleming Indiaas AVP Capital Markets. He is on the Board of Directors of few other Companies.
Qualifications	B. Com & MBA
List of Directorship in other Companies	1. RRB Master Securities Delhi Ltd. – Managing Director 2. Leo Portfolios Pvt. Ltd. 3. Invest Shoppe India Pvt. Ltd. 4. BSP Constructions Pvt. Ltd. 5. Aquarious Portfolios Pvt. Ltd.
Membership of Committee of the Board in other Companies.	None
No. of Equity Shares held	Nil
No. of Board Meetings attended/ entitled to attend during the year	4/5
Whether related to any Board Members, Manager or KMP of the Company	Mr. Lalit Bhasin, Director (Chairman) & Promoter of the Company is deemed interested.

BY ORDER OF THE BOARD
FOR HB STOCKHOLDINGS LIMITED

Sd/-
REEMA MIGLANI
(Company Secretary)
Membership No: A-45762

Place: Gurugram
Date: 18th May, 2022

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

ITEM NO. 4:

In accordance with the provisions of Section 139 of the Companies Act, 2013, the Shareholders in the 30th Annual General Meeting held on 26th September, 2017 had appointed M/s G. C. Agarwal & Associates, Chartered Accountants, Delhi (FRN 017851N) as the Statutory Auditors of the Company for a term of five (5) consecutive years i.e. from the conclusion of the said 30th Annual General Meeting till the conclusion of 35th Annual General Meeting. Hence, M/s G.C. Agarwal & Associates, Chartered Accountants, will retire as the Statutory Auditors of the Company at the conclusion of the 35th Annual General Meeting of the Company and being a proprietor firm, they are not eligible for re-appointment, in terms of section 139 of the Companies Act, 2013.

The Board of Directors at its meeting held on 18th May, 2022, on the recommendation of Audit Committee has proposed to the members the appointment of M/s N.C. Aggarwal & Co., Chartered Accountants (FRN: 003273N) as the Statutory Auditors of the Company to hold office for a term of five (5) consecutive years i.e from the conclusion of the ensuing 35th Annual General Meeting up to the conclusion of 40th Annual General Meeting of the Company.

M/s N.C. Aggarwal & Co. is a firm of Chartered Accountants registered with the Institute of Chartered Accountants of India ("ICAI"). The Audit Firm was registered with ICAI in the year 1982 as a partnership firm incorporated in India. The firm has three (3) partners and its head office is located in New Delhi and a branch office in Hisar, Haryana. It is primarily engaged in providing audit and assurance services to its clients and has valid Peer Review Certificate.

Pursuant to the provisions of Section 139, 141 and other applicable provisions, if any of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, M/s N.C. Aggarwal & Co., Chartered Accountants have consented their appointment as Statutory Auditors.

The proposed remuneration to be paid to M/s N.C. Aggarwal & Co., Chartered Accountants for the financial year 2022-23 is Rs. 1,65,000/-. The said remuneration excludes fees for Tax Audit, Limited Review Reports, Certifications etc., applicable taxes and out of pocket expenses. The remuneration for the subsequent year(s) of their term shall be fixed by the Board of Directors of the Company based on the recommendation of the Audit Committee. There is no material change in the remuneration proposed to be paid to Auditors for the financial year 2022-23 compared to the remuneration paid to the retiring Auditors for the financial year 2021-22.

The Board recommends the resolution at item no.4 of the notice for approval by the shareholders by way of Ordinary Resolution.

None of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the Resolution set out at item no. 4 of the notice.

ITEM NO. 5:

The Board of Directors in its meeting held on 07th June, 2021 had appointed Mr. Naresh Khanna as Manager (KMP) of the Company for a period of three (3) years w.e.f. 7th June, 2021 to 6th June, 2024 upon the recommendation of Nomination & Remuneration Committee and as per the provisions of Section 196, 197, 198, 203 read with Schedule V and all other applicable provisions of Companies Act, 2013. The same was subsequently approved by the members of the company in their Annual General Meeting held on 29th September, 2021.

Further, considering his extensive knowledge and experience in the domain of investments, the Board members in their meeting held on 11th November, 2021, on the recommendation of Nomination and Remuneration Committee and on the basis of Remuneration Policy of the Company had approved revision in remuneration of Mr. Naresh Khanna w.e.f 01st August, 2021, subject to the approval of the Shareholders of the Company, on the terms and conditions as detailed herein below:

1. **BASIC SALARY**

   He shall be paid Basic Salary of Rs. 1,25,000/- (Rupees One Lakh Twenty-Five Thousand Only) per month.

2. **HOUSE RENT ALLOWANCE**

   He shall be entitled to 75,000/- (Rupees Seventy-Five Thousand Only) per month as House Rent Allowance.

3. **VEHICLE MAINTENANCE REIMBURSEMENT**

   He shall be reimbursed an amount up to Rs. 25,000/- (Rupees Twenty-Five Thousand Only) per month for maintenance (including salary of Driver) of Vehicle.

4. **PERFORMANCE INCENTIVE**

   He shall be paid performance incentive @ 5% of Profit exceeding 10% per annum return on funds entrusted to him for investment. This will be calculated at the end of 12 months from joining his duties on weighted average method.

5. **PROVIDENT FUND**

   He shall not participate in the Employees Provident Fund Scheme. As such neither he nor the company will be contributing towards Provident Fund.

6. His appointment may be terminated by the company by one month's notice or in lieu thereof pay and allowances as admissible. He may also leave the services of the company by giving one month's notice or in lieu thereof pay and allowances as admissible.
7. His service may be terminated by the Management without notice or compensation and any other accrued benefits, if in the opinion of the management; he is guilty of in subordination, insolence, gross negligence or dereliction of duty, dishonesty and embezzlement or conduct prejudicial to the company's interest.
8. His services are liable to be transferred, part-time or whole-time to other Departments and/ or he may also be assigned such other duties, as it may be necessary at the discretion of the Management in any office or branch of the Company and/or its subsidiaries.
9. He shall keep information and/or secrets of the Company to himself and shall not disclose or use them for any purpose other than that of the Company.
10. He shall maintain complete secrecy during the subsistence of this contract and thereafter with regard to the Company's affairs.
11. He shall, while in Company's services, devote his time and attention exclusively to the business and interests of the Company and shall not engage in any other commercial business or pursuit, part-time or otherwise, and shall not undertake part-time assignment or work in advisory capacity for any other person and/or concern either on his accord or as an agent for others except with prior consent in writing from the Company or unless he is deputed to do so by the Company.

    In case he is found to have indulged in any of the foregoing activities, his services shall be liable to be terminated without Notice or compensation and any other accrued benefits.
12. He shall not receive any presents, commission, gifts, loans, advances or any sort of gratification or benefits in cash or kind from any person, party or firm or Company having dealing or any connection with the Company and if he is offered the same, he shall immediately report the matter to the Company in writing.
13. He shall undertake and agree that all property including all correspondence addressed to/ by him, specifications, vouchers, literatures, books, circulars, articles, goods etc. relating to the Company's business which shall come into his possession in the course of his employment or otherwise shall be held by him as a trustee for the company and shall deliver the same to the Company on demand without claiming any lien or right whatsoever thereon.
14. His services shall be subject to all the Rules and Regulations of the Company from time to time.
15. If any declaration or information furnished by him in his application is found to be false or if he is found to have wilfully suppressed any material information, he shall be liable to removal from the services of the company without any Notice or compensation and any other accrued benefits.
16. He shall strictly abide by the Code of Conduct laid down by the Company as amended from time to time.
17. The above remuneration shall be payable as minimum remuneration to the Manager (KMP) in the event of absence/ inadequacy of profits in any financial year subject to the overall ceiling laid down in Schedule V of the Companies Act, 2013.

The Board recommends the Resolution as set out in Item No. 5 of the Notice for the approval of the Members by way of Special Resolution.

Except Mr. Naresh Khanna and / or their relatives, none of the Directors, Key Managerial Personnel (KMP) or their relatives are in any way concerned or interested, financially or otherwise, in the resolution(s).

BY ORDER OF THE BOARD
FOR HB STOCKHOLDINGS LIMITED

Sd/-
REEMA MIGLANI
(Company Secretary)
Membership No: A-45762

Place: Gurugram
Date: 18th May, 2022

BOARD'S REPORT

To the Members,

Your Directors are pleased to present the 35th Annual Report together with the Audited Financial Statements for the Financial Year ended 31st March, 2022.

FINANCIAL RESULTS

The summarized financial results of the Company during the year under review are as under:

(Amount in ₹ Hundred)

Particulars	Standalone		Consolidated	
	Year Ended 31.03.2022	Year Ended 31.03.2021	**Year Ended 31.03.2022**	Year Ended 31.03.2021
Interest Income	**69925.75**	87306.96	**69925.75**	87306.96
Dividend Income	**63213.15**	15530.80	**63213.15**	15530.80
Net Profit in Equity Derivative trading/ Share Dealing	**173598.22**	168168.56	**173598.22**	168168.56
Net gain on fair value change	**1464254.83**	1048447.54	**1464254.83**	1048447.54
Total Revenue from Operations	**1770991.95**	1319453.83	**1770991.95**	1319453.83
Other Income	**1092.90**	5712.41	**1092.90**	5712.41
Total Income	**1772084.85**	1325166.24	**1772084.85**	1325166.24
Expenses	**193898.92**	147825.10	**199347.19**	153016.17
Profit / (Loss) Before Tax	**1578185.93**	1177341.14	**1572737.66**	1172150.07
Tax Expense	**54131.88**	(3100.05)	**54131.88**	(3100.05
Profit / (Loss) After Tax	**1524054.05**	1180441.19	**1518605.78**	1175250.12
Profit / (Loss) for the year	**1524054.05**	1180441.19	**1518605.78**	1175250.12
Other Comprehensive Income for the year, net of tax	**43157.55**	1115175.57	**43157.55**	1115175.57
Total Comprehensive Income for the year	**156721**	2295616.76	**1561763.33**	2290425.69

DIVIDEND

Your Directors are pleased to recommend a final dividend of Re. 1/- (Rupee One Only) per equity share of face value of ₹ 10/- (Rupees Ten Only) each (i.e. 10%) for the financial year ended 31st March 2022 after considering future needs of the company for growth.

The dividend, if approved at the forthcoming Annual General Meeting will be paid to Members within the time period stipulated under The Companies Act, 2013 (subject to deduction of Tax at source).

TRANSFER TO GENERAL RESERVE

The Board of Directors have decided to retain the entire amount of profit for Financial Year 2021-22 in the retained earnings, except an amount of Rs. 535,105/- Hundred, which has been transferred to Statutory Reserve created pursuant to Section 45-IC of the RBI Act, 1934.

PERFORMANCE REVIEW & OUTLOOK

The Financial Year 2021-22 has been another difficult year owing to the continuing and pervasive impact of COVID-19, especially with the advent of new variants causing increased uncertainties. However, largescale vaccination drives around the world, coupled with accommodative policy measures, boosted economic recovery and supported the global equity markets. This was further aided by strong portfolio inflowsamid supportive surplus liquidity across the globe.

The Company has taken adequate measures to control the cash flow and overhead expenditures to manage the operations. There has been no impact on the internal financial reporting and controls of the Company. At present, the Company is in position to fulfil its legal obligations. The Company is closely monitoring the situation and continues to evaluate the impact of COVID-19 as the situation evolves.

Further, the Company does not foresee any material impact on the Company's business due to non-fulfilment of any obligation(s) by any party. The Management will continue to monitor any material changes arising due to the impact of this pandemic on financial and operational performance of the Company and take necessary measures to address the situation.

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

STATUTORY STATEMENTS

(i) Share Capital

The Paid-up Equity Share Capital as on 31st March, 2022 stood at ₹ 7,13,76,650/- comprising of 7137665 Equity Shares of ₹ 10/- each. During the year under review, the Company has not issued any Shares with differential voting rights or granted stock options, sweat equity etc.

The Shareholding of Directors of the Company is given in the Corporate Governance Report forming part of this report.

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

During the year under review, five Board Meetings were convened and held. The details of such meeting(s) are given in the Corporate Governance Report, which forms an integral part of Board's Report.

(iii) Committees of the Board

The Company has several Committees which have been established in compliance with the requirement of the relevant provisions of applicable laws and statutes. As on 31st March, 2022, the Board has five committees namely, Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, Business Restructuring Committee and Capital Restructuring Committee. A detailed note on the composition of the Committees is provided in the Corporate Governance Report, which forms an integral part of the Board's Report.

Business Restructuring Committee and Capital Restructuring Committee has been dissolved by the Board in its meeting held on 18th May, 2022 and all the functions of the Committee shall be discharged by the Board of Directors.

(iv) Public Deposits

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

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

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

(vi) Particulars of Loans, Guarantees or Investments

The principal business activity of the Company is to undertake financial services, investing and dealing in various kinds of securities. Details of Loans, Guarantees and Investments made by the Company in the ordinary course of its business are given in the notes to the Financial Statements.

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

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

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

(viii) Change in the Nature of Business

There is no change in the nature of business of the Company during the year under review.

(ix) Maintenance of cost records

The nature of Company's business / activities is such that maintenance of cost records under Section 148(1) of the Companies Act, 2013 is not applicable to the Company.

(x) Material Changes and commitments

No material changes and commitments have occurred between the end of the financial year to which the financial statements relate and date of this report, affecting the financial position of the Company.

(xi) Reporting of frauds by the Auditors

No fraud has been noticed or reported by the Statutory Auditor's during the course of their Audit

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

(i) Subsidiaries

The Company has following Subsidiary as on 31st March, 2022:

Name of the Company	As on 31st March, 2022	
	No. of Shares	**% of holding**
1. Mount Finance Limited	830006	100.00%

A separate statement containing the salient features of the Financial Statement of the Company's Subsidiary is being provided in **Form AOC-1** along with Financial Statements in terms of Section 129(3) of the Companies Act, 2013. The Financial Statements of the Subsidiary Company will be made available upon request by any Member of the Company interested in obtaining the same. The Financial Statements of the Subsidiary Company will also be kept for inspection by any Member of the Company at its Registered Office.

The Board of Directors has approved a Policy for Determining Material Subsidiaries in compliance with the provisions of Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Policy for Determining Material Subsidiary has been suitably modified as per the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time. The said Policy is available on the website of the Company having following web-link,
https://www.hbstockholdings.com/Investor%20Information/Corporate%20Governance/index.html

(ii) Joint Ventures

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

(iii) Associate Companies

In terms of Section 2(6) of the Companies Act, 2013, the Company is not having any Associate Company during the year under review.

MANAGEMENT DISCUSSION & ANALYSIS AND CORPORATE GOVERNANCE REPORT

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; a Report on the Corporate Governance together with the Compliance Certificate from the Company's Statutory Auditors confirming compliance(s) forms an integral part of this report.

WHISTLE BLOWER POLICY – VIGIL MECHANISM

In terms of the provisions of Section 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, a Vigil Mechanism for Stakeholders, Employees and Directors of the Company has been established. The Whistle Blower Policy duly approved by the Board of Directors is available on the website of the Company having following web-link,

https://www.hbstockholdings.com/Investor%20Information/Corporate%20Governance/index.html

RELATED PARTY TRANSACTIONS

The Related Party Transactions that were entered during the financial year under review were on arm's length basis and were in the ordinary course of business. The Audit Committee has accorded its omnibus approval for the said transactions. The Company has not entered into any materially significant Related Party Transaction under Section 188 of the Companies Act, 2013. Accordingly, the disclosure of Related Party Transactions as required under Section 134(3)(h) of the Companies Act, 2013 in Form AOC-2 is not applicable. None of the Directors has any pecuniary relationships or transactions vis-à-vis the Company.

The Board of Directors, on the recommendation of the Audit Committee, has approved a Policy to regulate transactions between the Company and its Related Parties, in compliance with the applicable provisions of the Companies Act, 2013, the Rules made there under and Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Policy on Related Party Transactions has been suitably modified as per the applicable provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time. The Policy is available on the website of the Company having following web-link,

https://www.hbstockholdings.com/Investor%20Information/Corporate%20Governance/index.html

CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING

The Company endeavors to preserve the confidentiality of un-published price sensitive information and to prevent misuse of such information. The Company is committed to transparency and fairness in dealing with all Stakeholders and in ensuring adherence to all laws and regulation in force.

The Board of Directors has adopted the Code of Conduct for regulating, monitoring and reporting of trading by insiders and other connected persons, in compliance with Regulation 9 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time. The Code of Conduct lays down guidelines and procedures to be followed and disclosures to be made while dealing with the Shares of the Company, as well as the consequences of violation. The Code of Conduct has been formulated for prevention of Insider Trading and to maintain the highest standards of dealing in Company Securities. The Code of Conduct has been suitably modified as per the provisions of the Insider Trading Regulations and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.

Further, the Policy and procedure for inquiry in case of leak of unpublished price sensitive information or suspected leak of unpublished price sensitive information have been framed in line with the provisions of the Insider Trading Regulations, as amended.

PRESERVATION OF DOCUMENTS & ARCHIVAL POLICY

In terms of Regulation 9 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors in their meeting held on 11th February, 2016 has adopted a Policy for Preservation of Documents & Archival thereof, classifying them in two categories as follows:

a) documents whose preservation shall be permanent in nature;

b) documents with preservation period of not less than eight years after completion of the relevant transactions.

The said Policy is available on the website of the Company having following web link,

https://www.hbstockholdings.com/Investor%20Information/Corporate%20Governance/index.html

DEVELOPMENT AND IMPLEMENTATION OF A RISK MANAGEMENT POLICY

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

PREVENTION OF SEXUAL HARRASSMENT OF WOMEN AT WORKPLACE

The Company has zero tolerance for sexual harassment at workplace. The Board of Directors in their meeting held on 17th May, 2014 constituted the Internal Complaint Committee and thereafter re-constituted on 16th June, 2020 on 18th May, 2022 respectively. The Company adopted a Policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules framed thereunder. The Internal Complaint Committee comprises of following members:

(i) Mrs. Banmala Jha, Presiding Officer (Sr. V.P Legal – HB Estate Developers Ltd.)

(ii) Mrs. Renu Gupta, Member

(iii) Mr. Mahesh Gupta, Member (Chief Financial Officer)

(iv) Mr. Rupesh Kumar, Member (Company Secretary) *

(*)Resigned w.e.f 24th January, 2022

The Company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The women employees were made aware about the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and rules made there under and the provisions of Internal Complaint Policy of the Company.

Disclosure in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 is provided in the Corporate Governance Report which forms an integral part of the Board's Report.

INTERNAL CONTROLS SYSTEMS AND THEIR ADEQUACY

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

INTERNAL FINANCIAL CONTROLS

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

CORPORATE SOCIAL RESPONSIBILITY (CSR)

As per Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021, If a company's CSR obligation is less than or upto Rs. 50 lakh, then the Company shall not be required to constitute the CSR committee and the board of directors shall discharge all the function of the CSR committee as prescribed.

Pursuant to abovesaid amended CSR Rules and considering the specified threshold of CSR obligations, the Board of Directors in its meeting held on 21st June, 2021 has dissolved the CSR Committee and all the functions of the Committee shall be discharged by the Board of Directors.

The CSR Policy as approved by the Board can be accessed on the Company's Website having following web link, **https://www.hbstockholdings.com/Investor%20Information/CSR/index.html**

Brief outline / salient features of the CSR Policy of the Company are as follows:

- The Company endeavors to adopt an integrated approach to address the community, societal & environmental concerns by taking one or more of the activities allowed as per Section 135 of the Companies Act, 2013 and the applicable rules and regulations.
- 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.
- To 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.
- 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.
- A total allocation of amount as prescribed by the Companies Act, 2013 and approved by the Board earmarked every year for implementation of CSR activities.

Further as per the provision of Section 135 of the Companies Act, 2013, every Company having net worth of Rs. 500 Crore or more or Turnover of Rs. 1000 Crore or more or a Net Profit of Rs. 5 Crore or more during the immediately preceding financial year is required to spent in every financial year, at least two percent (2%) of the average net profits made during the three immediately preceding financial years, in pursuance of the CSR Policy.

The Net Profit during the immediately preceding financial year 2020-21 is Rs. 11,76,15,301/-, therefore the Company is required to spend at least two percent (2%) of the average net profits of the Company made during the three immediately preceding financial year, in pursuance of the CSR Policy.

The Average Net Profit for the preceding three financial years comes to Rs. 1,85,38,000/- calculated as per the provisions of Section 198 of the Companies Act, 2013. As per above, the Company was required to spend two percent (2%) of the said amount i.e. Rs. 3,70,760/- during the financial year 2021-2022.

As a part of the CSR initiatives, your Company has undertaken CSR activity in accordance with Schedule VII of the Companies Act, 2013 during the financial year 2021-2022. The report on CSR activities is attached as "**ANNEXURE – I**" forming part of this report.

AUDITORS

(i) Statutory Auditors and their Report

M/s G.C. Agarwal & Associates, Chartered Accountants (FRN: 017851N), the current statutory auditors of the Company, who was appointed by the shareholders in the 30th Annual General Meeting shall be completing their term of five years at the ensuing 35th Annual General Meeting as the Statutory Auditors of the Company. Being a proprietor firm, they are not eligible for re-appointment, in terms of section 139 of the Companies Act, 2013. Hence, M/s G.C. Agarwal & Associates, Chartered Accountants, will retire as the Statutory Auditors of the Company at the conclusion of the 35th Annual General Meeting of the Company.

The Board of Directors at its meeting held on 18th May, 2022 has recommended the appointment of M/s. N.C. Aggarwal & Co., Chartered Accountants (FRN: 003273N) as the Statutory Auditors of the Company to hold office for a term of five (5) consecutive years i.e from the conclusion of the ensuing 35th Annual General Meeting up to the conclusion of 40th Annual General Meeting of the Company, subject to approval of the members at the ensuing Annual General Meeting.

The Company has received a consent and eligibility certificate from them to the effect that their appointment, if made would be within the prescribed limits under Section 141 of the Companies Act, 2013 and they are not disqualified for appointment.

Member's attention is drawn to a Resolution proposing the appointment of M/s N.C. Aggarwal & Co., Chartered Accountants as the Statutory Auditors of the Company which is included at item no: 4 of the Notice convening the Annual General Meeting of the Company.

There are no qualifications, reservation, adverse remark, observations, comments or disclaimer given by the Auditors in their Report. The Report given by the Statutory Auditors on the Financial Statements of the Company for the Financial Year 2021-22, is part of the Annual Report and self-explanatory.

(ii) Internal Auditors

'Marv & Associates LLP', Chartered Accountants, New Delhi were appointed to perform the duties of the Internal Auditors of the Company and their report is reviewed by the Audit Committee on quarterly basis.

(iii) Secretarial Auditors and his Report

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Mr. A.N. Kukreja, Proprietor, 'A.N Kukreja & Co.', Company Secretary in Practice to undertake the Secretarial Audit of the Company. The Secretarial Audit Report is enclosed as a part of this report as **"ANNEXURE – II"**.

The Secretarial Auditors have not made any qualification, reservation or adverse remark or disclaimer in his Secretarial Audit Report.

DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP)

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

As per the provisions of Section 152 of the Companies Act, 2013, Mr. Ashish Kapur (DIN: 00002320), Director shall retire by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment. The Board of Directors recommends his re-appointment.

Mr. Naresh Khanna has been appointed as Manager being the Key Managerial Personnel of the Company w.e.f. 07th June, 2021 as per the provisions of Section 203 of the Companies Act, 2013 and Rule 8 of the Companies (Appointment and Remuneration) Rules, 2014.

Mr. Rupesh Kumar (M.No. A-43104) has resigned from the position of the Company Secretary with effect from 24th January, 2022.

Ms. Reema Miglani (M.No. A-45762) has been appointed as the Company Secretary and Compliance Officer being the Key Managerial Personnel of the Company w.e.f. 18th May, 2022 as per the provisions of Section 203 of the Companies Act, 2013 and Rule 8 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

(b) Declaration from Independent Directors

Mr. Harbans Lal, Mr. Gulshan Rai and Mrs. Asha Mehra are Non-Executive Independent Directors on the Board of the Company. The Company has received declarations from all the Independent Director(s) confirming that they meet with the criteria of Independence as prescribed both under Section 149(6) of the Companies Act, 2013 and under Regulation 16(1)(b), 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(c) Nomination and Remuneration Policy

The Board of Directors, on the recommendation of the Nomination & Remuneration Committee, has approved a Policy for selection, appointment & remuneration including criteria for determining qualifications, positive attributes of Directors, Key Managerial Personnel (KMP) and Senior Management employees of the Company.

Brief outline / salient features of the Nomination and Remuneration Policy are as follows:

- Nomination and Remuneration Committee has been empowered inter-alia to carry out the following functions:
  - Identification and selection of persons for appointment as Director, KMP or at Senior Management level considering their qualification, experience and integrity.
  - Determining the appropriate size, diversity and composition of the Board.
  - Developing a succession plan for the Board and Senior Management of the Company.
  - To recommend all remuneration, in whatever form, payable to senior management.
  - Considering and determining the remuneration based upon the performance to attract retain and motivate members of the Board.
  - Approving the remuneration of the Senior Management including KMPs of the Company.
  - Evaluation of performance of the Board, its committees, individual directors and Senior Management Personnel on yearly basis.
  - To extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors.
- Approval of the Shareholders by way of Special Resolution is required in following cases:
  - To appoint or continue the employment of any person as Whole-time Director who has attained the age of seventy years.
  - To appoint a person or continue the directorship of any person as a non-executive director who has attained the age of seventy-five years.
  - To re-appoint Independent Directors for second terms of five consecutive years.
  - Payment of fees or compensation to executive directors who are promoters or members of the promoter group exceeding particular limits specified in the policy.
  - The annual remuneration payable to a single non-executive director exceeds fifty per cent of the total annual remuneration payable to all non-executive directors.
- Executive Directors / Managing Director are paid remuneration as per applicable provisions of the Companies Act, 2013 and rules made there under.
- Non-Executive Directors are paid sitting fees for attending each meeting of the Board of Directors and the Committees constituted by the Board. The sitting fee for each meeting of Board of Directors and the Committee of Directors has been fixed by the Board of Directors within the overall ceiling laid down under the Companies Act, 2013.

The complete Nomination and Remuneration Policy of the Company is available on the website of the Company having following web-link,

https://www.hbstockholdings.com/Investor%20Information/Corporate%20Governance/index.html

(d) Board Diversity

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

The Company believes that a diverse Board will enhance the quality of the decisions made by the Board 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. The Board of Directors on the recommendations of the Nomination and Remuneration Committee 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.

(e) Board Evaluation

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

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

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

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

Sr. No.	Name	Category	Ratio/Times per Median of employee remuneration	% Increase in remuneration
1.	Mr. Lalit Bhasin	Director (Non-Executive)	N.A	N.A
2.	Mr. Anil Goyal	Director (Non-Executive)	N.A	N.A
3.	Mr. Ashish Kapur	Director (Non-Executive)	N.A	N.A
4.	Mr. Harbans Lal	Director (Non-Executive)	N.A	N.A
5.	Mr. Gulshan Rai	Director (Non-Executive)	N.A	N.A
6.	Mrs. Asha Mehra	Director (Non-Executive)	N.A	N.A
7.	Mr. Mahesh Kumar Gupta	Chief Financial Officer		No Increase
8.	Mr. Naresh Khanna#	Manager		No Increase
9.	Mr. Rupesh Kumar*	Company Secretary		No Increase

(#) Appointed w.e.f 07th June, 2021.

(*) Resigned w.e.f 24thJanuary, 2022.

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

(ii) There is no increase in the median remuneration in current financial year as compared to previous financial year.

(iii) There are Seven(7) permanent employees on the rolls of the Company as on 31st March, 2022.

(iv) Average percentile increases already made in the salaries of employees other than the managerial personnel in the last financial year is NIL as compared to the NIL percentile increase made in the managerial remuneration of the KMP.

(v) It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

(vi) Statement of particulars of employees pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(2) & (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 for the year ended 31st March, 2022:

a) Details of top ten employee in terms of remuneration drawn as on 31st March, 2022:

Sl. No.	Name	Designation	Gross Remuneration received (In Rs.)	Nature of Employment	Qualification	Experience (In Year)	Date of Commencement of Employment	Age (In Year)	Last Employment held before joining the Company	Number & Percentage of Equity Shares held	Whether any such employee is a relative of any director or manager of the company
1	Mr. Naresh Khanna	Manager	23,50,000	Permanent	B. Com, CS Inter	34	22-02-2021	58	Oriental Bank of Commerce	-	No
2	Mr. Mahesh Kumar Gupta	Chief Financial Officer (KMP)	21,08,333	Permanent	Graduate, CMA	32	13-03-1995	53	Hero Cycle Limited	-	No
3	Mr. Rupesh Kumar*	Officer - Secretarial	6,01,089	Permanent	CS	7	13-03-2020	29	Jindal Poly Investment & Finance Co. Ltd.	-	No
4	Mr. Murari Lal	Accountant	3,09,685	Permanent	M.com	23	04-11-2006	47	Sudesh Soni & Co. (CA Firm)	-	No
5	Mr. Jitendra Kumar	Secretarial Assistant	2,43,677	Permanent	LLB	15	08-07-2015	42	HB Portfolio Ltd.	-	No
6	Mr. Ganga Singh Rawat	Assistant	2,01,067	Permanent	Matric	24	01-04-2017	51	QR Properties Pvt. Ltd.	-	No
7	Mr. Prashant Kumar	Officer - Investment	3,60,586	Permanent	M.com	6	15-03-2021	27	Chaudhary Construction Co. Pvt. Ltd.	-	No
8	Mr. Arun Kumar	Officer - Investment	2,54,967	Permanent	M.com	5	01-08-2021	27	Vivek Arora & Associates	-	No

Note: There were less than 10 employees, whose details are given hereinabove.

(*)Resigned w.e.f 24th January, 2022.

b) Details of the Employees, who were in receipt of remuneration aggregating Rs. 1,02,00,000/- or more per annum: **None**

c) Details of the Employees, who were employed for part of the financial year and was in receipt of remuneration not less than Rs. 8,50,000/- per month: **None**

d) Details of the Employees, who were employed throughout the financial year or part thereof, was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the Company: **None**

SECRETARIAL STANDARDS

During the year under review, the Company has complied with all applicable Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI).

ANNUAL RETURN

The Annual Return **(Form MGT-7)** is available on the website of the Company having following web link, **https://www.hbstockholdings.com/Investor%20Information/Annual%20Returns/indexx.html**

DIRECTORS' RESPONSIBILITY STATEMENT

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

a) in the preparation of the Annual Accounts, the applicable Accounting Standards had been followed along with proper explanation relating to material departures;

b) the Directors had selected such Accounting Policies and applied them consistently and made judgments and estimates, that are reasonable and prudent so as to give a true and fair view of the State of Affairs of the Company at the end of the Financial Year and of the Profit or Loss of the Company for that period;

c) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) the Directors had prepared the Annual Accounts on a going concern basis;

e) the Directors had laid down Internal Financial Controls to be followed by the Company and that such Internal Financial Controls are adequate and were operating effectively; and

f) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

ACKNOWLEDGMENTS

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

For and on behalf of the Board of
HB Stockholdings Limited

Sd/-
LALIT BHASIN
(Chairman)
DIN: 00002114

Place: **Gurugram**
Date: 18th May, 2022

ANNEXURE "I"

ANNUAL REPORT ON CSR ACTIVITIES

1. **Brief outline on CSR Policy of the Company:**

   HB Stockholdings Limited ("The Company") recognizes that its business activities have wide impact on the societies in which it operates, and therefore an effective practice is required giving due consideration to the interests of its stakeholders including shareholders, customers, employees, suppliers, business partners, local communities and other organizations. The company endeavors to make CSR for sustainable development. The Company through its CSR Committee shall identify the activities/projects in line with Section 135 read with Schedule VII of the Companies Act 2013 and the Rules made thereunder Our company is committed for better utilisation of CSR funds so that it can serve the of public at large.

2. **Composition of CSR Committee:**

   As per Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021, If a company's CSR obligation is less than or upto Rs. 50 lakhs, then the Company shall not be required to constitute the CSR committee and the board of directors shall discharge all the function of the CSR committee as prescribed.

   Pursuant to abovesaid amended CSR Rules and considering the specified threshold of CSR obligations, the Board of Directors in its meeting held on 21st June, 2021 has dissolved the CSR Committee and all the functions of the Committee shall be discharged by the Board of Directors.

3. **Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company:** https://www.hbstockholdings.com/Investor%20Information/CSR/index.html

4. **Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable:** Not applicable.

5. **Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, ifany**: Not applicable

6. **Average net profit of the company as per section135(5).:** ₹ 1,85,380 Hundreds

7. (a) Two percent of average net profit of the company as per section135(5): ₹ 3,707.60 Hundreds
   (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years.: Nil
   (c) Amount required to be set off for the financial year, if any: Nil
   (d) Total CSR obligation for the financial year (7a+7b- 7c). : ₹ 3,707.60 Hundreds

8. (a) **CSR amount spent or unspent for the financial year:**

Total Amount Spent for the Financial Year. (in ₹ Hundred)	Amount Unspent (in ₹ Hundred)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
3,980	NA	NA	NA	NA	NA

   (b) Details of CSR amount spent against **ongoing projects** for the financial year: Nil

   (c) Details of CSR amount spent against **other than ongoing projects** for the financial year:

1	2	3	4	5		6	7	8	
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/ No).	Location of the project		Amount spent for the project (in ₹ Hundred)	Mode of implementation	Mode of implementation - Through implementing agency	
				State	District		Direct (Yes/No)	Name.	CSR registration number
1	Contribution to The Akshaya Patra Foundation towards sponsorship of Mid-Day Meal Program for children studying in Delhi Government Schools	Eradicating hunger, poverty and malnutrition and promoting education (Item No. I & II of Schedule VII)	Yes	Delhi/NCR		1,980	Yes	NA	NA
2	Contribution to Delhi Langar Seva Society for feeding the Hungry People	Eradicating hunger, poverty and malnutrition (Item No. I of Schedule VII)	Yes	Delhi/NCR		2,000	Yes	NA	NA

   (d) Amount spent in Administrative Overheads :Nil
   (e) Amount spent on Impact Assessment, if applicable: N.A.
   (f) Total amount spent for the Financial Year (8b+8c+8d+:8e): ₹ 3,980 Hundreds
   (g) Excess amount for set off, if any*:* Nil

9. (a) Details of Unspent CSR amount for the preceding three financial years: Nil
   (b) Details of CSR amount spent in the financial year for **ongoing projects** of the preceding financial year(s):Nil

10. **In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year:** *Not Applicable*

11. **Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5).:** *Not Applicable*

For and on behalf of the Board of Directors
HB Stockholdings Limited

Sd/-
ANIL GOYAL
(Director)
DIN: 0001938

Sd/-
LALIT BHASIN
(Chairman)
DIN: 00002114

Place: **Gurugram**
Date: 18th May, 2022

ANNEXURE "II"

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2022

(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 accordance with **Auditing Standards (CSAS-1 to CSAS -4)and Guidance Notes on ICSI Auditing Standards**, **ICSI Guidance Note on Code of Conduct for Company Secretaries** and 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, 2022** 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, 2022** 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, 2018*;
     - (f) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021*;
     - (g) The Securities and Exchange Board of India (Issue and Listing of Non-convertible Securities) Regulations, 2021*;
     - (h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021*; and
     - (i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018*

     *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. (e), (f), (g), (h) and (i) above are not applicable to the Company for 2021-22 as there was no corporate decision/action attracting these regulations.
   - (vi) The Other Laws applicable specifically to the Company are:
     - (a) The Reserve Bank of India Act, 1934.

       Non-Banking Financial Company – non-systemically Important Non-Deposit Taking Company (Reserve Bank) Directions 2016, as amended and other applicable guidelines/instructions issued by RBI;

       The Company is an NBFC-Investment and Credit Company 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 applicable provisions of the RBI Act, KYC norms/Anti-money Laundering standards under Prevention of Money Laundering Act, 2002, Directions/ Guidelines, issued by Reserve Bank of India to the extent applicable.
     - (b) Credit Information Companies (Regulation) Act, 2005.
     - (c) Employees Provident Funds and Miscellaneous Provisions Act, 1952;
     - (d) Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.
2. We have also examined the compliance with the applicable Regulations/circulars, Guidelines/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.
4. We further report that:
   - a) The Board of Directors of the Company is duly constituted with Non-Executive Directors, Woman Director, Independent Directors and Manager appointed under Section 203 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.

   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
ICSI Unique Code: S1995DE014900
Peer Review Cert. 875/2020
UDIN: F001070D000337571

Place: New Delhi
Date: 18th May, 2022

Annexure 'A'

To,
The Members of
HB Stockholding 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
ICSI Unique Code: S1995DE014900
Peer Review Cert. 875/2020

Place: New Delhi
Date: 18th May, 2022

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

1) OPERATING RESULTS

During the year under review, the Company's Total Revenue from operation is ₹ 1770991.95 Hundreds as compared to ₹ 1319453.83 Hundreds in the previous year. The Company incurred total expenses amounted to ₹ 193898.92 Hundreds as compared to ₹ 147825.10 Hundreds during the previous year. Profit/(Loss) after tax stood at ₹ 1524054.05 Hundreds as against ₹ 1180441.19 Hundreds in the previous year.

2) INDUSTRY STRUCTURE AND DEVELOPMENTS

NBFCs have become important constituents of the financial sector and have been recording higher credit growth than scheduled commercial banks (SCBs) over the past few years. NBFCs are leveraging their superior understanding of regional dynamics and customised products and services to expedite financial inclusion in India. Lower transaction costs, quick decision making, customer orientation and prompt service standards have typically differentiated NBFCs from banks. Considering the reach and expanse of NBFCs, they are well-suited to bridge the financing gap in a large country like India.

Policy environment in the economy remained quite supportive through the financial year with Government continuing to focus on capital expenditure, unveiling of Production Linked Incentive (PLI) schemes, supporting people in the lower strata through schemes like the free food-grain programs and emergency credit line guarantee scheme (ECLGS) for Micro, Small and Medium Enterprises (MSMEs), etc. The RBI policy also maintained accommodative stance with rates being held steady through the year.

3) OPPORTUNITY AND THREATS

NBFCs offer a wide range of financial products and services including personal loans, commercial vehicle finance, housing loans, infrastructure finance, gold loans, microfinance, money transfer, insurance, education funding, and many more customised finance solutions. The diversity of products and services offered enables them to focus on under-served populations of the economy, and create a niche market for themselves.

The geopolitical conflict in Europe which started in February 2022 has imparted a strong shock that threatens to overwhelm the global economy and its constituents. Negative externalities are already rippling through financial and commodity markets, the international trade and financial systems, supply chains and the global geopolitical order. Surging food and fuel prices, in particular, and shortages of essential items are impacting the disadvantaged adversely.

The informal nature of the NBFC sector increases its regulatory risk. One of the ways this increased regulatory risk can be observed is the frequency of regulatory changes brought in by the RBI. For example, on 19th April, 2022, RBI issued guidelines for loans and advances by NBFCs and the disclosures they are required to make under a scale-based regulatory framework. A consequence of frequent regulatory changes are compliance costs that are borne by individual NBFCs, which reduces their ability to be competitive and protect their margins.

4) FUTURE PROSPECTS AND OUTLOOK

The escalation of geopolitical tensions into war from late February 2022 has delivered a brutal blow to the world economy, battered as it has been through 2021 by multiple waves of the pandemic, supply chain and logistics disruptions, elevated inflation and bouts of financial market turbulence, triggered by diverging paths of monetary policy normalisation.

NBFCs are playing their part by meeting the diverse financial needs of the economy. They have channelized the savings and investments of the customers and had helped in the capital formation. The non-banking financial companies witnessed a year of ups and down, but still managed to revive and recover from the disruptions caused by the second COVID-19 wave. From July 2021 onwards, the COVID-19 lockdown started easing up and many schemes were also implemented to help NBFCs get the funding they needed. The NBFC sector was seen leaning towards digitisation in 2021, to cope with COVID-19.

5) RISKS AND CONCERNS

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

Risk Management Policy

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

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

(a) The macroeconomic risks, investee company specific risks are covered by investment decisions based on third party research and internal assessment.

(b) Market wide risks are assessed and managed by investment timing decisions.

(c) The execution risk is managed by dealing with reputed intermediaries and through own back-office discipline re accounting and follow up of trades.

(d) All investment decisions are made after distinguishing among alternative courses of action with identification of expected risks.

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

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

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

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

6) INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

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

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

7) FINANCIAL PERFORMANCE

a) **Share Capital:** The Company's Issued and Subscribed Share Capital consists of Equity Share Capital only. The Paid-up Share Capital of the Company as at 31st March, 2022 stood at ₹ 7,13,76,650/- comprising of 7137665 Equity Shares of ₹ 10/- each.

b) **Financial Assets and Non-Financial Assets:** The Financial Assets and Non-Financial Assets for the year under review stood at ₹ 7043115.57 Hundreds and ₹ 133272.53 Hundreds respectively as against ₹ 5755529.20 Hundreds and ₹ 143664.34 Hundreds for the previous year.

c) **Financial Liabilities and Non-Financial Liabilities:** During the year under review, the Financial Liabilities and Non-Financial Liabilities stood at ₹ 21930.44 Hundreds and ₹ 170423.39 Hundreds respectively as against ₹ 367863.09 Hundreds and ₹ 114507.77 Hundreds during the previous year.

d) **Key Financial Ratios (Standalone):**

Particulars	FY 2021-22	FY 2020-21	% Change over previous year	Reason for change of more than 25% in Key Financial Ratios
1. Debtors Turnover Ratio	Nil	Nil.	Nil	-
2. Inventory Turnover Ratio	N.A.	N.A.	Nil	-
3. Interest Coverage Ratio	120800.49	40351.39	199.37	Decrease in Finance Cost and increase in Operating Profit
4. Current Ratio	45.70	7.11	542.46	Increase in Current Assets
5. Debt Equity Ratio	0.0008	0.0048	-83.80	Decrease in debts and increase in Equity Funds
6. Operating Profit Margin (%)	89.06	89.07	-0.01	-
7. Net Profit Margin (%)	86.00	89.08	-3.45	-
8. Return on Net-Worth (%)	21.82	21.79	0.14	-

8) HUMAN RESOURCES

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

9) CAUTIONARY STATEMENT

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

REPORT ON CORPORATE GOVERNANCE

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:

Corporate Governance is an insight into the management of affairs of the Company. It implies governance with the highest standards of professionalism, integrity, accountability, fairness, transparency, social responsiveness and business ethics for efficient and ethical conduct of business.Good Corporate Governance is the adoption of best business practices which ensure that the Company operates within the regulatory framework.

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

2. SIZE AND COMPOSITION OF THE BOARD:

The Board of Directors of your Company comprises of six (6) Non-Executive Directors out of which three(3) are Independent Directors including one (1) Woman Director as on 31st March, 2022. Mr. Lalit Bhasin, Director (Promoter) is the Chairman and Non-Executive Director of the Company. All the Non-Executive Directors are proficient in their respective fields and bring with them vast experience in the area of Banking, Finance, Investment, Legal and Securities Market Operations. The strength of the Independent Directors is half of the total strength of the Board. The composition of the Board is in conformity with the Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Five (5) Board meetings were held during the year under review on 07th June, 2021, 21st June, 2021, 02nd August, 2021, 11th November, 2021 and 02nd February, 2022.

The particulars regarding composition of the Board of Directors and its Meetings held during the year with their shareholding in the Company as on 31st March, 2022 and presence in last AGM are given hereunder:

Name of the Director	Category	Directorships in other Public Companies as on 31st March, 2022		#Committee Membership held in other Public Companies as on 31st March, 2022		No. of Board Meetings attended/ entitled during the year	Whether Attended last AGM	No. of Equity Shares held
		Director	Chairman	Member	Chairman			
Mr. Lalit Bhasin	Chairperson Promoter Non-Executive	6	3	4	1	5/5	Yes	3678691
Mr. Anil Goyal	Non-Independent Non- Executive	9	NIL	4	1	5/5	Yes	NIL
Mr. Ashish Kapur	Non-Independent Non- Executive	1	NIL	NIL	NIL	4/5	Yes	NIL
Mr. Gulshan Rai	Independent Non – Executive	NIL	NIL	NIL	NIL	5/5	Yes	NIL
Mr. Harbans Lal	Independent Non – Executive	2	NIL	3	1	5/5	Yes	NIL
Mrs. Asha Mehra	Independent Non –Executive	1	NIL	1	1	5/5	Yes	NIL

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

Details of Directorships held in other listed entities by the Directors of the Company and the Category of their Directorship as on 31st March, 2022 is given as under:

Name of the Director	Directorships in other listed entities (Category of Directorship)
Mr. Lalit Bhasin	1. HB Portfolio Ltd. (Non-Executive Non-Independent Director - Chairperson) 2. HB Estate Developers Ltd. (Non-Executive Non-Independent Director - Chairperson) 3. HB Leasing & Finance Co. Ltd. (Non-Executive Non-Independent Director - Chairperson) 4. CHL Ltd. (Non-Executive Independent Director)
Mr. Anil Goyal	1. HB Portfolio Ltd. (Executive Director - MD) 2. HB Estate Developers Ltd. (Non-Executive Non-Independent Director) 3. HB Leasing & Finance Co. Ltd. (Executive Director - MD)
Mr. Ashish Kapur	None
Mr. Gulshan Rai	None
Mr. Harbans Lal	1. HB Portfolio Limited(Non-Executive Independent Director)
Mrs. Asha Mehra	1. HB Estate Developers Ltd. (Non-Executive Independent Director)

The number of Committees (Audit Committee and Stakeholder Relationship Committee) of Public Limited Companies in which a Director is a Member / Chairman is within the limits provided under Regulation 26 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for all the Directors of the Company. The number of Directorships of each Independent Director is also within the limits as prescribed under Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

The Company had issued formal letter of appointment to the Independent Directors as per the provisions of Sec 149 read with Schedule IV of the Companies Act, 2013. The terms and conditions of appointment are also available on the website of the Company, having following web-link,

https://www.hbstockholdings.com/Investor%20Information/Corporate%20Governance/index.html

In the opinion of the Board, the Independent Directors fulfill the conditions specified in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and are independent of the management.

In terms of the provisions of the Articles of Association of the Company, one-third of the Directors of the Company, who are liable to retire by rotation, shall retire at every Annual General Meeting. Accordingly, Mr. Ashish Kapur (DIN: 00002320), Director shall retire at the ensuing Annual General Meeting and being eligible offers himself for re-appointment.

The information on the Particulars of Director eligible for Appointment / Re-appointment in terms of Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard – 2 issued by the Institute of Company Secretaries of India has been provided in the Notes to the Notice convening the Annual General Meeting.

3. CORE SKILLS / EXPERTISE / COMPETENCIES OF THE BOARD OF DIRECTORS

The Board comprises of qualified members who bring in the required skills, competence and expertise that enable them to make effective contributions to the Company's working. The Board members have expertise and extensive experience in financial services, taxation, investments, capital markets, banking, hospitality, corporate restructuring, corporate governance, strategic planning, corporate administration and general management. They uphold ethical standards of integrity and probity and exercise their responsibility in the best interest of the Company and all stakeholders.

The Board comprises of members of varied age groups who demonstrate competence and experience required for the Company. Their diversity of experiences has a positive impact on deliberations on various matters placed before the Board setting the right direction for future strategy and plans. Sufficient time is devoted by them for informed and balanced decision-making.

All Directors are familiar with the Company's business, policies, culture (including the Mission, Vision and Values) and industry in which the Company operates.

The below chart / matrix summarizes a mix of skills, expertise and competencies expected to be possessed by our individual directors, which are key to corporate governance and board effectiveness:

Key Board Skills / Expertise / Competencies:

Financial Expertise	Education and experience in the areas of capital markets, mutual funds, banking and finance, treasury, investment banking, wealth management, institutional and retail stock broking.
Risk Management	Capability to identify, assess, and monitor the risks associated with capital markets, macroeconomic, business cycle, interest rate volatility, liquidity and credit risk associated with the business of the Company.
Corporate Governance	Understanding of the relevant laws, rules, regulation policies applicable to the organisation/industry/sector in which the Company operates. Knowledge and understanding of organizations processes, strategic planning and observing appropriate governance practices.
Strategic Decision making	To develop insights about maintaining board and management accountability, protecting shareholder interests. Demonstrated strengths in developing business strategies, business transformation contributing to long-term growth.

Name of the Directors who have these expertise and skills:

Name of the Director	Core Skills / Expertise / Competencies			
	Financial Expertise	Risk Management	Corporate Governance	Strategic Decision Making
Mr. Lalit Bhasin	✓	✓	✓	✓
Mr. Anil Goyal	✓	✓	✓	✓
Mr. Ashish Kapur	✓	✓	✓	✓
Mr. Harbans Lal	✓	✓	✓	✓
Mr. Gulshan Rai	✓	✓	✓	✓
Mrs. Asha Mehra	✓	✓	✓	✓

4. CODE OF CONDUCT FOR DIRECTORS AND SENIOR MANAGEMENT PERSONNEL

The Code of Conduct for Directors and Senior Management Personnel ('the Code'), as adopted by the Board, is a comprehensive Code applicable to all the Directors and Senior Management Personnel. The Company's Board of Directors and Senior Management Personnel are responsible for and are committed to setting the standards of conduct contained in the Code and for updating these standards, as appropriate, to ensure their continuing relevance, effectiveness and responsiveness to the needs of investors and all other stakeholders as also to reflect corporate, legal and regulatory developments. This Code is adhered to in letter and in spirit. The Code has been circulated to all the Directors and Senior Management Personnel and the compliance of the same is affirmed by them annually.

All the members of Board of Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct of the Company for the financial year 2021-22. The declaration to this effect signed by Mr. Anil Goyal, Director of the Company is attached and forms an integral part of this Report. A copy of the Code has been uploaded on the Company's website having following web link:

https://www.hbstockholdings.com/Investor%20Information/Corporate%20Governance/index.html

5. MEETING OF INDEPENDENT DIRECTORS

During the year under review, the Independent Directors met on 02nd February, 2022, inter alia, to discuss and evaluate:

(i) the performance of Non-Independent Directors and the Board of Directors as a whole;

(ii) the performance of the Chairman of the Company, taking into account the views of Executive and Non-Executive Directors;

(iii) the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

Further, the Company gave the presentation to the Independent Directors as a part of the Familiarisation programme to make them aware about their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company etc. The details of such familiarisation programme have been uploaded on the website of the Company, having following web-link,

https://www.hbstockholdings.com/Investor%20Information/Corporate%20Governance/index.html

All the Independent Directors were present at the Meeting.

6. PERFORMANCE EVALUATION CRITERIA

The performance evaluation exercise has been carried out by way of a structured questionnaire covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, execution and performance of specific duties, obligations and governance. The performance of Individual Directors has been evaluated on parameters such as level of engagement and contribution, independence of judgement, safeguarding the interest of the Company, Shareholders etc. The Performance of Chairman was being evaluated in terms of leadership qualities, effective management, maintaining cordial relationship with Board, Shareholders, employees, etc.

The Independent Directors in their meeting held on 02nd February, 2022 have done necessary performance evaluation of Non-Independent Directors, the Board of Directors as a Whole & its Committees and the Chairman of the Company, taking into account the views of Executive and Non-Executive Directors. All the Independent Directors expressed their satisfaction with the performance of Non-Independent Directors, the Board of Directors as a Whole & its Committees and the Chairman of the Company.

Mr. Lalit Bhasin, Chairman of the Company had discussion with all individual Directors in order to review the performance of the Independent Directors of the Company. The performance of the Independent Directors also found to be satisfactory during the period under review.

The Nomination and Remuneration Committee and the Board of Directors in their meeting held on 02nd February, 2022 expressed their satisfaction with the performance evaluation of all individual Directors being the Independent Directors, Non-Independent Directors, Chairman, Board as a whole and its committees in terms of the provision of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and applicable provisions of the Companies Act, 2013.

7. BOARD COMMITTEES

The terms of reference of the Board Committee(s), their composition and attendance of the respective members at the various Committee Meeting(s) held during the year 2021-22 are set out below:

(A) AUDIT COMMITTEE

The Board of Directors in their meeting held on 17th May, 2014 had approved the revised term of reference pursuant to the provisions of Section 177 of the Companies Act, 2013 and Clause 49 of the erstwhile Listing Agreement.

Further, the terms of reference of the Audit Committee have been partially amended by the Board of Directors in their meeting held on 11th February, 2016 and 09th February, 2019 in terms of Regulation 18 read with Part C of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Audit Committee consists of three Non-Executive Directors as members, out of which two are Independent Directors. The Chairman of the Audit Committee is an Independent Director. The Audit Committee comprises of following members:

(i) Mr. Gulshan Rai, Chairman (Independent Director)

(ii) Mr. Anil Goyal, Member (Non-Executive- Non-Independent)

(iii) Mr. Harbans Lal, Member (Independent Director)

The Company Secretary acts as Secretary to the Committee.

The quorum for the Audit Committee meeting shall either be two members or one third of the members of the Audit Committee, whichever is greater, with at least two Independent Directors. There was no change in the Constitution of the Committee during the period under review.

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

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

of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

14. Discussion with internal auditors of any significant findings and follow up there on;

15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;

16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

18. To review the functioning of the Whistle Blower mechanism;

19. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;

20. Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans/advances/investments.

21. Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.

22. The Audit Committee shall mandatorily review the following information:

    a) Management discussion and analysis of financial condition and results of operations;

    b) Management letters / letters of internal control weaknesses issued by the statutory auditors;

    c) Internal audit reports relating to internal control weaknesses; and

    d) The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.

    e) Statement of deviations:

        (i) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015.

        (ii) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015.

23. The Audit Committee shall also have powers, which should include the following:

    a) To investigate any activity within its terms of reference.

    b) To seek information fromany employee.

    c) To obtain outside legal or other professional advice.

    d) To secure attendance of outsiders with relevant expertise, if it considers necessary.

    e) To consider and act on any matters as or included under Clause 49 of the Listing Agreement and/or as may be so included from time to time, whether provided here in above or not.

    f) To deal with any other matters related and or incidental to the above or as may be assigned, in addition to the aforesaid, by the Board from time to time.

During the year under review, four (4) Audit Committee Meetings were held on 21st June, 2021, 02nd August, 2021, 11th November, 2021 and 02nd February, 2022. All the members were present in all the Committee Meetings.

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

(B) NOMINATION AND REMUNERATION COMMITTEE

The Board of Directors in their meeting held on 17th May, 2014 renamed the Committee as "Nomination and Remuneration Committee" and approved the revised term of reference pursuant to the provisions of Section 178 of the Companies Act, 2013 and Clause 49 of the erstwhile Listing Agreement.

Further, the Board of Directors in its meeting held on 11th February, 2015 has approved the Nomination and Remuneration Policy and subsequently, the terms of reference of the Nomination and Remuneration Committee has been partially amended by the Board of Directors in their meeting held on 11th February, 2016 and 09th February, 2019 in terms of Regulation 19 read with Part D of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Nomination and Remuneration Committee consists of three Directors as members. All of whom are Non-Executive and Independent Directors including the Chairman of the Committee.There was no change in the Constitution of the Committee during the period under review. The Nomination and Remuneration Committee comprises of following members:

(i) Mr. Harbans Lal, Chairman (Independent Director)

(ii) Mr. Gulshan Rai, Member (Independent Director)

(iii) Mrs. Asha Mehra, Member (Independent Director)

The Company Secretary act as Secretary to the Committee.

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

1) Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;

    IA. For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:

        a. use the services of an external agencies, if required;

        b. consider candidates from a wide range of backgrounds, having due regard to diversity; and

        c. consider the time commitments of the candidates.

2) Formulation of criteria for performance evaluation of Independent Directors and the Board;

3) Devising a policy on Board diversity;

4) Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.

5) Whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors.

6) Recommend to the Board, all remuneration, in whatever form, payable to senior management.

7) To deal with any other matters related and / or incidental to the above or as may be assigned, in addition to the aforesaid by the Board from time to time.

During the year under review Three (3) Nomination and Remuneration Committee Meetings were held on 07th June, 2021, 11th November, 2021 and 02nd February, 2022 and the same were attended by all the committee members.

Remuneration paid during the year ended 31st March, 2022 is as under:

Director(s)	Relationship with other Director(s)	Sitting Fees (In₹)	Salary & Perks (In ₹)	Commis-sion, if any
Mr. Lalit Bhasin	N.A.	50,000	NIL	NIL
Mr. Anil Goyal	N.A.	98,000	NIL	NIL
Mr. Ashish Kapur	N.A.	40,000	NIL	NIL
Mr. Harbans Lal	N.A.	1,23,000	NIL	NIL
Mr. Gulshan Rai	N.A.	1,15,000	NIL	NIL
Mrs. Asha Mehra	N.A.	83,000	NIL	NIL

The Non-Executive Directors are paid sitting fees for attending each meeting of the Board of Directors and the Committees constituted by the Board. The sitting fee for Board and the Committee meetings has been fixed by the Board of Directors within the overall ceiling limits laid down under the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Brief outline / salient features of the Nomination and Remuneration Policy has been included in the Board's Report. The complete Nomination and Remuneration Policy of the Company is available on the website of the Company having following web-link,**http://www.hbstockholdings.com/Investor Information/Corporate Governance/index.html**

(C) STAKEHOLDERS RELATIONSHIP COMMITTEE

The Board of Directors in their meeting held on 17th May, 2014 renamed the Committee as "Stakeholders Relationship Committee in terms of provisions of Section 178 of the Companies Act, 2013 and Clause 49 of the erstwhile Listing Agreement.

The Board of Directors in their meeting held on 21st May, 2015 and 12th November, 2018 respectively had re-constituted the composition of Committee in terms of Regulation 20 of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 and Section 178 of Companies Act, 2013.

Further, the Board of Directors in their meeting held on 09thFebruary, 2019 revised the terms of reference of the Stakeholders Relationship Committee in terms of Regulation 20 read with Part D of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

(i) Mr. Harbans Lal, Chairman (Independent Director)

(ii) Mr. Anil Goyal, Member (Non-Executive- Non-Independent)

(iii) Mrs. Asha Mehra, Member (Independent Director)

There was no change in the Constitution of the Committee during the period under review.

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

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

1. To consider and approve the transfer, transmission and issue of fresh/duplicate share certificates.
2. To review the status of dematerialization of company's shares and matters incidental thereto.
3. To review and monitor the approval to the transfers and transmission made by the Director, under authority delegated to him from time to time.
4. To consider, review and look into various aspects of interest of Shareholders, debenture holders and other security holders.
5. Resolving the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non -receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
6. Review of measures taken for effective exercise of voting rights by the Shareholders.
7. Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.
8. Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the Shareholders of the Company.
9. To deal with any other matter related and/or incidental to the shareholders.

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

During the year under review, Four (4) Stakeholders Relationship Committee Meetings were held on 6th April, 2021, 07th July, 2021, 7th October, 2021 and 06th January, 2022 and the same were attended by all the Committee members.

Number of Shareholders Complaints received and redressed during the year 2021-2022:

Nature of Grievance	Received	Disposed Off	Pending
Non-receipt of Dividend	01	01	NIL
Non-receipt of Annual Report	00	00	NIL
Transfer, Transmission, Issue of Share Certificate etc.	01	01	NIL
Complaints received through SEBI/Stock Exchange	00	00	NIL
Total	**02**	**02**	**NIL**

(D) CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

As per Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021, If a company's CSR obligation is less than or upto Rs. 50 lacs, then the Company shall not be required to constitute the CSR committee and the board of directors shall discharge all the function of the CSR committee as prescribed.

Pursuant to abovesaid amended CSR Rules and considering the specified threshold of CSR obligations, the Board of Directors in its meeting held on 21st June, 2021 has dissolved the CSR Committee and all the functions of the Committee shall be discharged by the Board of Directors.

(E) BUSINESS RESTRUCTURING COMMITTEE

The Board of Directors in their meeting held on 6th February, 2013 constituted the Business Restructuring Committee at the time of analysing all the available options of merger, demerger etc. and further re-constituted the composition of the Committee in their meeting held on 21st May, 2015.

The Business Restructuring Committee comprises of following members:

(i) Mr. Gulshan Rai, Chairman

(ii) Mr. Anil Goyal, Member

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

1. To analyze all the available options of merger, demerger etc.;
2. To appoint consultants and to obtain opinion of professionals dealing in said fields on various options available for re-organization of the business of group companies and to place the opinion obtained from the said professionals before the Board of Directors of the Company;
3. To appoint Advocates & Legal Counsels for the drafting of Scheme of Amalgamation/ Arrangement;
4. To appoint valuer for obtaining the valuation report;
5. To place the Draft Scheme of Amalgamation/ Arrangement and valuation report before the Board of Directors of the Company;
6. To restructure the Company's Capital / Fund base.

(F) CAPITAL RESTRUCTURING COMMITTEE

The Board of Directors in its meeting held on 29th January, 2018 constituted the Capital Restructuring Committee at the time of implementation of Scheme of Arrangement. The Capital Restructuring Committee comprises of following members:

(i) Mr. Harbans Lal, Chairman

(ii) Mr. Anil Goyal, Member

(iii) Mr. Gulshan Rai, Member

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

1. To issue and allot 71,37,665 Nos. of Equity Shares of Rs. 10/- each upon reduction of Share Capital as provided in the Clause 32 of the Scheme of Arrangement.
2. To implement the Reduction of Capital by reducing the face value of existing shares from Rs. 10/- to Rs. 3/- and Consolidate the Shares in to the denomination of Rs. 10/- each.
3. To deal with the fraction entitlement of Shareholders and disposal of the fractional shares for the benefit of the equity shareholders of the Company.
4. To do all necessary acts, deeds and things as may be considered necessary to give effect to the Issue, Allotment and Reduction of Capital in order to give effect to the Scheme of Arrangement approved by the NCLT, Chandigarh.

The above Non-Statutory Committees i.e. Business Restructuring Committee and Capital Restructuring Committee were constituted by the Board of Directors as per the business requirement from time to time. However, the Committees were not functioning anymore and the Board of Directors had dissolved the committee in their meeting held on 18th May, 2022. Further, the functions of this Committee shall be carried out by the Board of Directors.

8. GENERAL BODY MEETINGS:

Details of Annual General Meetings (AGM):

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

Year	Type	Location	Date	Time
2020-21	AGM	Meeting held through Video Conferencing ("VC")/ Other Audio-Visual Means("OAVM")	29-09-2021	03:00 P.M.
2019-20	AGM		29-09-2020	03:00 P.M.
2018-19	AGM	GIA House, I.D.C., Mehrauli Road, Opp. Sector 14, Gurugram - 122 001(Haryana)	17-09-2019	03:00 P.M.

(ii) **List of Special Resolutions passed in the previous three (3) AGMs:**

S. No.	Subject Matter	AGM Reference and Date of passing
1	None	34th AGM 29th September, 2021
2	• Re-appointment of Mrs. Asha Mehra (DIN: 02658967) as an Independent Director of the Company.	33rd AGM 29th September, 2020
3	• Appointment of Mr. Jag Mohan Lal Suri As Manager Designated as Executive Director (Operations) of the Company • Re-Appointment of Mr. Harbans Lal (Din: 00076405) as an Independent Director of the Company • Re-Appointment of Mr. Gulshan Rai (DIN: 00527181) as an Independent Directorof the Company • Continuation of Directorship of Mrs. Asha Mehra (DIN: 02658967) Non-Executive Independent Director of the Company	32nd AGM 17th September, 2019

E-voting facility was provided to all members pursuant to the provisions of Section 108 of the Companies Act, 2013, rules made there under and Regulation 44 of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015.

(iii) Whether any Special Resolutions passed last year through Postal Ballot: **No**

(iv) Whether any Special Resolution is proposed to be conducted through Postal Ballot: **No**

9. MEANS OF COMMUNICATION

I. Quarterly Results: Dissemination through Stock Exchange, Company's Website and through publication in newspaper as required under Regulation 47 of the SEBI (Listing Obligations and Disclosure requirements) Regulations, 2015.

II. Newspaper wherein results normally published: Business Standard (English) all editions and Business Standard (Hindi) Delhi edition.

III. Website where displayed: www.hbstockholdings.com

IV. The website also displays Public Notices / Announcements containing important communications made to the National Stock Exchange of India Limited (NSE) &BSE Limited (BSE). As and when any presentation is made to institutional investors the same would be simultaneously uploaded on the Company's Website.

10. DISCLOSURES

I. There have been no materially significant related party transactions, pecuniary transactions or relationships other than those disclosed in the Financial Statements for the year ended 31st March, 2022 forming part of the Financial Statements*(Refer Note No. 28 of Financial Statements)*. The Policy on Related Party Transactions has been uploaded on the website of the Company, having following web-link,

https://www.hbstockholdings.com/Investor%20Information/Corporate%20Governance/index.html

II. Except penalty imposed by National Stock Exchange of India Limited for non compliance with the requiment of composition of the Board in financial year 2020-21, no penalty has been imposed nor any strictures have been passed by the Stock Exchanges or SEBI or any other Statutory Authority on any matter related to Capital Markets during the last three years.

III. The Vigil Mechanism for Stakeholders, Employees and Directors of the Company has been established. The Whistle Blower Policy duly approved by the Board of Directors has been uploaded on the website of the Company having following web-link,

https://www.hbstockholdings.com/Investor%20Information/Corporate%20Governance/index.html

IV. Mount Finance Limited, a Wholly Owned Subsidiary Company does not fall under 'Material Un-Listed Subsidiary' of the Company in terms of Regulation 24 of the SEBI Listing Regulations 2015.

However, the Financial Results and the Investments (as and when made), are placed before the Audit Committee of the Company regularly for review. The Policy for determining Material Subsidiary is available on the website of the Company, having following web-link,

https://www.hbstockholdings.com/Investor%20Information/Corporate%20Governance/index.html

V. All the mandatory requirements under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 relating to Corporate Governance are being adhered to / complied with.

VI. Mr. Mahesh Kumar Gupta, Chief Financial Officer (CFO) and Mr. Naresh Khanna, Manager (KMP) has given the Compliance Certificate on the review of Financial Statements, including Cash Flow Statement for the Financial Year ended 31st March, 2022 to the Board of Directors as required under Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

VII. Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A) – **Not Applicable.**

VIII. A certificate from a Company Secretary in practice that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of companies by the Board / Ministry of Corporate Affairs or any such statutory authority is attached and forms an integral part of this report.

IX. The Board of Directors has duly accepted the recommendation of its committee(s), wherever required in accordance with the provisions of applicable laws.

X. Total fees paid by the Company and its Subsidiaries, on a consolidated basis, to the Statutory Auditors is given as under:

(Amount in ₹)

Audit Fees	1,79,750
Tax Audit Fees	25,000
Limited Review Reports	30,000
Certification and others	37,500
Total	**2,72,250/-**

XI. Disclosure in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 is given as under:

a. Number of complaints filed during the financial year	Nil
b. Number of complaints disposed of during the financial year	Nil
c. Number of complaints pending as on end of the financial year	Nil

XII. The Company has adopted a code of conduct applicable to all Directors and Senior Management Personnel of the Company and the same has been available on the Company's website viz. **www.hbstockholdings.com**. For the year under review, all Directors and Senior Management Personnel have confirmed their adherence to the provisions of said code.

XIII. The Company has complied with Corporate Governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

ADOPTION OF DISCRETIONARY REQUIREMENTS UNDER REGULATION 27 OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015:

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

11. GENERAL SHAREHOLDER INFORMATION:

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

The ensuing Annual General Meeting of the Company will be held through Video Conferencing (VC) / Other Audio-Visual Means (OAVM) on **Thursday, 22nd September, 2022 at 11.00 A.M.** The deemed venue of the 35thAGM shall be the Registered Office of the Company.

II. Financial Year : 1st April 2021 to 31st March 2022.

III. Date of Book Closure : 16th September, 2022 to 22nd September, 2022

IV. Listing on Stock Exchanges:

The Company's Equity Shares are listed at BSE Limited (BSE) and at National Stock Exchange of India Limited (NSE). The Annual Listing Fee for the financial year 2022-23 has been paid to BSE and NSE respectively.

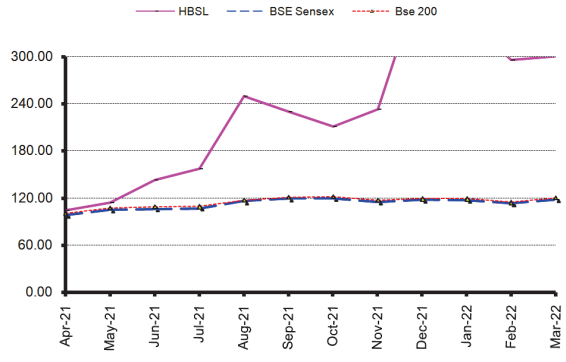
V. Stock Code: The Company's scrip code and Symbol is as follows with (ISIN:INE550B01022)

BSE (Scrip Code) **532216**
NSE (Symbol) **HBSL**

VI. Market Price Data: The monthly High, Low price of the Company's Equity Share during each month in the last financial year at BSE and NSE are as under:

	BSE				NSE			
Month(s)	**High**	**Low**	**Close**	**Volume**	**High**	**Low**	**Close**	**Volume**
Apr-21	18.80	15.35	16.85	25209	18.10	15.70	16.30	101792
May-21	19.85	15.55	18.45	53318	19.95	15.65	18.25	130127
Jun-21	24.35	15.50	23.10	364949	24.55	16.50	23.20	794819
Jul-21	32.85	22.30	25.40	135518	32.85	22.45	25.45	301434
Aug-21	51.95	25.20	40.30	211950	52.10	25.50	40.85	1016417
Sep-21	42.90	36.00	37.10	126852	42.90	35.70	37.35	314843
Oct-21	43.90	34.00	34.05	113884	43.90	33.75	34.90	347338
Nov-21	42.25	33.40	37.70	121740	42.95	33.15	38.35	390970
Dec-21	65.50	35.25	65.50	246145	65.00	33.25	65.00	899910
Jan-22	75.65	54.40	56.20	565097	75.05	54.45	56.35	1751084
Feb-22	64.10	44.95	47.75	109008	64.30	43.25	47.70	330226
Mar-22	57.25	43.10	48.50	118288	57.00	43.50	48.75	342889

VII. Performance in Broad Based Indices



Stock Performance-Absolute returns

	1 Year
	BSE
HB Stockholdings	90.94
BSE Sensex	20.06
BSE 200	19.70

VIII. Registrar and Share Transfer Agents:

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

IX. Share Transfer System

As per Regulation 40 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, securities of listed companies can be transferred only in dematerialized form, except in case of request received for transmission or transposition of securities.

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

X. The distribution of shareholdings of the Company as on 31st March, 2022 is as under:

Shareholding of value of Rs.	Shareholders		Shareholding		
	No. of Shares	% to total	Shares	Amount	% to total
Up to 5000	37861	98.31	1429909	14299090	20.03
5001-10000	352	0.91	262728	2627280	3.68
10001-20000	171	0.44	247207	2472070	3.46
20001-30000	47	0.12	120654	1206540	1.69
30001-40000	17	0.04	58916	589160	0.83
40001-50000	15	0.04	67547	675470	0.95
50001-100000	28	0.07	204026	2040260	2.86
100001 and above	22	0.06	4746678	47466780	66.50
TOTAL	**38513**	**100.00**	**7137665**	**71376650**	**100.00**

The category-wise distribution of Shareholders is as follows:

Category	No of Shares held	% of Shareholding
A. Promoters Holding		
➢ Indian Promoter	3798335	53.22
➢ Foreign Promoters	Nil	0.00
B. Public Shareholding (Institutions)		
➢ Mutual Funds and UTI	105	0.00
➢ Banks/Financial Institutions	45	0.00
➢ Foreign Institutional Investors	Nil	0.00
C. Public Shareholding (Non-Institutions)		
➢ Indian Public: ➢ Bodies Corporate ➢ NRIs ➢ Clearing Members ➢ Trusts	2327251 193868 162347 15362 165	32.61 2.72 2.27 0.22 0.00
➢ NBFCs ➢ IEPF	30 639803	0.00 8.96
Total	**7137665**	**100.00**

XI. Dematerialization of Share and Liquidity:

The shares of the Company are tradeable compulsorily in the electronic form. The Company is a member of both the depositories, National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

The ISIN allotted to the Company is INE550B01022. As at 31st March 2022, 67,08,189 Equity Shares of the Company are held in dematerialized form constituting 93.98% of the Company's subscribed share capital.

As stipulated by SEBI, a qualified Practicing Company Secretary carries out Audit of Reconciliation of Share Capital to reconcile the Total Admitted, Issued and Listed Capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and Stock Exchanges.

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

XIII. List of all credit ratings obtained by the Company along with any revisions thereto during the financial year: Not Applicable

XIV. Address for Correspondence:

The Company Secretary
HB Stockholdings Limited
Plot No. 31, Echelon Institutional Area,
Sector-32, Gurugram – 122 001, (Haryana)
Ph.: 0124-4675500; Fax: 0124-4370985
Email: corporate@hbstockholdings.com

DIRECTOR'S DECLARATION ON CODE OF BUSINESS CONDUCT

The Members of
HB Stockholdings Limited
Gurugram

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 HB Stockholdings Ltd

Sd/-
ANIL GOYAL
(Director)
DIN: 00001938

Place: Gurugram
Date: 18th May, 2022

AUDITORS' CERTIFICATE FOR CORPORATE GOVERNANCE

THE MEMBERS OF
HB STOCKHOLDINGS LIMITED
GURUGRAM

1. We have examined the compliance of conditions of Corporate Governance by **HB STOCKHOLDINGS LIMITED** ("the Company"), for the financial year ended on **31st March, 2022**, as stipulated in Regulation 17 to 27 and clause (b) to (i) of sub-regulation (2) of Regulation 46 and Paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") pursuant to the Listing Agreement entered into by the Company with the Stock Exchanges.
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.
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 above-mentioned Listing Regulations during the period under review.
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
UDIN: 22083820AKFJHK4996

Place: New Delhi
Date: 18th May, 2022

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS OF HB STOCKHOLDINGS LIMITED

(Pursuant to Regulation 34(3) read with Schedule V Para C-clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members of
HB Stockholdings Limited
Plot No. 31, Echelon Institutional Area
Sector – 32, Gurugram – 122001 (Haryana)

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **HB STOCKHOLDINGS LIMITED** having **CIN:L65929HR1985PLC033936** and having Registered Office at Plot No. 31, Echelon Institutional Area, Sector 32, Gurugram -122001, Haryana (hereinafter referred to as "the Company") produced before us by the Company for the purpose of issuing this Certificate in accordance with Regulation 34(3) read with Schedule V Para C clause 10(i) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verification (including Directors Identification Number (DIN) status at the portal - www.mca.gov.in as considered necessary and explanations furnished to us by the Company and its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending **31st March, 2022** have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, Government of India, or any such statutory authority.

Sr. No.	Name of Director	DIN	Date of Appointment in Company
1	Mr. Lalit Bhasin	00002114	16/08/1989
2	Mr. Anil Goyal	00001938	30/07/2005
3	Mr. Harbans Lal	00076405	28/01/2006
4	Mr. Gulshan Rai	00527181	30/10/2004
5	Mrs. Asha Mehra	02658967	30/03/2015
6	Mr. Ashish Kapur	00002320	23/07/2020

Ensuring the eligibility of for the appointment/continuity of every Director on the Board is the responsibility of management of the Company. Our responsibility is to express opinion based on our verification. This certificate 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 A.N. Kukreja & Co.
Company Secretaries

Sd/-
(A.N. Kukreja)
Proprietor
FCS 1070; CP 2318
Peer Review Cert. 875/2020
ICSI Unique Code: S1995DE014900
UDIN: F001070D000337593

Place: New Delhi
Date: 18th May, 2022

INDEPENDENT AUDITORS' REPORT

To
The Members of HB Stockholdings Limited
Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone Financial Statements of **HB Stockholdings Limited** ("the Company"), which comprise the standalone balance sheet as at 31st March 2022, the Standalone Statement of Profit and Loss (including other comprehensive income), Standalone Statement of Cash Flows and the Standalone Statement of Changes in Equity for the year then ended, and notes to the Standalone Financial Statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Standalone Financial Statements").

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 Companies Act, 2013, as amended (the "Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2022, itsprofit including other comprehensive income, its cash flows and changes in equity for the year ended on that date.

Basis of Opinion

We conducted our audit of the Standalone Financial Statements in accordance with the Standards on Auditing (SAs), as specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Standalone Financial Statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Standalone Financial Statements.

Key Audit Matters

We have determined that there are no key audit matter to communicate in our report.

Information other than the Standalone Financial Statements and Auditor's Report thereon

The Company'sBoard of Directors is responsible for the other information. The other information comprises the Directors report to be included in the Company's Annual report, but does not include the standalone financial statements and our auditor's report thereon.Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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 Act with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone Financial Statements, the Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditors' Responsibility for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements for the financial year ended 31st March, 2022 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us,we give in the Annexure 'A' a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143(3) of the Act, we report that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

(c) The standalone Balance Sheet, the standalone Statement of Profit and Loss (including other comprehensive income),the standalone Cash Flow Statement and the standalone statement of changes in equity dealt with by this Report are in agreement with the books of account;

(d) In our opinion, the aforesaid standalone financial statements comply with theIndian Accounting Standards (Ind AS) specified under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended.

(e) On the basis of the written representations received from the directors as on 31st March, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022 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 Annexure 'B'. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

(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 as at 31st March, 2022 on its financial position in its financial statements – Refer Note No 41 of standalone financial statements

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses during the year ended 31st March, 2022

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

iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the company to or in any other person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. The Board of Directors of the Company have proposed final dividend for the year which is subject to the approvalof the members at the ensuing Annual General Meeting. The amountof dividend proposed is in accordance with section 123 ofthe Act, as applicable.

(h) With respect to the matter to be included in the Auditor's Report under Section 197(16):

The Company has not paid any managerial remuneration for the year ended 31st March, 2022 to its directors.

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

Sd/-
(G C AGARWAL)
PROPRIETOR
(MEMBERSHIP NO. 083820)
UDIN: 22083820AKFIAS4945

PLACE: GURUGRAM
DATE: 18TH MAY, 2022

Annexure – A to the Auditors' Report

The annexure referred to in Independent Auditor's Report to the members of **HB Stockholdings Limited** on the standalone financial statements for the year ended on 31st March, 2022, We Report that:

1. a. (A) The Company is maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment. The Company does not have any right of use assets.
   (B) The company does not have intangible assets.
   b. As explained to us, the management during the year has physically verified the Property, Plant and Equipment 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.
   d. The Company has not revalued any of its Property, Plant and Equipment during the year.
   e. There are no proceedings initiated or are pending against the Company for holding any Benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
2. a. 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.
   b. No working capital limit has been sanctioned and availed by the Company. Hence, the reporting requirement of para 3(ii)(b) of the order is not applicable to the Company.
3. a. Since the principle business of the Company is to give loans, the reporting requirement of para 3(iii)(a) is not applicable.
   b. During the year the investments made and the terms and conditions of the grant of all loansprovided are not prejudicial to the Company's interest. During the year, the Company has not provided any guarantee.
   c. The schedule of repayment of principal and payment of interest has been stipulated for the loans granted and the repayment/receipts are regular except in case of loans amounting to Rs. 1,00,000.00 Hundred classified as doubtful and for which provision towards doubtful recovery have already made in the earlier years.
   d. There are no amount of loan granted which are overdue for more than ninety days except in case of loans amounting to Rs. 1,00,000/- Hundred classified as doubtful and for which provision towards doubtful recovery have already made in the earlier years.
   e. Since the principle business of the Company is to give loans, the reporting requirement of para 3(iii)(e) is not applicable.
   f. The Company has not granted any loans or advances in the nature of loans, either repayable on demand or withoutspecifying any terms or period of repayment to companies, firms, Limited Liability Partnerships or any other parties.Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.
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 neither accepted any deposits from the public nor accepted any amount which are deemed to be depositswithin the meaning of Sections 73 to 76 of the Act and the rules made thereunder, to the extent applicable. Accordingly, therequirement to report on clause 3(v) of the Order is not applicable to the Company.
6. The nature of the company's business/activities is such that maintenance of Cost Records under Section 148(1) of the Companies Act, 2013 is not applicable to the company.
7. a. According to the records of the Company, undisputed statutory dues includingGoods and Service Tax, Provident Fund, Employee's State Insurance, Income 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. However, there are some delays in few cases and also non deposit of advance tax instalments.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, 2022 for a period of more than six months from the date of becoming payable except for advance tax instalments of Rs. 8,716.05 Hundred & Rs. 17,432.11 Hundred for June, 2021 and September, 2021 quarters respectively.
   b. According to the records of the Company, there are no disputed statutory dues that have not been deposited on account of matters pending before appropriate authorities.
8. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income-tax Act, 1961 as income during the year. Hence, the para 3(viii) of the order is not applicable to the Company.
9. a) In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of loan or other borrowing or in the payment of interest thereon to any lender.
   b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
   c) According to the records of the Company examined by us and the information and explanation given to us terms loans (vehicle loans) taken by the company were applied for the purpose for which the loan were obtained.

d) On an overall examination of the standalone financial statements of the Company, no funds raised on short-term basishave been used for long-term purposes by the Company.

e) On the basis of books and records examined by us, the Company has not taken any funds from any entity or person on account of or to meet the obligation of its subsidiary. The Company does not have any associate or joint venture.

f) On the basis of books and records examined by us and as explained to us, the Company has not raised any loan during the year on the pledge of securities held in its subsidiary.

10. a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments).Hence, the para 3(x)(a) of the order is not applicable to the Company.

b) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or convertible debentures (fully, partly or optionally convertible) during the year. Accordingly, provisions of clause 3 (x)(b) of theOrderis notapplicable to the Company.

11. a) In our opinion and according to the information and explanation given to us, no fraud by the company or on the Company has been noticed or reported during the course of our audit.

b) During the year no report under sub-section 12 of Section 143 of the Act has been filed in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

c) According to the information and explanations given to us, there were no whistle blower complaints received during the year by the Company.

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 standalone financial statements as required by the applicable accounting standards.

14. a) In our opinion the company has an adequate internal audit system commensurate with the size and the nature of its business.

b) We have considered, the internal audit reports for the year under audit, issued to the company during the year and till date, in determining the nature, timing and extent of our audit procedures.

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 its director. Accordingly, paragraph 3(xv) of the order is not applicable.

16. a) 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.

b) The Company has not conducted any Non-Banking Financial activities withoutobtaining a valid Certificate of registration from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.]

c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi)(c) of the Order is not applicable to the Company.

d) There is no Core Investment Company as a part of the Group. Accordingly, the requirement to report on clause 3(xvi)(d) of the Order is not applicable to the Company.

17. The Company has not incurred cash losses in the current year and the immediately preceding financial year.

18. There has been no resignation of the statutory auditor during the year. Hence, the reporting para 3(xviii) of the order is not applicable to the Company.

19. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, the our knowledge of the Board of Directors and Management plans and based on our examination of evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date to the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company and when they fall due.

20. The Company is not required to spend any amount under sub section 5 of Section 135 of the Act. Accordingly the reporting para 3(xx) of the order is not applicable to the Company.

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

Sd/-
(G C AGARWAL)
PROPRIETOR1
(MEMBERSHIP NO. 083820)

PLACE: GURUGRAM
DATE: 18TH MAY, 2022

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 31st March 2022 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 31st March 2022, 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)
PROPRIETOR1
(MEMBERSHIP NO. 083820)

PLACE: GURUGRAM
DATE: 18TH MAY, 2022

STANDALONE BALANCE SHEET AS AT 31ST MARCH, 2022

Amount (₹ in Hundred)

Particulars	Notes	As at 31st March, 2022	As at 31st March, 2021
I. ASSETS			
Financial Assets			
a. Cash and cash equivalents	4	**423,017.94**	128,731.18
b. Loans	5	**1,285,000.00**	505,000.00
c. Investments	6	**4,811,364.97**	4,641,770.69
d. Other Financial Assets	7	**523,732.66**	480,027.33
Non-Financial Assets			
a. Current tax assets (Net)	8	**0.00**	6,615.36
b. Deferred Tax Assets (Net)	15	**1,264.39**	0.00
c Property, Plant and Equipment	9	**55,232.41**	68,976.35
d. Other non -financial assets	10	**76,775.73**	68,072.63
TOTAL ASSETS		**7,176,388.10**	5,899,193.54
II. LIABILITIES AND EQUITY			
LIABILITIES			
Financial Liabilities			
a. Borrowings	11	**5,385.58**	25,783.18
b. Other financial liabilities	12	**16,544.86**	342,079.91
Non-Financial Liabilities			
a. Current Tax Liabilities (Net)	13	**58,107.03**	0.00
b. Provisions	14	**110,059.68**	105,899.39
c. Deferred Tax Liabilities (Net)	15	**0.00**	8,142.84
d. Other non-financial liabilities	16	**2,256.67**	465.54
Equity			
a. Equity Share Capital	17	**768,082.93**	768,082.93
b. Other Equity	18	**6,215,951.35**	4,648,739.75
TOTAL LIABILITIES AND EQUITY		**7,176,388.10**	5,899,193.54
Significant accounting policies and notes to the Standalone Financial Statements	1-48		

The accompanying notes form an integral part of the Standalone Financial Statements.

As Per our Report of even date attached

FOR G. C. AGARWAL & ASSOCIATES
CHARTERED ACCOUNTANTS
Firm Registration Number : 017851N

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS OF HB STOCKHOLDINGS LIMITED

Sd/-
G C AGARWAL
(PROPRIETOR)
MEMBERSHIP NO. : 083820

Sd/-
ANIL GOYAL
(DIRECTOR)
DIN: 00001938

Sd/-
LALIT BHASIN
(CHAIRMAN)
DIN: 00002114

Sd/-
MAHESH KUMAR GUPTA
(CHIEF FINANCIAL OFFICER)

Sd/-
REEMA MIGLANI
(COMPANY SECRETARY)
M. NO.: ACS45762

PLACE: GURUGRAM
DATE: 18TH MAY, 2022

STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2022

Amount (₹ in Hundred)

Particulars	Notes	For the Year ended 31st March, 2022	For the Year ended 31st March, 2021
INCOME			
Revenue from Operations			
(i) Interest Income	19	**69,925.75**	87,306.93
(ii) Dividend Income	20	**63,213.15**	15,530.80
(iii) Net Gain on fair value changes	21	**1,464,254.83**	1,048,447.54
(iv) Net Profit in Equity derivative trading/ Share Dealing		**173,598.22**	168,168.56
I Total Revenue from operations		**1,770,991.95**	**1,319,453.83**
II Other Income	22	**1,092.90**	5,712.41
III Total Income (I+II)		**1,772,084.85**	**1,325,166.24**
EXPENSES			
(i) Finance Costs	23	**1,306.44**	2,924.97
(ii) Employee Benefits Expenses	24	**67,240.66**	44,578.38
(iii) Depreciation and amortisation expense	9	**15,461.52**	15,388.27
(iv) Others expenses	25	**106,650.05**	84,933.48
(v) Contingent Provisions against Standard Assets		**3,240.25**	0.00
IV Total Expenses (IV)		**193,898.92**	**147,825.10**
V Profit before Tax (III-IV)		**1,578,185.93**	1,177,341.14
VI Tax Expense			
(i) Current Tax		**50,607.52**	0.00
(ii) Tax for earlier years		**3,769.94**	0.00
(iii) Deferred Tax (credit) / charge		**(245.58)**	(3,100.05)
Total Tax Expense (VI)		**54,131.88**	(3,100.05)
VII Profit for the year (V-VI)		**1,524,054.05**	1,180,441.19
VIII Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
- Net change in Fair Value of Investments carried at FVTOCI	26	**52,440.25**	1,123,933.46
- Remeasurement gain/ (losses) on defined benefit plan		**(895.65)**	2,979.67
- Tax effect on above		**(8,387.05)**	(11,737.56)
Other Comprehensive Income for the year, net of tax		**43,157.55**	1,115,175.57
Total Comprehensive Income for the year (VII +VIII)		**1,567,211.60**	2,295,616.76
IX Earnings per Equity Share of face value of Rs. 10 each (previous year Rs. 10 each)	27		
Basic (Rs.)		**21.35**	16.54
Diluted (Rs.)		**21.35**	16.54
Significant accounting policies and notes to the Standalone Financial Statements	1-48		

The accompanying notes form an integral part of the Standalone Financial Statements.

As Per our Report of even date attached

FOR G. C. AGARWAL & ASSOCIATES
CHARTERED ACCOUNTANTS
Firm Registration Number : 017851N

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS OF HB STOCKHOLDINGS LIMITED

Sd/-
G C AGARWAL
(PROPRIETOR)
MEMBERSHIP NO. : 083820

Sd/-
ANIL GOYAL
(DIRECTOR)
DIN: 00001938

Sd/-
LALIT BHASIN
(CHAIRMAN)
DIN: 00002114

Sd/-
MAHESH KUMAR GUPTA
(CHIEF FINANCIAL OFFICER)

Sd/-
REEMA MIGLANI
(COMPANY SECRETARY)
M. NO.: ACS45762

PLACE: GURUGRAM
DATE: 18TH MAY, 2022

STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2022

Amount (₹ in Hundred)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
A. CASH FLOW FROM OPERATION ACTIVITIES		
Profit before tax	**1,578,185.93**	1,177,341.14
Adjustment for :		
Depreciation	**15,461.52**	15,388.27
Profit on sale of Fixed Assets	**(1,044.90)**	0.00
Finance Costs	**1,306.44**	2,924.97
Cash generated form operation before Working Capital Changes	**1,593,908.99**	1,195,654.38
Working Capital Changes		
Increase/ (decrease) in loans and advances	**(780,000.00)**	955,000.00
Increase/ (decrease) in other financial assets	**(43,705.33)**	227,107.52
Increase/ (decrease) in other non-financial assets	**(7,714.68)**	14,942.92
Increase /(decrease) in other financial liabilities	**(325,535.05)**	327,812.56
Increase /(decrease) in Investment/ Financial assets	**(1,640,351.73)**	(2,189,968.40)
(Increase) /decrease in provisions	**3,264.64**	(4,749.94)
(Increase) /decrease in other non financial liabilities	**1,791.13**	(167.54)
Cash Flows before OCI and Tax	**(1,198,342.03)**	525,631.50
Income Tax paid/ (Refund)	**(8,192.20)**	(11,299.34)
NET CASH FLOW FROM/ (USED) OPERATING ACTIVITIES	**(1,206,534.23)**	536,930.84
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	**(3,422.68)**	(668.97)
Sale of Fixed Assets	**2,750.00**	0.00
Purchase of Investment	**(170,052.59)**	(488,549.66)
Sale of Investment	**1,693,250.30**	63,607.00
NET CASH USED IN INVESTING ACTIVITIES	**1,522,525.03**	(425,611.63)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Borrowings	**(20,397.60)**	(18,822.81)
Interest Paid	**(1,306.44)**	(2,924.97)
NET CASH USED IN FINANCING ACTIVITIES	**(21,704.04)**	**(21,747.78)**
NET INCRESE/ DECREASE IN CASH & CASH EQUIVALENTS	**294,286.76**	89,571.43
OPENING CASH AND CASH EQUIVALENTS	**128,731.18**	39,159.75
CLOSING CASH AND CASH EQUIVALENTS	**423,017.94**	128,731.18

Note: 1. Standalone Cash Flow Statement has been prepared under indirect method as set out in IND AS-7 (Cash Flow Statement).

2. Cash and Cash Equivalents consist of cash in hand balances with banks.

Change in Liability arising from Financing Activities

Particuars	Borrowings (Refer Note No. 11)
Balance as on 1st April 2021	25,783.18
Proceeds/ Repayaments of borrowing	(20,397.60)
Non cash change (Fair Value)	0.00
Balance as on 31st March 2022	5,385.58

The accompanying notes form an integral part of the Standalone Financial Statements.

As Per our Report of even date attached

FOR G. C. AGARWAL & ASSOCIATES
CHARTERED ACCOUNTANTS
Firm Registration Number : 017851N

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS OF HB STOCKHOLDINGS LIMITED

Sd/-
G C AGARWAL
(PROPRIETOR)
MEMBERSHIP NO. : 083820

Sd/-
ANIL GOYAL
(DIRECTOR)
DIN: 00001938

Sd/-
LALIT BHASIN
(CHAIRMAN)
DIN: 00002114

Sd/-
MAHESH KUMAR GUPTA
(CHIEF FINANCIAL OFFICER)

Sd/-
REEMA MIGLANI
(COMPANY SECRETARY)
M. NO.: ACS45762

PLACE: GURUGRAM
DATE: 18TH MAY, 2022

STANDALONE STATEMENT OF CHANGES IN EQUITY

a. Equity Share Capital

Particulars	Number of Shares	Amount (₹ in Hundred)
As at 01st April, 2020	7,137,665	713,766.50
Changes in Equity share capital during the year	-	-
As at 31st March, 2021	7,137,665	713,766.50
Changes in Equity share capital during the year	-	-
As at 31st March, 2022	**7,137,665**	**713,766.50**

b. Other Equity

Amount (₹ in Hundred)

	Reserves and Surplus			Other Comprehensive Income	Total
	Statutory Reserve	Securities Premium	Retained Earnings		
Balance as at 01st April, 2020	1,639,611.74	2,307,631.89	(1,597,197.25)	3,076.60	**2,353,122.98**
Profit for the year	0.00	0.00	1,180,441.19	0.00	**1,180,441.19**
Other comprehensive income for the year	0.00	0.00	0.00	1,115,175.57	**1,115,175.57**
Transferred to/(from)	236,088.24	0.00	(233,700.23)	(2,388.01)	**0.00**
Total Comprehensive Income for the year	**1,875,699.98**	**2,307,631.89**	**(650,456.28)**	**1,115,864.16**	**4,648,739.75**
Balance as at 31st March, 2021	**1,875,699.98**	**2,307,631.89**	**(650,456.28)**	**1,115,864.16**	**4,648,739.75**
Balance as at 01st April, 2021	1,875,699.98	2,307,631.89	(650,456.28)	1,115,864.16	**4,648,739.75**
Profit for the year	0.00	0.00	1,524,054.05	0.00	1,524,054.05
Other Comprehensive Income for the year	0.00	0.00	0.00	43,157.55	43,157.55
Transferred to/(from)	535,105.00	0.00	616,365.90	(1,151,470.90)	**0.00**
Total Comprehensive Income for the year	**2,410,804.98**	**2,307,631.89**	**1,489,963.67**	**7,550.81**	**6,215,951.35**
Balance as at 31st March, 2022	**2,410,804.98**	**2,307,631.89**	**1,489,963.67**	**7,550.81**	**6,215,951.35**

Significant accounting policies and notes to the Standalone Financial Statements 1-48

The accompanying notes form an integral part of the Standalone Financial Statements.

As Per our Report of even date attached

FOR G. C. AGARWAL & ASSOCIATES
CHARTERED ACCOUNTANTS
Firm Registration Number : 017851N

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS OF HB STOCKHOLDINGS LIMITED

Sd/-
G C AGARWAL
(PROPRIETOR)
MEMBERSHIP NO. : 083820

Sd/-
ANIL GOYAL
(DIRECTOR)
DIN: 00001938

Sd/-
LALIT BHASIN
(CHAIRMAN)
DIN: 00002114

Sd/-
MAHESH KUMAR GUPTA
(CHIEF FINANCIAL OFFICER)

Sd/-
REEMA MIGLANI
(COMPANY SECRETARY)
M. NO.: ACS45762

PLACE: GURUGRAM
DATE: 18TH MAY, 2022

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

1. COMPANY INFORMATION / OVERVIEW

The Company is public limited company incorporated and domiciled in India having its registered office at Gurugram,India. The Company is a Non-banking financial company-Non-Systemically important Non-Deposit taking Company registered with Reserve Bank of India. Equity share of the company are listed on National Stock Exchange and Bombay stock exchange

2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

(A) Compliance with Ind As

The financial statements of the Company comply in all material aspects with Indian Accounting Standards ('Ind AS') notified under Section 133 of the Companies Act, 2013 ('the Act') read with the Companies(Indian Accounting Standards) Rules, 2015 as ammended from time to time and other relevant provisions of the Act. Any directions issued by the RBI or other regulators are implemented as and when they become applicable.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to the existing accounting standard requires a change in the accounting policy hitherto in use.

(B) Presentation of Financial Statements

The Balance Sheet, the statement of Changes in Equity and the Statement of Profit and Loss are presented in the format prescribed under Division III of Schedule III of the Act, as amended from time to time, for Non-Banking Financial Companies ('NBFCs') that are required to comply with Ind AS. The statement of Cash Flows has been presented as per the requirements of Ind AS 7 Statement of Cash Flows.

(C) Basis of preparation

The financial statements have been prepared under the historical cost convention on the accrual basis except for certain financial instruments and plan assets of defined benefit plans, which are measured at fair values at the end of each reporting as explained in the accounting policies below.

3. SIGNIFICANT ACCOUNTING POLICIES

3.1 Use of estimates and judgement

The preparation of financial statements in conformity with Ind AS requires that management make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of revenues, expenses, assets, liabilities and disclosures of contingent assets and liabilities at the end of the reporting period. The actual results could differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

In partiular, information about significant areas of estimation, uncertainity and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the following notes:

A) Effective Interest Rate (EIR) Method

The Company recognizes interest income / expense using a rate of return that represents the best estimate of a constant rate of return over the expected life of the loans given / taken. This estimation, by nature, requires an element of judgement regarding the expected behaviour and life-cycle of the instruments, as well as expected changes to other fee income/expense that are integral parts of the instrument.

B) Impairment of loans portfolio

The measurement of impairment losses across all categories of financial assets requires judgement, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different levels of allowances.

It has been the Company's policy to regularly review its models in the context of actual loss experience and adjust when necessary.

C) Defined Employee Benefit Assets and Liabilities

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

D) Fair value measurement:

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using various valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

E) Other Estimates:

These include contingent liabilities, useful lives of tangible and intangible assets etc.

3.2 Financial Instruments

A. Initial Recognition and measurement

All financial assets and financial liabilities are recognised when the company become a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of the financial assets and financial liabiities (other than financial assets and financial liabilities at FVTPL) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognised immediately in Statement of profit and loss.

B. Classification and Subsequent measurement of Financial Assets

The company classifies its financial assets into various measurements categories. The classification depends on the contractual terms of the financial assets' cash flows and the company's business model for managing financial assets.

a. Amortised Cost

A financial asset is measured at Amortised Cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the Financial Asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

b. FVOCI- Debt Instruments

A debt instruments in nature of financial asset is measured at FVOCI when the instrument is held within a business model, the objective of which is achieved by both collecting contractual cash flows and selling financial assets; and the contractual terms of the Financial Asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

c. FVOCI- Equity Instruments

Equity instruments in nature of financial assets are measured at fair value through profit or loss, unless the Company's management has elected to classify irrevocably some of its equity instruments at FVOCI, when such instruments meet the definition of Equity under Ind AS 32 Financial Instruments and are not held for trading.

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

d. FVTPL

A financial asset which is not classified in any of the above categories are measured at FVTPL

Subsequent Measurement of Financial Assets

Financial assets at amortised cost are subsequently measured at amortised cost using effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in Statement of profit and loss. Any gain and loss on derecognition is recognised in Statement of profit and loss.

Debt investment at FVOCI are subsequently measured at fair value. Interest income under effective interest method, foreign exchange gains and losses and impairment are recognised in Statement of profit and loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to Statement of profit and loss.

For equity investments, the Company makes an election on an instrument-by-instrument basis to designate equity investments as measured at FVOCI. These elected investments are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the reserves. The cumulative gain or loss is not reclassified to Statement of profit and loss on disposal of the investments. These investments in equity are not held for trading. Instead, they are held for strategic purpose. Dividend income received on such equity investments are recognised in Statement of profit and loss.

Equity investments that are not designated as measured at FVOCI are designated as measured at FVTPL and subsequent changes in fair value are recognised in Statement of profit and loss.

Financial assets at FVTPL are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in Statement of profit and loss.

C. Financial Liabilities and equity instruments

Classification as Debt or Equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by Company are recognised at the proceeds received. Transaction costs of an equity transaction are recognised as a deduction from equity.

Financial Liabilities

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-fortrading or it is a derivative or it is designated as such on initial recognition. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in Statement of profit and loss. Any gain or loss on derecognition is also recognised in Statement of profit and loss.

D. Derecognition

Financial Assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

Financial Liabilities

A financial liability is derecognised when the obligation in respect of the liability is discharged, cancelled or expires. The difference between the carrying value of the financial liability and the consideration paid is recognised in Statement of profit and loss.

E. Off-setting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

F. Impairment

The Company recognises lifetime expected credit losses (ECL) when there has been a significant increase in credit risk since initial recognition and when the financial instrument is credit impaired. If the credit risk on the financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12 month ECL. The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition. 12 month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

G. Write-offs

The gross carrying amount of a financial asset is written-off (either partially or in full) to the extent that there is no reasonable expectation of recovering the asset in its entirety or a portion thereof. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written-off could still be subject to enforcement activities under the Company's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in statement of profit and loss.

3.3 Cash and Cash Equivalents

Cash and cash equivalents comprise of cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short- term deposits, as defined above, net of outstanding bank overdrafts if any, as they are considered an integral part of the Company's cash management.

3.4 Property, Plant and Equipments (PPE)

Property, plant and equipment (PPE) are measured at cost less accumulated depreciation and accumulated impairment, if any. Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

Advances paid towards the acquisition of fixed assets, outstanding at each reporting date are shown under other non-financial assets. The cost of property, plant and equipment not ready for its intended use at each reporting date are disclosed as capital work-in-progress.

Subsequent expenditure related to the asset are added to its carrying amount or recognised as a separate asset only if it increases the future benefits of the existing asset, beyond its previously assessed standards of performance and cost can be measured reliably. Other repairs and maintenance costs are expensed off as and when incurred.

Depreciation on PPE is provided on straight-line basis in accordance with the useful lives specified in Schedule II to the Companies Act, 2013 on a pro-rata basis.

The estimated useful lives used for computation of depreciation are as follows:

Particulars	Useful life
Furniture & fixture	10 years
Office equipment	5 years
Server and networking	6 years
Computer	3 years
Building	30 years
Vehicles	8 years

Assets costing less than Rs.5000/- are fully depreciated in the period of purchase.

PPE is derecognised on disposal or when no future economic benefits are expected from its use. Any gain or loss arising on derecognition of the asset (caculated as the differnce between the net disposal proceeds and the net carrying amount of the asset) is recognised in other income / netted off from any loss on disposal in the Statement of profit and loss in the year the asset is derecognised.

3.5 Intangible Assets

Intangible assets comprises of computer software which is amortized over the estimated useful life. The amortization period is lower of license period or 36 months which is based on management's estimates of useful life. Amortisation is calcualted using the straight line method to write down the cost of intangible assets over their estimated useful lives.

3.6 Impairment of Assets other than Financial Assets

The Company reviews the carrying amounts of its tangible and intangible assets at the end of each reporting period, to determine whether there is any indication that those assets have impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Recoverable amount is determined for an individual asset, unless the asset does not generate cash flows that are largely independent of those from other assets or group of assets.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pretax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cashgenerating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cashgenerating unit) is increased to the revised estimate of its recoverable amount such that the increased carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had been recognised for the asset (or cash-generating unit) in prior years. The reversal of an impairment loss is recognised in Statement of profit and loss.

3.7 Investments in Subsidiaries and Asociates

Investments in subsidiaries and associate are measured at cost less accumulated impairment, if any.

3.8 Provisions

Provisions are recognised when there is a present obligation as a result of a past event, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

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.

3.9 Revenue recognition

A) Recognition of interest income on loans

Interest income is recognised in Statement of profit and loss using the effective interest method for all financial instruments measured at amortised cost, debt instruments measured at FVOCI and debt instruments designated at FVTPL. The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument.

The calculation of the effective interest rate includes transaction costs and fees that are an integral part of the contract. Transaction costs include incremental costs that are directly attributable to the acquisition of financial asset.

If expectations regarding the cash flows on the financial asset are revised for reasons other than credit risk, the adjustment is recorded as a positive or negative adjustment to the carrying amount of the asset in the balance sheet with an increase or reduction in interest income. The adjustment is subsequently amortised through Interest income in the Statement of profit and loss.

The Company calculates interest income by applying the EIR to the gross carrying amount of financial assets other than credit-impaired assets.

When a financial asset becomes credit-impaired, the Company calculates interest income by applying the effective interest rate to the net amortised cost of the financial asset. If the financial asset cures and is no longer creditimpaired, the Company reverts to calculating interest income on a gross basis.

Additional interest and interest on trade advances, are recognised when they become measurable and when it is not unreasonable to expect their ultimate collection.

Income from bill discounting is recognised over the tenure of the instrument so as to provide a constant periodic rate of return.

B) Fees and commission income

Fee based income are recognised when they become measurable and when it is probable to expect their ultimate collection.

Commission and brokerage income earned for the services rendered are recognised as and when they are due.

C) Dividend and interest income on investments

- Dividends are recognised in Statement of profit and loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company and the amount of the dividend can be measured reliably.

- Interest income from investments is recognised when it is certain that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

3.10 Employee Benefits

A) Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

B) Contribution to provident fund and ESIC

Company's contribution paid/payable during the year to provident fund and ESIC is recognised in the Statement of profit and loss.

C) Gratuity

The Company's liability towards gratuity scheme is determined by independent actuaries, using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. Past services are recognised at the earlier of the plan amendment / curtailment and recognition of related restructuring costs/ termination benefits.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Statement of profit and loss.

Remeasurement gains/ losses-

Remeasurement of defined benefit plans, comprising of actuarial gains / losses, return on plan assets excluding interest. Remeasurement gains or losses on long-term compensated absences that are classified as other long-term benefits are recognised in Statement of profit and loss.

D) Superannuation Fund

The Company makes contribution to the Superannuation scheme, a defined contribution scheme, administered by Life Insurance Corporation of India, which are charged to the Statement of profit and loss. The Company has no obligation to the scheme beyond its contributions.

E) Leave encashment / compensated absences

The Company provides for the encashment / availment of leave with pay subject to certain rules. The employees are entitled to accumulate leave subject to certain limits for future encashment / availment. The liability is provided based on the number of days of unutilized leave at each balance sheet date on the basis of an independent actuarial valuation.

3.11 Finance Costs

Finance costs include interest expense computed by applying the effective interest rate on respective financial instruments measured at Amortised cost. Financial instruments include bank term loans, non-convertible debentures, fixed deposits mobilised, commercial papers, subordinated debts and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Finance costs are charged to the Statement of profit and loss.

3.12 Taxation - Current and Deferred Tax

Income tax expense comprises of current tax and deferred tax. It is recognised in Statement of profit and loss except to the extent that it relates to an item recognised directly in equity or in other comprehensive income.

A) Current Tax

Current tax comprises amount of tax payable in respect of the taxable income or loss for the year determined in accordance with Income Tax Act, 1961 and any adjustment to the tax payable or receivable in respect of previous years. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

B) Deferred Tax

Deferred tax assets and liabilities are recognized for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases. Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequence that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary difference could be utilized. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

3.13 Leases

As a lessee

The Company has applied Ind AS 116. For these short term and low value leases, the company recognizes the lease payments as an expense in the Statement of Profit and Loss on a Straight line basis over the term of lease.

3.14 Exceptional items

When items of income and expenses within profit or loss from ordinary activities are of such size, nature or incidence that their disclosure is relevant to explain the performance of the enterprise for the period, the nature and amount of such items is disclosed separately as Exceptional items.

3.15 Earning Per Share

The Company reports basic and diluted earnings per equity share. Basic earnings per equity share have computed by dividing net profit/loss attributable to the equity share holders for the year by the weighted average number of equity shares outstanding during the year. Diluted earnings per equity share have been computed by dividing the net profit attributable to the equity share holders after giving impact of dilutive potential equity shares for the year by the weighted average number of equity shares and dilutive potential equity shares outstanding during the year, except where the results are anti-dilutive.

3.16 Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and items of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

4. CASH AND CASH EQUIVALENT **Amount (₹ in Hundred)**

Particulars	As at 31st March, 2022	As at 31st March, 2021
A) Balance with Banks		
- In current and deposit account	**402,399.80**	108,372.74
- Drafts on Hand	**15,000.00**	15,000.00
B) Cash on Hand	**5,618.14**	5,358.44
Total	**423,017.94**	128,731.18

5. LOANS **Amount (₹ in Hundred)**

Particulars	As at 31st March, 2022	As at 31st March, 2021
A) Loans (at amortised cost) :		
Others:		
Inter Corporate Loans - Standard*	**1,185,000.00**	405,000.00
Inter Corporate Loans & Deposits -Doubtful	**100,000.00**	100,000.00
Total (Gross)	**1,285,000.00**	505,000.00
Less: Impairment loss allowance	**0.00**	0.00
Total (Net)	**1,285,000.00**	505,000.00
B) i) Secured by Tangible Assets	**0.00**	0.00
ii) Unsecured	**1,285,000.00**	505,000.00
Total (Gross)	**1,285,000.00**	505,000.00
Less: Impairment loss allowance	**0.00**	0.00
Total (Net)	**1,285,000.00**	505,000.00

Particulars	As at 31st March, 2022	As at 31st March, 2021
C) i) **Loans in India**		
a) Public Sector	**0.00**	0.00
b) Others	**1,285,000.00**	505,000.00
Total (Gross)	**1,285,000.00**	505,000.00
Less: Impairment loss allowance	**0.00**	0.00
Total (Net) -C (i)	**1,285,000.00**	505,000.00
ii) **Loans outside India**	**0.00**	0.00
Less: Impairment loss allowance	**0.00**	0.00
Total (Net) -C (ii)	**0.00**	0.00
Total (Net) -C (i + ii)	**1,285,000.00**	505,000.00

Note:- Provision for Sub-Standard and doubtful assets has been separately shown in Note No. 14 (Short term Provisions) instead of netting it from the value of asset. This is being done as required by "Non-Banking Financial Company -Non-Systemically Important NonDeposit taking Company (Reserve Bank) Directions, 2016.

Credit quality of assets

The table below shows the credit quality and the maximum exposure to credit risk based on year end stage classification.

Amount (₹ in Hundred)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Low credit risk- **Stage I**	**1,185,000.00**	405,000.00
Significant increase in credit risk- **Stage II**		
Credit impaired- **Stage III**	**100,000.00**	100,000.00
	1,285,000.00	505,000.00

1. The amount presented are net of impairment loss allowance.
2. There are no changes in the impairment loss allowances during the period.

6. INVESTMENTS

S. No.	Name of the Company	Face Value (Rs.)	As at 31st March, 2022 Qty.(Nos.)	As at 31st March, 2022 Amount (₹ in Hundred)	As at 31st March, 2021 Qty.(Nos.)	As at 31st March, 2021 Amount (₹ in Hundred)
(A) INVESTMENTS IN EQUITY INSTRUMENTS						
(a) Quoted Instrument fully paid up Equity Shares(At FVTPL)						
1	ADITYA BIRLA CAPITAL LIMITED	10	**40000**	**43,060.00**	--	--
2	ALLCARGO LOGISTICS LIMITED	10	**2750**	**9,839.50**	--	--
3	ALPHAGEO INDIA LIMITED	10	**17100**	**52,839.00**	--	--
4	AMRIT CORPORATION LIMITED	10	**--**	**--**	132	910.80
5	ARVIN LIQUID GASES LIMITED*	10	**10000**	**0.00**	10000	--
6	AUTOMOTIVE AXLES LIMITED	10	**1000**	**17,199.00**	--	--
7	BHARAT HEAVY ELECTRICALS LIMITED	2	**50000**	**24,675.00**	--	--
8	BHARAT HOTELS LIMITED	10	**300**	**85.35**	300	0.00
9	BHARTI AIRTEL LIMITED	5	**1000**	**7,554.00**	1000	5,173.00
10	CENTURY TEXTILES AND INDUSTRIES LIMITED	10	**--**	**--**	986	4,581.94
11	CHENNAI PETROLEUM CORPORATION LIMITED	10	**19500**	**24,901.50**	--	--
12	CMI LIMITED	10	**7**	**2.14**	50000	20,950.00
13	COAL INDIA LIMITED	10	**--**	**--**	3250	4,238.00
14	CRISIL LIMITED	1	**--**	**--**	200	3,672.30
15	DCM SHRIRAM LIMITED	2	**45726**	**517,001.02**	45726	228,881.49
16	DOLPHIN OFFSHORE ENTERPRISES I LIMITED	10	**10000**	**--**	10000	418.00
17	DWARIKESH SUGAR INDUSTRIES LTD.	1	**--**	**--**	72500	22,330.00
18	EIH LTD.	2	**52601**	**81,163.34**	52601	48,761.13
19	EVEREST INDUSTRIES LIMITED	10	**--**	**--**	2796	8,007.74
20	FINOLEX INDUSTRIES LIMITED	10	**--**	**--**	5000	31,850.00
21	FOODS & INNS LIMITED	1	**86200**	**71,416.70**	136200	74,092.80
22	GLOBAL STONE INDIA LIMITED*	10	**2000**	**--**	2000	--
23	GMR INFRASTRUCTURE LIMITED	10	**350000**	**129,150.00**	--	--
24	GRAPHITE INDIA LIMITED	2	**--**	**--**	2500	12,797.50
25	GVK POWER & INFRA LTD.	1	**60000**	**--**	60000	1,410.00
26	HARYANA LEATHER CHEMICALS LTD.	10	**31347**	**11,567.04**	31347	9,090.63
27	HARYANA PETROCHEMICALS LIMITED*	10	**9050**	**--**	9050	--

S. No.	Name of the Company	Face Value	As at 31st March, 2022		As at 31st March, 2021	
		(Rs.)	Qty.(Nos.)	Amount (₹ in Hundred)	Qty.(Nos.)	Amount (₹ in Hundred)
28	HB ESTATE DEVLOPERS LIMITED	10	125400	22,258.50	125400	12,840.96
29	HB PORTFOLIO LIMITED	10	60000	19,770.00	60000	11,430.00
30	HIMACHAL FUTURISTIC COMMUNICATIONS LIMITED	1	--	--	35000	8,820.00
31	HINDUSTAN ENGINEERING & INDS. LTD.*	10	108	--	108	--
32	HOTLINE GLASS LIMITED*	10	166382	--	166382	--
33	HUHTAMAKI INDIA LIMITED	2	--	--	5000	14,015.00
34	ICP SECURITIES LIMITED*	10	1800	--	1800	--
35	IDFC FIRST BANK LIMITED	10	50000	19,825.00	--	--
36	INDIA GLYCOLS LIMITED	10	--	--	1000	4,168.00
37	INDIABULLS HOUSING FINANCE LIMITED	2	15000	23,670.00	--	--
38	INEOS STYROLUTION INDIA LIMITED	10	--	--	3000	28,074.00
39	IRB INFRASTRUCTURE LIMITED	10	50000	125,775.00	--	--
40	IRIS BUSINESS SERVICES LIMITED	10	16000	16,136.00	--	--
41	ISPAT PROFILES INDIA LIMITED*	10	10000	0.00	10000	--
42	IST LIMITED	10	128032	595,924.94	128032	486,521.60
43	JAI CORP LTD.	1	13000	14,202.50	13000	10,978.50
44	JAI PRAKASH ASSOCIATES LTD.	2	7530773	626,560.31	9208773	632,642.71
45	JAYPEE INFRATECH LTD.	10	--	--	60000	930.00
46	JINDAL STAINLESS LIMITED	10	6000	12,159.00	--	--
47	JK CEMENT LIMITED	10	1000	24,314.50	--	--
48	JK PAPER LTD.	10	--	--	7000	10,493.00
49	JP POWER VENTURES LTD.	10	2670000	181,293.00	2495000	81,836.00
50	KARUR VYSYA BANK LIMITED	2	100000	46,300.00	--	--
51	KIRAN OVERSEAS EXPORTS LIMITED*	10	10,000	--	10000	--
52	KRBL LIMITED	1	9,000	18,135.00	--	--
53	L&T TECHNOLOGY SERVICES LIMITED	10	100	5,102.05	--	--
54	LARSON & TURBO INFOTECH LIMITED	10	100	6,157.00	--	--
55	LCC INFOTECH LIMITED*	2	56300	--	56300	--
56	LT FOODS LIMITED	1	--	--	5000	2,912.50
57	LUNAR DIAMONDS LIMITED*	10	21000	--	21000	--
58	MAWANA SUGARS LTD.	10	10000	13,315.00	10000	3,615.00
59	MERCATOR LTD.	1	--	--	50000	405.00
60	MMTC LIMITED	1	38750	17,108.13	38750	16,430.00
61	MONTE CARLO FASHIONS LIMITED	10	100	484.55	--	--
62	NAHAR CAPITAL AND FINANCIAL SERVICES LTD.	10	--	--	3000	3,169.50
63	NATIONAL ALUMINIUM COMPANY LIMITED	5	70000	85,225.00	--	--
64	NBCC (INDIA) LIMITED	1	--	--	22000	6,402.00
65	NLC LIMITED	10	50000	31,275.00	--	--
66	NUCHEM LIMITED*	10	64755	--	64755	--
67	NURECEA LIMITED	10	1250	17,029.38	--	--
68	OIL INDIA LTD.	10	--	0.00	4500	5,519.25
69	OLECTRA GREENTECH LIMITED	10	4000	26,756.00	8000	17,296.00
70	ORISSA EXTRUSIONS LIMITED*	10	10728	--	10728	--
71	OSWAL AGRO MILLS LTD.	10	30000	8,145.00	30000	3,075.00
72	PARSVNATH DEVLOPERS LIMITED	10	83904	12,669.50	--	--
73	PATHREJA FORGINGS LIMITED*	10	1000	--	1000	--
74	PRAKASH INDUSTRIES LIMITED	10	350	266.00	--	--
75	PRISM MILLS LIMITED*	10	10000	--	10000	--
76	PUNJAB WIRELESS LIMITED*	10	100	--	100	--
77	RALLIS INDIA LIMITED	10	700	1,665.65	--	--
78	RELIANCE INDUSTRIES LTD.	10	26	684.83	--	--
79	RELIANCE INFRASTRUCTURE LIMITED	10	100000	112,600.00	--	--
80	RSWM LIMITED	10	8500	34,684.25	--	--
81	SAJJAN UDYOG EXPORTS LIMITED*	10	23600	--	23600	--
82	SAREGAMA INDIA LIMITED	10	100	4,828.45	100	1,594.10
83	SATIN CREDITCARE NETWORKS LTD.	10	--	--	10000	8,570.00
84	SAVANI FINANCIALS LIMITED*	10	7000	987.00	7000	--
85	SEACOAST SHIPPING SERVICES LIMITED	1	50000	6,435.00	--	--
86	SHREYANS INDUSTRIES LIMITED*	10	--	--	5600	--
87	SRI VASAVI INDUSTRIES LIMITED*	10	10890	--	10890	--
88	SURYA ROSHANI LIMITED	10	400	1,655.00	--	--

S. No.	Name of the Company	Face Value (Rs.)	As at 31st March, 2022 Qty.(Nos.)	As at 31st March, 2022 Amount (₹ in Hundred)	As at 31st March, 2021 Qty.(Nos.)	As at 31st March, 2021 Amount (₹ in Hundred)
89	TATA STEEL LIMITED	10	800	10,456.40	--	--
90	THE NEW INDIA ASSURANCE CO LIMITED	10	--	--	7000	10,804.50
91	TIME TECHNOPLAST LIMITED	1	--	--	20000	12,070.00
92	U P HOTELS LIMITED*	10	45697	201,523.77	45697	80,905.61
93	UFLEX LIMITED	10	25000	152,225.00	--	--
94	UNITECH LTD.	2	500,000	10,150.00	1900000	31,540.00
95	UPL LIMITED	10	2000	15,394.00	--	--
96	UTI ASSET MANAGEMENT CO LIMITED	10	--	--	15000	87,390.00
97	VARDHMAN TEXTILES LIMITED	2	2575	11,215.41	--	--
98	VEDANTA LTD.	1	4250	17,146.63	4250	9,717.63
99	VENUS REMEDIES LIMITED	10	20000	53,770.00	15000	41,190.00
100	VODAPHONE IDEA LIMITED	10	--	--	100000	9,250.00
101	WARDWZARD INNOVATIONS & MOBILITY LIMITED	1	20000	15,420.00	--	--
	TOTAL (a)		**13025051**	**3,611,151.35**	**15324353**	**2,131,771.21**
	(b) Quoted Instrument fully paid up Equity Shares(At FVTOCI)					
1	GLENMARK PHARMACEUTICALS LIMITED	1	5000	22,110.00	5000	23,227.50
2	GREAVES COTTON LIMITED	2	400	763.60	20400	26,071.20
3	IOL CHEMICALS ABD PHARMACEUTICALS LIMITED	10	7500	26,535.00	5473	30,134.34
4	PUNJAB NATIONAL BANK	2	--	--	50000	18,325.00
5	RELIANCE INDUSTRIES LIMITED	10	1090	28,710.06	72440	1,451,118.08
	TOTAL (b)		**13990**	**78,118.66**	**153313**	**1,548,876.12**
	(c) Quoted Partly Paid up Equity Shares(At FVTPL)					
1	BHARTI AIRTEL LIMITED	5	71	281.12	--	--
2	RELIANCE INDUSTRIES LIMITED	10	--	--	26	283.53
3	SATIN CREDITCARE NETWORKS LTD.	10	--	--	4500	2,025.00
	TOTAL (c)		**71**	**281.12**	**4526**	**2,308.53**
	(d) Unquoted Fully Paid up Equity Shares(At FVTPL)					
1	KESORAM TEXTILE LIMITED	10	172	--	172	--
	TOTAL (d)		**172**	**0**	**172**	**0**
	(e) Unquoted Fully Paid up Equity Shares in Wholly Owned Subsidiary (At Cost)					
1	MOUNT FINANCE LIMITED	10	830006	83,000.60	830006	83,000.60
	TOTAL (e)		830006	83,000.60	830006	83,000.60
	TOTAL INVESTMENTS IN EQUITY -A (a+b+c+d+e)		**13869290**	**3,772,551.73**	**16312370**	**3,765,956.46**
	(B) INVESTMENTS IN PREFERENCE INSTRUMENTS					
	(a) Unquoted 9% Redeemable Preference Shares (Units) (At Cost)					
1	HB ESTATE DEVELOPERS LTD SERIES 2 TRANCH 2	100	275000	275,041.25	275000	275,041.25
2	HB ESTATE DEVELOPERS LTD SERIES 2 TRANCH 3	100	550000	550,082.50	550000	550,082.50
	TOTAL INVESTMENTS IN PREFERENCE -B		**825000**	**825,123.75**	**825000**	**825,123.75**
	(C) INVESTMENTS IN MUTUAL FUNDS					
	(a) Quoted Mutual Funds (Units) (At FVTPL)					
1	NIPPON INDIA MUTUAL FUND ETF LIQUID BeES	1000	10730	107,300.67	2533	25,332.34
2	DSP MUTUAL FUND LIQUID ETF	1000	10639	106,388.82	2536	25,358.14
	TOTAL INVESTMENTS IN MUTUAL FUNDS -C		**21369**	**213,689.49**	**5069**	**50,690.48**
	TOTAL INVESTMENTS (A+B+C)		**14715659**	**4,811,364.97**	**17142439**	**46,41,770.69**

Particulars	As at 31st March, 2022 Amount (₹ in Hundred)	As at 31st March, 2021 Amount (₹ in Hundred)
Aggregate cost of quoted investment	**3,394,680.45**	3,189,834.85
Carrying amount/ fair value of quoted investment	**3,903,240.62**	3,733,646.34
Aggregate cost of unquoted investment	**908,124.35**	908,124.35

Notes:

(*) Listed but not quoted

1. All above investments are in India itself

7. OTHER FINANCIAL ASSETS — **Amount (₹ in Hundred)**

Particulars	As at 31st March, 2022	As at 31st March, 2021
Security Deposits*	**345,235.00**	345,235.00
Interest accured on loans / Inter Corporate Deposits	**60,695.04**	47,051.00
Advance to others	**70,197.91**	70,000.00
Advance to related parties	**47,604.71**	17,741.33
Total	**523,732.66**	480,027.33

(*) Includes Rental Deposits given to related Party namely HB Estate Developers Ltd. Rs. 345,000.00/- Hundred (Previous Year Rs 345,000.00/- Hundred)

8. CURRENT TAX ASSETS (NET) — **Amount (₹ in Hundred)**

Particulars	As at 31st March, 2022	As at 31st March, 2021
Tax deducted at source (Net of provision for Income tax of Rs. Nil (Previous year Rs.494.67/- Hundred))	0.00	6615.36
Total	**0.00**	**6,615.36**

The components of Income Tax expenses : **Amount (₹ in Hundred)**

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Current tax	**50,607.52**	0.00
Adjustments in respect of current income tax of prior years	**3,769.94**	0.00
Deferred tax relating to origin and reversal of temporary differences	**(245.58)**	(3,100.05)
Income tax expense reported in statement of profit and loss	**54,131.88**	(3,100.05)
Income tax recognised on Other Comprhensive Income (OCI)		
Deferred tax related to items recognised in OCI during the period:		
- Realised gain on equity instruments at FVTOCI	**9,161.65**	(11,242.89)
- 'Inome tax on realised gain on sale of equity instruments at FVTOCI	**(17,548.70)**	(494.67)
Income tax charged to OCI	**(8,387.05)**	(11,737.56)

Reconciliation of the total tax charge:

The tax charge shown in the Statement of Profit and Loss differ from the tax charge that would apply if all the profits had been charged at India corporate tax rate. A reconciliation between the tax expense and the accounting profit multiplied by India's domestic tax rate for the year ended 31st March, 2022 and year ended 31st March, 2021 is, as follows:

Amount (₹ in Hundred)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Accounting Profit Before Tax	**1,578,185.93**	1,177,341.14
Applicable Stautory Enacted Income Tax Rate	**25.168**	25.168
Computed Tax Expenses	**397,197.83**	296,313.22
- Adjustments due to brought forward losses as per tax laws	**(225,393.64)**	(295,407.52)
- Non-deductible tax expenses (net)	**(121,196.68)**	(905.70)
- Adjustments recognised in relation to tax of prior years	**3,769.94**	-
- Deferred tax relating to origination and reversal of temporary differences	**(245.58)**	(3,100.05)
Income tax expense reported in the Statement of Profit and Loss	**54,131.88**	(3,100.05)

9. PROPERTY, PLANT & EQUIPMENT **Amount (₹ in Hundred)**

Particulars	Air Conditioners	Office Equipment	Vehicles	Data Processing Machine	Total
GROSS BLOCK					
As at 31st March, 2021	**7,185.55**	**22,533.62**	**179,566.23**	**6,069.02**	**215,354.42**
Additions during the year	0.00	1,350.00	0.00	2,072.68	3,422.68
Deletions during the year	0.00	0.00	34,102.01	0.00	34,102.01
As at 31st March, 2022	**7,185.55**	**23,883.62**	**145,464.22**	**8,141.70**	**184,675.09**
ACCUMULATED DEPRECIATION					
As at 31st March, 2021	**7,108.39**	**21,462.31**	**112,229.63**	**5,577.74**	**146,378.07**
Additions during the year	0.00	832.60	13,799.16	829.76	15,461.52
Adjustment during the year	0.00	0.00	32,396.91	0.00	32,396.91
As at 31st March, 2022	**7,108.39**	**22,294.91**	**93,631.88**	**6,407.50**	**129,442.68**
NET BLOCK					
As at 31st March, 2022	**77.16**	**1,588.71**	**51,832.34**	**1,734.20**	**55,232.41**
As at 31st March, 2021	**77.16**	**1,071.31**	**67,336.60**	**491.28**	**68,976.35**

10. OTHER NON FINANCIAL ASSETS **Amount (₹ in Hundred)**

Particulars	As at 31st March, 2022	As at 31st March, 2021
Prepaid Expenses	**39,807.85**	32,093.16
Recoverable from Tax Authorities	**36,967.88**	35,979.47
Total	**76,775.73**	68,072.63

11. BORROWINGS **Amount (₹ in Hundred)**

Particulars	As at 31st March, 2022	As at 31st March, 2021
(A) In India		
At Amortised Cost:		
Term loan from Bank	**5,385.58**	25,783.18
Outside India	**0.00**	0.00
(B) Out of above		
Secured against Hypothecation of Vehicle financed	**5,385.58**	25,783.18
Unsecured	**0.00**	0.00
Total	**5,385.58**	25,783.18

(*) The Loan taken are at Interest rate of 8.25%

- Maturity Profile of Secured Term Loan from banks are as under:		
Particulars	0-1 Years	1-2 Years
- Vehicle Loan from HDFC Bank	5,385.58	Nil

- The company has not defaulted on any loans payable during the year.

12. OTHER FINANCIAL LIABILITIES **Amount (₹ in Hundred)**

Particulars	As at 31st March, 2022	As at 31st March, 2021
Expenses payable	**16,544.86**	342,079.91
Total	**16,544.86**	342,079.91

13. CURRENT TAX LIABILITIES (NET) **Amount (₹ in Hundred)**

Particulars	As at 31st March, 2022	As at 31st March, 2021
Provisions for tax (Net of adavnce tax/ TDS of Rs. 10049.19/- Hundred (Previous year Rs. Nil))	**58,107.03**	0.00
Total	**58,107.03**	**0.00**

14. PROVISIONS **Amount (₹ in Hundred)**

Particulars	As at 31st March, 2022	As at 31st March, 2021
Provision for Employee Benefits		
Leave Encashment	**3,467.53**	2,547.49
Others		
Contingent provision against Standard Assets	**6,592.15**	3,351.90
Sub Standard & Doubtful Assets	**100,000.00**	100,000.00
Total	**110,059.68**	105,899.39

15. DEFERRED TAX ASSETS/LIABILITIES (NET) **Amount (₹ in Hundred)**

Particulars	As at 31st March, 2022	As at 31st March, 2021
Deferred tax liability in relation to: Financial Assets carried at fair valued through Other Comprehensive Income	**2,081.24**	11,242.89
(A)	**2,081.24**	11,242.89
Deferred tax assets Diffrence between Depreciation as per Books of Account and the Income Tax Act, 1961	**3,345.63**	3,100.05
(B)	**3,345.63**	3,100.05
Net Deferred Tax liabilities/ (Assets) (A)-(B)	**(1,264.39)**	8,142.84

16. OTHER NON-FINANCIAL LIABILITIES **Amount (₹ in Hundred)**

Particulars	As at 31st March, 2022	As at 31st March, 2021
Statutory Dues Payable	**2,256.67**	465.54
Total	**2,256.67**	465.54

17. EQUITY SHARE CAPITAL **Amount (₹ in Hundred)**

	Particulars	As at 31st March, 2022	As at 31st March, 2021
a.	**Authorised:**		
	25000000 Equity shares of Rs. 10/- Each	**2,500,000.00**	2,500,000.00
	10000000 Redeemable Preference Shares of Rs. 10/- each	**1,000,000.00**	1,000,000.00
	Total	**3,500,000.00**	3,500,000.00
b.	**Issued**		
	8788704 Equity Shares of Rs. 10/-Each	**878,870.40**	878,870.40
	Total	**878,870.40**	878,870.40
c.	**Subscribed and Paid up**		
	7137665 Equity Shares of Rs. 10/- Each fully paid up	**713,766.50**	713,766.50
		713,766.50	713,766.50
	Add: Forfeited shares 1651039 (Other than Directors)	**54,316.43**	54,316.43
	Total	**768,082.93**	768,082.93

d. Reconciliation of number of equity shares outstanding at the beginning and end of the year :

Particulars	Number of Shares	As at 31st March, 2021
As at 01st April, 2020	**7137665**	713,766.50
Issued during the year	**-**	0.00
As at 31st March, 2021	**7137665**	713,766.50
Issued during the year	**-**	0.00
As at 31st March, 2022	**7137665**	713,766.50

e. Terms / rights attached to the equity shares

Issued Share capital of the Company has only one class of shares referred to as equity shares having Par value of Rs.10/.Each holder of Equity Shares is entitled to One vote per share. 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. The dividend proposed by the board of directors is subject to the approval of the sharehlders in the ensuing Annual General Meeting except in case of interim dividend.

f. Shareholders holding more than 5% Equity Shares in the Company:

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	Number of Shares	% holding in the class	Number of Shares	% holding in the class
Mr. Lalit Bhasin	**3678691**	**51.54%**	3678691	51.54%

g. Promoter's Shareholding as at 31st March, 2022 and percentage change in shareholding during the year as compared to previous year is as follows: -

Promoter Name	No. of Shares as at 31st March, 2022	% of total shares	% Change during the year	No. of Shares as at 31st March, 2021
Lalit Bhasin	**3678691**	**51.54**	-	3678691
Kanishk Kapur	**22500**	**0.32**	-	22500
Ayush Kapur	**22500**	**0.32**	-	22500
Manasvin Arora	**22500**	**0.32**	-	22500
Mehar Arora	**22500**	**0.32**	-	22500
HB Corporate Services Limited	**20496**	**0.29**	-	20496
Merrygold Investments Limited	**9148**	**0.13**	-	9148
Total	**3798335**	**53.22**	-	3798335

h. Aggregate number of share issued in cash/ share issued pursuant to contract without payment being received in cash during the period of five years immedietaly preceedings the reporting date

-During the FY 2017-18, 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 23792218 shares of Rs. 10/- each to Rs. 7,13,76,654 comprising of 23792218 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 7137665 fully paid-up Equity Shares of Rs. 10/- each after ignoring fractional shares.

i. - There were no buy back of shares during the previous 5 years.

j Dividend

Final dividend distribution to shareholder is recognised as a liability in the period in which dividend is approved by the shareholders. Any interim dividend paid is recognised on approval by board of directors. Dividend payable is recognised directly in equity.

Companies are required to pay/ distribute dividend after deducting applicable taxes. The remittance of dividend outside India is governed by indian law on foreign exchange and is also subject to withholding tax at applicable rates.

k The Company is an Investment company, the objective of the Company is to invest in long term investments, and distributing the profits of Company in a way that shareholders can participate equitably in the Company's growth, while maintaining the financial foundation of the Company and ensure sustainable growth.

18. OTHER EQUITY **Amount (₹ in Hundred)**

	Particulars	As at 31st March, 2022	As at 31st March, 2021
	Reserve and Surplus		
a.	**Securities Premium**		
	Opening Balance	**2,307,631.89**	2,307,631.89
	Closing Balance	**2,307,631.89**	2,307,631.89
b.	**Stautory Reserve (Pursuant to Section 45-IC of The RBI Act, 1934)**		
	Opening Balance	**1,875,699.98**	1,639,611.74
	Addition during the year	**535,105.00**	236,088.24
	Closing Balance	**2,410,804.98**	1,875,699.98
c.	**Retained Earning**		
	Opening Balance	**(650,456.28)**	(159,7197.25)
	Add: Profit for the current year	**1,524,054.05**	1,180,441.19
	Add: Reclassification of Realised Gain on sale of investments from OCI	**1,151,470.90**	2,388.01
	Less: Transferred to Statutory Reserves	**(535,105.00)**	(236,088.24)
	Closing Balance	**1,489,963.67**	(650,456.28)
d.	**Other comprehensive income**		
	Opening Balance	**1,115,864.16**	3,076.60
	Add: Remeasurement gain/ (losses) on defined benefit plan	**(895.65)**	2,979.67
	Add: Fair value changes of Investments at FVTOCI	**52,440.25**	1,123,933.46
	Add: Tax Effects of above	**(8,387.05)**	(11,737.56)
	Less: Reclassification of Realised Gain on sale of investments to retained earning	**(1,151,470.90)**	(2,388.01)
	Closing Balance	**7,550.81**	1,115,864.16
	TOTAL OTHER EQUITY	**6,215,951.35**	4,648,739.75

Description of the nature and purpose of Other Equity

Securities Premium

Securities premium represents amount received in excess of face value of the equity shares. The Securities premium can be applied by the company for limited purposes such as issuance of bonus shares, buy back of shares etc. in accordance with the provisions of Section 52 of the Companies Act, 2013.

Stautory Reserve

Statutory reserve represents reserve fund created pursuant to Section 45-IC of the RBI Act, 1934 through transfer of specified percentage (20%) of net profit every year before any dividend is declared. The reserve fund can be utilised only for limited purposes as specified by RBI from time to time and every such utilisation shall be reported to the RBI within specified period of time from the date of such utilisation.

Other Comprehensive Income

Equity Instruments through Other Comprehensive income

The Company has elected to recognise changes in the fair value of certain investments in equity securities in other comprehensive income. These changes are accumulated within the FVTOCI equity investments reserve within equity. The Company transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognised.

Remeasurement gain/ (losses) on defined benefit plan

The Company recognises change on account of remeasurement of the net defined benefit liability/(asset) as part of other comprehensive income.

Retained Earnings

Retained earnings or accumulated surplus represents total of all profits retained since Company's inception. Retained earnings are credited with current year profits, reduced by losses, if any, dividend payouts, transfers to General reserve or any such other appropriations to specific reserves. Debit balance in retained earnings represents balance of accumulated losses.

19. INTEREST INCOME (ON FINANCIAL ASSETS, MEASURED AT AMORTISED COST)

Amount (₹ in Hundred)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Interest on Loans / Inter Corporate Deposit	**69,925.75**	87,306.93
Total	**69,925.75**	87,306.93

20. DIVIDEND **Amount (₹ in Hundred)**

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Dividend income from Investment	**63,213.15**	15,530.80
Total	**63,213.15**	15,530.80

21. NET GAIN/ (LOSS) ON FAIR VALUE CHANGES **Amount (₹ in Hundred)**

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Net gain/ (loss) on financial instruments measured at fair value through profit or loss		
Realised gain/(loss) loss on equity instruments at FVTPL	**382,885.19**	20,069.71
Unrealised gain/(loss) on equity instruments at FVTPL	**1,081,369.64**	1,028,377.83
Total	**1,464,254.83**	1,048,447.54

22. OTHER INCOME **Amount (₹ in Hundred)**

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Interest on Income Tax Refund	**48.00**	1,025.34
Profit on sale of Fixed Assets	**1,044.90**	0.00
Contingent Provision on Standard Assets written back	**0.00**	4,687.07
Total	**1,092.90**	5,712.41

23. FINANCE COST (ON BORROWINGS, AT AMORTISED COST) **Amount (₹ in Hundred)**

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Interest on Loans	**1,306.44**	2,924.97
Total	**1,306.44**	2,924.97

24. EMPLOYEE BENEFIT EXPENSES **Amount (₹ in Hundred)**

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Salaries and Benefits	**63,343.89**	39,642.82
Contribution to Provident fund and superannuation fund	**2,121.56**	3,171.68
Gratuity	**752.52**	396.82
Staff welfare	**1,022.69**	1,367.06
Total	**67,240.66**	44,578.38

25. OTHER EXPENSES **Amount (₹ in Hundred)**

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Rent/Facility Charges	**11,863.93**	11,721.48
Vehicle Running and Maintenance	**7,209.52**	7,370.00
Insurance	**2,028.91**	1,976.66
Communication	**3,114.81**	4,025.73
CSR Expenses	**3,980.00**	2,450.00
Travelling and Conveyance	**15,882.57**	14,188.36
Printing and Stationery	**4,263.47**	3,245.46
Office Repairs and Maintenance	**1,310.88**	1,044.60
Depository and custodial	**4,234.52**	1,219.91
Subscription and Membership	**1,585.25**	2018.38
Misc. Balances written off	**12,372.60**	0.00
Legal and Professional	**17,438.22**	12,260.12
Advertisement & Publicity	**3,535.48**	3,640.52
Listing Fees	**5,400.00**	5,400.00
Business Promotion	**4,117.78**	3,452.06
Miscellaneous	**647.11**	3,515.20
Auditor's Remuneration		
-Audit Fees	**1,650.00**	1,650.00
-Tax Audit Fees	**250.00**	250.00
-Limited Review Reports	**300.00**	400.00
-Certification and others	**375.00**	375.00
Directors Sitting Fees	**5,090.00**	4,730.00
Total	**106,650.05**	84,933.48

26. NET GAIN ON FAIR VALUE CHANGES THROUGH OCI **Amount (₹ in Hundred)**

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Net gain/ (loss) on financial instruments measured at fair value through OCI		
Realised gain/(loss) loss on equity instruments at FVTOCI	**1,169,019.60**	2,882.68
Unrealised gain/(loss) on equity instruments at FVTOCI	**(1,116,579.35)**	1,121,050.78
Total	**52,440.25**	1,123,933.46

27. EARNING PER SHARE (EPS)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Profit/(Loss) for the year Amount (₹ in Hundred)	**1,524,054.05**	1,180,441.19
Weighted average number of Equity Shares used in computing basic EPS	**7,137,665**	7,137,665
Weighted average number of Equity Shares used in computing diluted EPS	**7,137,665**	7,137,665
Basic Earnings Per Share (Rs.)	**21.35**	16.54
Diluted Earnings Per Share (Rs.)	**21.35**	16.54
Face Value per share (Rs.)	**10**	10

28. RELATED PARTY DISCLOSURES

As per Ind AS 24 on 'Related Party Disclosures', the related parties of the Company are as follows:

a) Key Managerial Personnel:

1. Shri Rupesh Kumar, Company Secretary (Joined on 16.06.2020 and Left on 24.01.2022)
2. Shri Mahesh Kumar Gupta, Chief Financial Officer
3. Shri Jag Mohan Lal Suri, (Manager - upto 14.12.2020)
4. Shri Naresh Khanna, Manager (w.e.f. 07.06.2021)

Directors

1. Shri Gulshan Rai (Independent Director)
2. Shri Harbans Lal (Independent Director)
3. Smt. Asha Mehra (Independent Director)
4. Shri Anil Goyal
5. Shri Ashish Kapur
6. Shri Lalit Bhasin (also see Para 'b' below)

b) Person having control/significant influence /major shareholders

1. Shri Lalit Bhasin

c) Wholly Owned Subsidiary Company

1. Mount Finance Ltd.

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

1.RRB Master Securities Delhi Ltd.

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

1. HB Estate Developers Ltd.
2. HB Securities Ltd.

f) Transactions during the financial year ended 31st March, 2022 with Related Parties as under :

Amount (₹ in Hundred)

Sr. No.	Particulars	Nature of Transaction	For the year ended 31st March, 2022	For the year ended 31st March, 2021
i	RRB Master Securities Delhi Ltd.	Advances given (net)	**14,604.71**	16,741.33
		Purchase of Investment through them	**5,939,495.58**	856,101.21
		Sale of Investment through them	**7,590,921.66**	557281.39
		Net Turnover of Derivative Trading/Difference in share trading	**106,859.40**	168,168.56
		Receivable at the year end in respect of Loans & Advances	**14,604.71**	16,741.33
ii	HB Estate Developers Ltd.	Rent/ Facility Charges Paid (including GST)	**10,162.63**	10,162.63
		Receivable at the year end in respect of Loans & Advances	**345,000.00**	345,000.00
iii	HB Securities Ltd.	Depository Charges	**3,374.36**	374.67
iv	Mount Finance Ltd.	Advance paid	**32,000.00**	1,000.00
		Receivable at the year end in respect of Loans & Advances	**33,000.00**	1,000.00
v	Lalit Bhasin	Sitting Fees paid	**500.00**	550.00
vi	Anil Goyal	Sitting Fees paid	**980.00**	1,010.00
vii	Ashish Kapur	Sitting Fees paid	**400.00**	300.00
viii	Gulshan Rai	Sitting Fees paid	**1,150.00**	1,150.00
ix	Harbans Lal	Sitting Fees paid	**1,230.00**	1,060.00
x	Asha Mehra	Sitting Fees paid	**830.00**	660.00
xi	Naresh Khanna	Remuneration & other services	**18,500.00**	Nil
xii	Jag Mohan Lal Suri	Remuneration & other services	**Nil**	10,276.89
xiii	Mahesh Kumar Gupta	Remuneration & other services	**21,083.33**	17,101.99
ix	Rupesh Kumar	Remuneration & other services	**6,010.89**	5,230.33

29. RETIREMENT BENEFIT OBLIGATIONS

Disclosure in respect of Employee Benefits pursuant to Ind AS-19

A) Defined Contributions Plans:

The Company has recognised following expenses in respect of the defined contribution plans:

Amount (₹ in Hundred)

Particulars	Current Year	Previous Year
Company Contribution to Provident Fund	**2,121.56**	2,496.68
Company Contribution to Superannuation Fund	**0.00**	675.00

B) Defined Benefit Plans:

Below tables sets forth the changes in the projected benefit obligation and plan assets and amounts recognized in the Balance Sheet as of 31st March, 2022 and 31st March, 2021, being the respective measurement dates:

(i) Movement in defined benefit obligation **Amount (₹ in Hundred)**

Particulars	Gratuity (Funded)		Leave Encashment (Unfunded)	
	Year ended 31st March, 2022	Year ended 31st March, 2021	**Year ended 31st March, 2022**	Year ended 31st March, 2021
Present value of obligation -at the beginning of the period	**10,128.73**	10,817.60	**2,547.49**	5,590.03
Interest cost	**734.33**	757.23	**184.69**	391.30
Current service cost	**1,133.42**	578.33	**742.15**	194.91
Benefits paid	**0.00**	0.00	**(495.00)**	(37,06.67)
Remeasurements - actuarial (gain)/ loss	**422.83**	(2,024.43)	**488.20**	77.92
Present value of obligation -at the end of the period	**12,419.31**	10,128.73	**3,467.53**	2,547.49

(ii) Movement in Plan Assets – Gratuity **Amount (₹ in Hundred)**

Particulars	Gratuity (Funded)		Leave Encashment (Unfunded)	
	Year ended 31st March, 2022	Year ended 31st March, 2021	**Year ended 31st March, 2022**	Year ended 31st March, 2021
Fair value of plan assets at beginning of year	**15,382.46**	13,410.56	**-**	-
Expected return on plan assets	**1,115.23**	938.74	**-**	-
Employer contributions	**0.00**	0.00	**-**	-
Benefits paid	**0.00**	0.00	**-**	-
Actuarial gain / (loss)	**1,538.00**	1,033.16	**-**	-
Fair value of plan assets at end of year*	**18,035.69**	15,382.46	**-**	-

(*)100% of fund is managed by Insurance Company

(iii) The amount to be recognised in the Balance Sheet **Amount (₹ in Hundred)**

Particulars	Gratuity (Funded)		Leave Encashment (Unfunded)	
	Year ended 31st March, 2022	Year ended 31st March, 2021	**Year ended 31st March, 2022**	Year ended 31st March, 2021
Present value of obligation-at the end of the period	**12,419.31**	10,128.73	**3,467.53**	2,547.49
Fair value of plan assets at end of year	**16,513.07**	15,382.46	**0.00**	0.00
Net liability/(asset) recognized in Balance Sheet	**(4,093.76)**	(5,253.73)	**3,467.53**	2,547.49
Funded Status- Surplus/ (Deficit)	**4,093.76**	5,253.73	**(3,467.53)**	(2,547.49)

(iv) Expense recognised in the statement of Profit and Loss **Amount (₹ in Hundred)**

Particulars	Gratuity (Funded)		Leave Encashment (Unfunded)	
	Year ended 31st March, 2022	Year ended 31st March, 2021	**Year ended 31st March, 2022**	Year ended 31st March, 2021
Interest cost	**734.33**	757.23	**184.69**	391.30
Current Service cost	**1,133.42**	578.33	**742.15**	194.91
Expected return on plan assets	**(1,115.23)**	(938.74)	**0.00**	0.00
Expenses to be recognised in P&L	**752.52**	396.82	**926.84**	586.21

(v) Recognised in Other Comprehensive Income **Amount (₹ in Hundred)**

Particulars	Gratuity (Funded)		Leave Encashment (Unfunded)	
	Year ended 31st March, 2022	Year ended 31st March, 2021	**Year ended 31st March, 2022**	Year ended 31st March, 2021
Cumulative unrecognized actuarial (gain)/loss opening. B/F	**(5,257.98)**	(2,200.39)	**(798.29)**	(876.21)
Remeasurement - Actuarial (gain)/loss -Obligation	**422.83**	(2,024.43)	**488.20**	77.92
Remeasurement - Actuarial (gain)/loss -Plan assets	**(1,538.00)**	(1,033.16)	**0.00**	0.00
Total Acturial (gain)/loss	**(1,115.17)**	(3,057.59)	**488.20**	77.92
Cumulative unrecognized actuarial (gain)/loss opening. C/F	**(6,373.15)**	(5,257.98)	**(310.09)**	(798.29)

(vi) The principal actuarial assumptions used for estimating the Company's defined benefit obligations are set out below:

Weighted average actuarial assumptions	Gratuity (Funded)		Leave Encashment (Unfunded)	
	Year ended 31st March, 2022	Year ended 31st March, 2021	**Year ended 31st March, 2022**	Year ended 31st March, 2021
Discount Rate	**7.25 % per anum**	7.00 % per anum	**7.25 % per anum**	7.00 % per anum
Expected Rate of increase in salary	**5.00 % per anum**	5.00 % per anum	**5.00 % per anum**	5.00 % per anum
Mortality rate	**IALM 2012-14**	IALM 2012-14	**IALM 2012-14**	IALM 2012-14
Withdrwal Rate- 18 to 30 Years	**5.00 % p.a.**	5.00 % p.a.	**5.00 % p.a.**	5.00 % p.a.
- 30 to 44 Years	**3.00 % p.a.**	3.00 % p.a.	**3.00 % p.a.**	3.00 % p.a.
- 44 to 70 Years	**2.00 % p.a.**	2.00 % p.a.	**2.00 % p.a.**	2.00 % p.a.

The assumption of future salary increase takes into account the inflation, seniority, promotion and other relevant factors such as supply and demand in employment market.

(vii) Sensitivity Analysis
For the year ended 31st March, 2022

Particulars	Change in assumption	Effect on Gratuity	Effect on leave encashment
Discount Rate	+1%	11006.17	3079.18
	-1%	14075.25	3923.61
Salary Growth Rate	+1%	14097.05	3929.59
	-1%	10964.74	3067.89
Attrition Rate	+1%	12680.43	3548.64
	-1%	12126.21	3376.76

(viii) Estimate of expected benefit payments (In absolute terms i.e. undiscounted)

Amount (₹ in Hundred)

Particulars	Gratuity	Leave encashment
01st April, 2022 to 31st March, 2023	410.41	126.81
01st April, 2023 to 31st March, 2024	134.95	3,340.72
01st April, 2024 to 31st March, 2025	134.95	-
01st April, 2025 to 31st March, 2026	142.12	-
01st April, 2026 to 31st March, 2027	142.28	-
01st April, 2027 Onwards	11,454.60	-

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

CONTINGENT LIABILITIES:

a) Income Tax Rs. Nil (Previous Year Rs. Nil)

b) Amount payable in respect of partly paid up shares:
Rs.284.89/- Hundred (previous year Rs. 920.11/- Hundred)

31. QUANTITATIVE DETAILS

Quantitative information in respect of Investments FVTPL in securities:

EQUITY INSTRUMENTS

Particulars	Current Year		Previous Year	
	Qty. (Nos.)	**Amount (₹ in Hundred)**	Qty. (Nos.)	Amount (₹ in Hundred)
Opening Balance	**15329051**	**2,134,079.74**	11778445	819,925.56
Purchases/conversions	**5164638**	**6,368,980.29**	4755031	741,779.18
Sales/Conversions/Transfer	**7468395**	**6,355,962.80**	1204425	476,019.28
Closing Balance	**13025294**	**3,611,432.47**	15329051	2,134,079.74

MUTUAL FUND UNITS

Particulars	Current Year		Previous Year	
	Qty. (Nos.)	**Amount (₹ in Hundred)**	Qty.(Nos.)	Amount (₹ in Hundred)
Opening Balance	**5069**	**50,690.48**	Nil	Nil
Purchases/conversions	**16300**	**163,079.42**	16191	200,792.93
Sales/Conversions/Transfer	**0**	**0.00**	11122	150,155.71
Closing Balance	**21369**	**213,689.49**	5069	50,690.48

32. 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, 2022 and 31st March, 2021.

33. 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

	Particulars	Outstanding Balance as on 31st March, 2022	Max. Balance outstanding during the year	Outstanding Balance as on 31st March, 2021	Max. Balance outstanding during the previous Year
i.	**Loans & Advances in the nature of loans to Subsidiary.**	**33000**	**33000**	**1000.00**	**1000.00**
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**	**Amount.**	**No. of Shares**	**Amount.**
		Nil	**Nil**	**Nil**	**Nil**

34. DISCLOSURE RELATING TO OUTSTANDING DERIVATIVE EXPOSURES IN SECURITIES

a) Cash Margin amounting to ₹ 14,604.71/- Hundred (₹ 16,741.33/- Hundred) 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 31st March, 2022

Name of Equity Stock Future	No. of Contracts	Units (In Nos.) Long	Units (In Nos.) (Short)
Adani Ports Ltd	5	1250	Nil
	Nil	Nil	Nil
Bank of Baroda	12	11700	Nil
	Nil	Nil	Nil
Bandhan Bank	Nil	Nil	Nil
	6	1800	Nil
BPCL	Nil	Nil	Nil
	8	1800	Nil
Canara Bank	3	1800	Nil
	2	5400	Nil
Glenmark Pharma	6	1150	Nil
	6	1150	Nil
GMR Infrastructure Limited	8	22500	Nil
	8	22500	Nil
HCL Tecnologies Ltd	Nil	Nil	Nil
	12	700	Nil
India Bull Housing & Finance Ltd	24	3100	Nil
	Nil	Nil	Nil
ITC Ltd	20	3200	Nil
	31	3200	Nil
Hind Petro Ltd	Nil	Nil	Nil
	7	2700	Nil
L&T Finance Holding Ltd	Nil	Nil	Nil
	1	8924	Nil
Lupin Laboratories Ltd	Nil	Nil	Nil
	3	850	Nil
Punjab National Bank	Nil	Nil	Nil
	1	16000	Nil
Petronet LNG Ltd	9	3000	Nil
	Nil	Nil	Nil
SAIL	34	4750	Nil
	Nil	Nil	Nil
Sun Pharmaceuticals Ltd	32	700	Nil
	8	1400	Nil
Tata Motors Ltd	10	2850	Nil
	8	2850	Nil
Tata Steel Ltd	24	425	Nil
	Nil	Nil	Nil
Reliance Industries Ltd	4	250	Nil
	11	250	Nil

35. CAPITAL MANAGEMENT

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business.

The company has adequate cash and bank balances. The company monitors its capital by careful scrutiny of the cash and bank balances, and a regular assessment of any debt requirements. In the absence of any significant amount of debt, the maintenance of debt equity ratio etc. may not be of any relevance to the Company.

36. FINANCIAL RISK MANAGEMENT

Financial risk factors

The Company's principal financial liabilities, comprise borrowings and other payables. The main purpose of these financial liabilities is to purchase certain fixed assets and other liabilities incurred during the ordianary course of Company's operations. The Company's principal financial assets include Investments, inter corporate deposits, loans, cash and cash equivalents and other receivables. The Company's activities expose it to a variety of financial risks:

I. Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise three types of risk: currency rate risk, interest rate risk and other price risks, such as commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits, investments.

The company is exposed to market risk primarily related to the market value of its investments.

Interest Rate Risk

Interest rate risk is the risk that the fair value of future cash flows of Financial Instruments will fluctuate because of change in market interest rates.The company does not have exposure to the risk of changes in market interest rate as it has debt obligations with fixed interest rates which are measured at amortised cost.

Currency risk

Currently company does not have transaction in foreign currencies and hence the company is not exposed to currency risk.

Equity Price Risk

(a) Exposure

The company is exposed to equity price risk arising from Investments held by the company and classified in the balance sheet as fair value through P&L. To manage its price risk arising from investment in equity securities, the company diversifies its portfolio.

The majority of the company's equity instruments are listed on the Bombay stock exchange (BSE) or the National stock exchange (NSE) in India.

(b) Sensitivity analysis- Equity price risk

The table below sumarise the impact of increase/ decrease of the index on the company's equity and the profit for the period. The analysis is based on the assumption that the equity/ index had increased by 2% or decreased by 2% with all other variable held constant, and that all the company's equity instruments moved in line with the Index.

Particulars	Impact on Profit & Loss for the year ended 31st March 2022	
	31st March, 2022	31st March, 2022
NSE/ BSE Index - Increase by 2 %	72,228.65	42,681.59
NSE/ BSE Index - Decrease by 2 %	(72,228.65)	(42,681.59)

II. Credit risk

Credit risk is the risk that a counter party will not meet its obligations under a financial instrument or customer contract, leading to a financial loss.The company is exposed to credit risk from its financing activities towards inter corporate loans where no significant impact on credit risk has been identified.

III. Liquidity risk

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses.The Company manages its liquidity requirement by analysing the maturity pattern of Company's cash flows of financial assets and financial liabilities.

The table below summarises the maturity profile of the undiscounted cash flows of the Company's financial assets and liabilities.

Amount (₹ in Hundred)

As at 31st March, 2022	Within 12 Months	After 12 Months	Total
Financial Assets			
Cash and cash equivalents	423,017.94	0.00	423,017.94
Loans	1,285,000.00	0.00	1,285,000.00
Investments	3,825,121.96	986,243.01	4,811,364.97
Other Financial Assets	523,732.66	0.00	523,732.66
Total	**6,056,872.56**	**986,243.01**	**7,043,115.57**
Financial Liabilities			
Borrowings			
Other financial liabilities	5,385.58	0.00	5,385.58
Total	16,544.86	0.00	16,544.86
Total	**21,930.44**	**0.00**	**21,930.44**

Amount (₹ in Hundred)

As at 31st March, 2021	Within 12 Months	After 12 Months	Total
Financial Assets			
Cash and cash equivalents	128,731.18	0.00	128,731.18
Loans	505,000.00	0.00	505,000.00
Investments	2,184,770.22	2,457,000.47	4,641,770.69
Other Financial Assets	480,027.33	0.00	480,027.33
Total	**3,298,528.73**	**2,457,000.47**	**5,755,529.20**
Financial Liabilities			
Borrowings	20,397.60	5,385.58	25,783.18
Other financial liabilities	342,079.91	0.00	342,079.91
Total	**362,477.51**	**5,385.58**	**367,863.09**

37. MATURITY ANALYSIS OF ASSETS AND LIABILITIES:

The table shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled:

Amount (₹ in Hundred)

Particulars	31st March, 2022			31st March, 2021		
	Within 12 Months	After 12 Months	Total	Within 12 Months	After 12 Months	Total
ASSETS						
Finacial Assets						
Cash and cash equivalents	**423,017.94**	**0.00**	**423,017.94**	128,731.18	0.00	128,731.18
Loans	**1,285,000.00**	**0.00**	**1,285,000.00**	505,000.00	0.00	505,000.00
Investments	**3,825,121.96**	**986,243.01**	**4,811,364.97**	2,184,770.22	2,457,000.47	4,641,770.69
Other Financial Assets	**523,732.66**	**0.00**	**523,732.66**	480,027.33	0.00	480,027.33
Non-Finacial Assets						
Current tax assets	**0.00**	**0.00**	**0.00**	6,615.36	0.00	6,615.36
Deferred Tax Assets (Net)	**1,264.39**	**0.00**	**1,264.39**	0.00	0.00	0.00
Property, Plant and Equipment	**55,232.41**	**0.00**	**55,232.41**	68,976.35	0.00	68,976.35
Other non -financial assets	**76,775.73**	**0.00**	**76,775.73**	68,072.63	0.00	68,072.63
TOTAL ASSETS	**6,190,145.09**	**986,243.01**	**7,176,388.10**	3,442,193.07	2,457,000.47	5,899,193.54
LIABILITIES						
Financial Liabilities						
Borrowings	**5,385.58**	**0.00**	**5,385.58**	20,397.60	5,385.58	25,783.18
Other financial liabilities	**16,544.86**	**0.00**	**16,544.86**	342,079.91	0.00	342,079.91
Non Financial Liabilities						
Current Tax Liabilities (Net)	**58,107.03**	**0.00**	**58,107.03**	0.00	0.00	0.00
Provisions	**100,059.68**	**10,000.00**	**110,059.68**	93,557.31	12,342.08	105,899.39
Deferred Tax Liabilities (Net)	**0.00**	**0.00**	**0.00**	8,142.84	0.00	8,142.84
Other non-financial liabilities	**2,256.67**	**0.00**	**2,256.67**	465.54	0.00	465.54
TOTAL LIABILITIES	**182,353.82**	**10,000.00**	**192,353.82**	464,643.20	17,727.66	482,370.86

38. FAIR VALUES

The management assessed that Fair Values of Financial Assets and Liabilities are approximately their carrying values.

39. FAIR VALUE HIERARCHY

The company determines fair values of its financial instruments according to the following hierarchy:
Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities.
Level 2: Other techniques for which all inputs have a significant effect on the recorded fair value are observable, either directly or indirectly.
Level 3: Techniques which use Inputs that have a significant effect on the recorded fair value that are not based on observable market data.

The following table presents the carrying value and fair value of each category of financial assets and liabilities as at 31st March, 2022: **Amount (₹ in Hundred)**

Particulars	Ammortised cost	Fair value through OCI	Fair value through P&L	Total carrying value	Total Fair Value	Fair value			
						Level 1	Level 2	Level 3	Total
Financial Assets									
Cash and cash equivalents	423,017.94	0.00	0.00	423,017.94	423,017.94	0.00	0.00	0.00	0.00
Bank Balance other than above	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Loans	1,285,000.00	0.00	0.00	1,285,000.00	1,285,000.00	0.00	0.00	0.00	0.00
Investments									
-Quoted shares/Units	0.00	78,118.66	3,825,121.96	3,903,240.62	3,903,240.62	3,903,240.62	0.00	0.00	3,903,240.62
-Unquoted shares/Units	825,123.75	0.00	0.00	825,123.75	825,123.75	0.00	0.00	0.00	0.00
-Subsidiary	83,000.60	0.00	0.00	83,000.60	83,000.60	0.00	0.00	0.00	0.00
Other Financial Assets	523,732.66	0.00	0.00	523,732.66	523,732.66	0.00	0.00	0.00	0.00
Total	**3,139,874.95**	**78,118.66**	**3,825,121.96**	**7,043,115.57**	**7,043,115.57**	**3,903,240.62**	**0.00**	**0.00**	**3,903,240.62**
Financial Liabilities									
Borrowings	5,385.58	0.00	0.00	5,385.58	5,385.58	0.00	0.00	0.00	0.00
Other financial liabilities	16,544.86	0.00	0.00	16,544.86	16,544.86	0.00	0.00	0.00	0.00
Total	**21,930.44**	**0.00**	**0.00**	**21,930.44**	**21,930.44**	**0.00**	**0.00**	**0.00**	**0.00**

The following table presents the carrying value and fair value of each category of financial assets and liabilities as at 31st March, 2021: **Amount (₹ in Hundred)**

Particulars	Ammortised cost	Fair value through OCI	Fair value through P&L	Total carrying value	Total Fair Value	Fair value			
						Level 1	Level 2	Level 3	Total
Financial Assets									
Cash and cash equivalents	128,731.18	0.00	0.00	128,731.18	128,731.18	0.00	0.00	0.00	0.00
Loans	505,000.00	0.00	0.00	505,000.00	505,000.00	0.00	0.00	0.00	0.00
Investments									
-Quoted shares	0.00	1,548,876.12	2,184,770.22	3,733,646.34	3,733,646.34	3,733,646.34	0.00	0.00	3,733,646.34
-Unquoted shares	825,123.75	0.00	0.00	825,123.75	825,123.75	0.00	0.00	0.00	0.00
-Subsidiary	83,000.60	0.00	0.00	83,000.60	83,000.60	0.00	0.00	0.00	0.00
Other Financial Assets	480,027.33	0.00	0.00	480,027.33	480,027.33	0.00	0.00	0.00	0.00
Total	**2,021,882.86**	**1,548,876.12**	**2,184,770.22**	**5,755,529.20**	**5,755,529.20**	**3,733,646.34**	**0.00**	**0.00**	**3,733,646.34**
Financial Liabilities									
Borrowings	25,783.18	0.00	0.00	25,783.18	25,783.18	0.00	0.00	0.00	0.00
Other financial liabilities	342,079.91	0.00	0.00	342,079.91	342,079.91	0.00	0.00	0.00	0.00
Total	**367,863.09**	**0.00**	**0.00**	**367,863.09**	**367,863.09**	**0.00**	**0.00**	**0.00**	**0.00**

40. SCHEDULE AS REQUIRED IN TERMS OF PARAGRAPH 18 OF "NON-BANKING FINANCIAL COMPANY -NON-SYSTEMICALLY IMPORTANT NON-DEPOSIT TAKING COMPANY (RESERVE BANK) DIRECTIONS, 2016:

Amount (₹ in Hundred)

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)
(g) Other Loans (Vehicle Loan)	5,385.58 (25,783.18)	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 : **Amount (₹ in Hundred)**

	Amount outstanding *
(3) Break-up of Loans and Advances including bills receivables [other than those included in (4) below] :	
(a) Secured	Nil (Nil)
(b) Unsecured	1,748,540.51 (917,120.49)
* 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	Nil (Nil)
(a) Loans where assets have been repossessed	Nil (Nil)
(b) Loans other than (a) above	Nil (Nil)
(5) Break-up of Investments :	-
Current Investments	
1. Quoted :	
(i) Shares : (a) Equity	3,611,433.46 (2,134,079.74)
(b) Preference	Nil (Nil)
(ii) Debentures and Bonds	Nil (Nil)
(iii) Units of mutual funds	213,689.49 (506,90.48)
(iv) Government Securities	Nil (Nil)
(v) Others (please specify)	Nil (Nil)
2. Unquoted :	
(i) Shares : (a) Equity	Nil (Nil)
(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)
Long Term investments	
1. Quoted :	
(i) Shares : (a) Equity	78,118.66 (1,548,876.12)
(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	83,000.60 (83,000.60)
(b) Preference	825,123.75 (825,123.75)
(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:

Amount (₹ in Hundred)

Category	Amount net of provisions		
	Secured	Unsecured	Total
1. Related Parties			
(a) Subsidiaries	Nil (Nil)	33,000.00 (1,000.00)	330,00.00 (1,000.00)
(b) Companies in the same group	Nil (Nil)	359,604.71 (361,741.33)	359,604.71 (361,741.33)
(c) Other Related Parties	Nil (Nil)	Nil (Nil)	Nil (Nil)
2. Other than Related Parties	Nil (Nil)	1,355,935.80 (554,379.16)	1,355,935.80 (554,379.16)
Total	**Nil (Nil)**	**1,748,540.51 (917,120.49)**	**1,748,540.51 (917,120.49)**

(7) Investor group-wise classification of all investments (Current and Long Term) in Shares and Securities (both Quoted and Unquoted):*

Amount (₹ in Hundred)

Category	Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)
1. Related Parties		
(a) Subsidiaries	Nil (Nil)	83,000.60 (83,000.60)
(b) Companies in the same group*	867,152.25 (849,394.71)	867,152.25 (849,394.71)
(c) Other Related Parties	Nil (Nil)	Nil (Nil)
2. Other than Related Parties	3,861,213.11 (3,709,375.38)	3,861,213.11 (3,709,375.38)
Total	**4,728,365.36 (4,558,770.09)**	**4,811,365.96 (4,641,770.69)**

(8) Other Information

Particulars	(₹ in Hundred)
(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)

41. LITIGATION

The Company is in appeal in respect of various income tax matters.The Contingent liability in respect thereof is disclosed in note no. 30. 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.

42. LEASE

Expenses recognised in the statement of profit & loss in respect of short term lease for ₹ 11,863.93/- Hundred (PY Rs.11,721.48/- Hundred)

43. SEGMENT REPORTING

In the opinion of Management there are no separate reportable segments as per Indian Accounting Standard (Ind AS-108).

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

45. The Company is required to spent Rs.3,707.60/- Hundred (Previous year Rs. Nil) on Corporate Social Responsibility(CSR) activities during the year. Amount spent during the year Rs. 3,980.00/- Hundred (Previous Year Rs. 2,500.00/- Hundred).

Corporate Social Responsibility (CSR) Expenses during the year: - (Rs. in Hundred)

	Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
i	Amount required to be spent by the company during the year	**3707.60**	2500.00
ii		**3980.00**	2500.00
iii	Gross amount spent by the Company during the year	**(272.40)**	0.00
iv	Shortfall/(Excess) for the year (i-ii)	**0.00**	0.00
v	Total of previous years shortfall	**0.00**	0.00
vi	Previous year shortfall spent during the year	**0.00**	0.00
vii	Reason for Shortfall		
viii	Nature of CSR activities: - Promoting healthcare, Promotoing education, Eradicating hunger	**NA**	NA
ix	CSR activities with Related Parties		
	Movement of CSR Provisions: -		
	Opening Provision	**0.00**	0.00
	Created during the year	**3707.60**	0.00
	Utilized during the year	**3980.00**	0.00
	Closing Provision	**(272.40)**	0.00

46. Analytical Ratios: -

Ratio	Numerator	Denominator	31st March 2022	31st March 2021	% Variance	Reasons for change in ratio by more than 25% as compared to the previous year
Capital to risk weighted assets ratio (CRAR)	Tier I Capital + Tier II Capital	Total risk weighted assets	119.48%	119.91%	-0.36%	NA
Tier I CRAR	Tier I Capital	Total risk weighted assets	119.35%	119.83%	-0.40%	NA
Tier II CRAR	Tier II Capital	Total risk weighted assets	0.13%	0.08%	62.50%	Change in ratio, due to increase in Tier II capital
Liquidity Coverage Ratio*	NA	NA	NA	NA	NA	NA

* The Company is a Non Deposit taking/ accepting Non Banking Finance Company and asset size of the Company is less than Rs. 100 crore, so Liquidity Coverage ratio is not applicable to the Company.

47. OTHER STATUTORY INFORMATION

i The Company does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.

ii The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

iii The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017 for the financial years ended 31st March, 2022 and 31st March, 2021.

iv The company did not have any transactions with companies which were struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956

v The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

vi The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

vii The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

viii The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,

ix The Company has not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961

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

As Per our Report attached on even date

FOR G. C. AGARWAL & ASSOCIATES
CHARTERED ACCOUNTANTS
Firm Registration Number : 017851N

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS OF HB STOCKHOLDINGS LIMITED

Sd/-
G C AGARWAL
(PROPRIETOR)
MEMBERSHIP NO. : 083820

Sd/-
ANIL GOYAL
(DIRECTOR)
DIN: 00001938

Sd/-
LALIT BHASIN
(CHAIRMAN)
DIN: 00002114

Sd/-
MAHESH KUMAR GUPTA
(CHIEF FINANCIAL OFFICER)

Sd/-
REEMA MIGLANI
(COMPANY SECRETARY)
M. NO.: ACS45762

PLACE: GURUGRAM
DATE: 18TH MAY, 2022

INDEPENDENT AUDITOR'S REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

To,
The Members
HB Stockholdings Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

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'), which comprise the consolidated balance sheet as at 31st March 2022, the consolidated statement of profit and loss (including other comprehensive income), the consolidated cash flows statement and the consolidated statement of changes in equity for the year then ended, and notes to the consolidated financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

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 Companies Act, 2013, ("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 2022, its consolidated profit including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year then ended.

Basis of Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with the provisions of the Act. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Key Audit Matters

We have determined that there are no key audit matter to communicate in our report.

Information other than the Consolidated Financial Statements and Auditor's Report thereon

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the consolidated financial statements and our auditor's report thereon. Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective 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.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibility for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the financial year ended 31st March, 2022 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, based on our audit we give in the "Annexure A" a statement on the matters specified in paragraph 3(xxi) of the Order.
2. 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 (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the 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 Indian Accounting Standards (Ind AS) specified under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended.

(e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2022 taken on record by the Board of Directors of the Holding Company and the reports of respective companies included in the Group, none of the directors of the Group companies is disqualified as on 31st March, 2022 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 B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

(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 40 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.

iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or its subsidiary company incorporated in India or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Holding Company or its subsidiary company incorporated in India from any other person or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. The Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

(h) With respect to the matter to be included in the Auditor's Report under section 197(16):

The Group has not paid any managerial remuneration for the year ended 31st March, 2022 to its directors.

FOR G C AGARWAL & ASSOCIATES
Chartered Accountants
Firm Registration No.: 017851N

Sd/-
G. C. AGARWAL
(PROPRIETOR)
(Membership No. 083820)
UDIN: 22083820AKFIJY2643

PLACE : GURUGRAM
DATE : 18TH MAY, 2022

Annexure 'A' referred to in paragraph under the heading "Report on other legal and regulatory requirements" of our report of even date on the consolidated financial statements of HB Stockholdings Limited ("The Parent Company")

In terms of the information and explanations sought by us and given by the Company and to the best of our knowledge and belief, we state that:

3(xxi). There are no qualifications or adverse remarks in the Companies (Auditors Report) Order (CARO) reports of the Company and its subsidiary company included in the Consolidated Financial Statements.

FOR G C AGARWAL & ASSOCIATES
Chartered Accountants
Firm Registration No.: 017851N

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

PLACE : GURUGRAM
DATE : 18TH MAY, 2022

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")

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31st March 2022, 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 31st March 2022, 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
DATE : 18TH MAY, 2022

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2022

Amount (₹ in Hundred)

Particulars	Notes	As at 31st March, 2022	As at 31st March, 2021
I. ASSETS			
Financial Assets			
a. Cash and cash equivalents	4	**424,171.35**	130,026.27
b. Loans	5	**1,285,000.00**	505,000.00
c. Investments	6	**4,728,364.37**	4,558,770.09
d. Other Financial Assets	7	**490,936.06**	479,230.73
Non-Financial Assets			
a. Current tax assets (Net)	8	**0.00**	6,615.36
b. Deferred Tax Assets (Net)	15	**1,264.39**	0.00
c. Property, Plant and Equipment	9	**61,015.42**	78,030.55
d. Other non -financial assets	10	**78,788.23**	70,085.13
TOTAL ASSETS		**7,069,539.82**	5,827,758.13
II. LIABILITIES AND EQUITY			
LIABILITIES			
Financial Liabilities			
a. Borrowings	11	**5,385.58**	25,783.18
b. Other financial liabilities	12	**16,727.76**	372,227.41
Non-Financial Liabilities			
a. Current Tax Liabilities (Net)	13	**58,107.03**	0.00
b. Provisions	14	**110,059.68**	105,899.39
c. Deferred Tax Liabilities (Net)	15	**0.00**	8,142.84
d. Other non-financial liabilities	16	**2,256.67**	465.54
Equity			
a. Equity Share Capital	17	**768,082.93**	768,082.93
b. Other Equity	18	**6,108,920.17**	4,547,156.84
TOTAL LIABILITIES AND EQUITY		**7,069,539.82**	5,827,758.13
Significant Accounting Policies and notes to the Consolidated Financial Statements	1-47		

The accompanying notes form an integral part of the Consolidated Financial Statements.

As Per our Report of even date attached

FOR G. C. AGARWAL & ASSOCIATES
CHARTERED ACCOUNTANTS
Firm Registration Number : 017851N

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS OF HB STOCKHOLDINGS LIMITED

Sd/-
G C AGARWAL
(PROPRIETOR)
MEMBERSHIP NO. : 083820

Sd/-
ANIL GOYAL
(DIRECTOR)
DIN: 00001938

Sd/-
LALIT BHASIN
(CHAIRMAN)
DIN: 00002114

Sd/-
MAHESH KUMAR GUPTA
(CHIEF FINANCIAL OFFICER)

Sd/
REEMA MIGLANI
(COMPANY SECRETARY)
M. NO.: ACS45762

PLACE: GURUGRAM
DATE: 18TH MAY, 2022

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2022

Amount (₹ in Hundred)

Particulars	Notes	For the Year ended 31st March, 2022	For the Year ended 31st March, 2021
INCOME			
Revenue from Operations			
(i) Interest Income	19	**69,925.75**	87,306.93
(ii) Dividend Income	20	**63,213.15**	15,530.80
(iii) Net Gain on fair value changes	21	**1,464,254.83**	1,048,447.54
(iv) Net Profit in Equity derivative trading/ Share Dealing		**173,598.22**	168,168.56
I Total Revenue from operations		**1,770,991.95**	1,319,453.83
II Other Income	22	**1,092.90**	5,712.41
III Total Income (I+II)		**1,772,084.85**	1,325,166.24
EXPENSES			
(i) Finance Costs	23	**1,306.44**	2,924.97
(ii) Employee Benefits Expenses	24	**67,240.66**	44,578.38
(iii) Depreciation and amortisation expense	9	**18,732.71**	18,659.46
(iv) Others expenses	25	**108,827.13**	86,853.36
(v) Contingent Provisions against Standard Assets		**3,240.25**	0.00
IV Total Expenses (IV)		**199,347.19**	153,016.17
V Profit/ (Loss) Before Tax (III-IV)		**1,572,737.66**	1,172,150.07
VI Tax Expense			
(i) Current Tax		**50,607.52**	0.00
(ii) Tax for earlier years		**3,769.94**	0.00
(iii) Deferred Tax (credit) / charge		**(245.58)**	(3,100.05)
Total Tax Expense (VI)		**54,131.88**	(3,100.05)
VII Profit/(Loss) for the year (V-VI)		**1,518,605.78**	1,175,250.12
VIII Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
- Net change in Fair Value of Investments carried at FVTOCI	26	**52,440.25**	1,123,933.46
- Remeasurement gain/ (losses) on defined benefit plan		**(895.65)**	2,979.67
- Tax effect on above		**(8,387.05)**	(11,737.56)
Other Comprehensive Income for the year, net of tax		**43,157.55**	1,115,175.57
Total Comprehensive Income for the year (VII +VIII)		**1,561,763.33**	2,290,425.69
IX Earnings per Equity Share of face value of Rs. 10 each (previous year Rs. 10 each)	27		
Basic (Rs.)		**21.28**	16.47
Diluted (Rs.)		**21.28**	16.47
Significant Accounting Policies and notes to the Consolidated Financial Statements	1-47		

The accompanying notes form an integral part of the Consolidated Financial Statements.

As Per our Report of even date attached

FOR G. C. AGARWAL & ASSOCIATES
CHARTERED ACCOUNTANTS
Firm Registration Number : 017851N

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS OF HB STOCKHOLDINGS LIMITED

Sd/-
G C AGARWAL
(PROPRIETOR)
MEMBERSHIP NO. : 083820

Sd/-
ANIL GOYAL
(DIRECTOR)
DIN: 00001938

Sd/-
LALIT BHASIN
(CHAIRMAN)
DIN: 00002114

Sd/-
MAHESH KUMAR GUPTA
(CHIEF FINANCIAL OFFICER)

Sd/
REEMA MIGLANI
(COMPANY SECRETARY)
M. NO.: ACS45762

PLACE: GURUGRAM
DATE: 18TH MAY, 2022

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2022

Amount (₹ in Hundred)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
A. CASH FLOW FROM OPERATION ACTIVITIES		
Profit before tax	**1,572,737.66**	1,172,150.07
Adjustment for :		
Depreciation	**18,732.71**	18,659.46
Profit on sale of Fixed Assets	**(1,044.90)**	0.00
Finance Costs	**1,306.44**	2,924.97
Cash generated form operation before Working Capital Changes	**1,591,731.91**	1,193,734.50
Working Capital Changes		
Increase/ (decrease) in loans and advances	**(780,000.00)**	955,000.00
Increase/ (decrease) in other financial assets	**(11,705.33)**	228,107.51
Increase/ (decrease) in other non-financial assets	**(7,714.69)**	14,942.92
Increase /(decrease) in other financial liabilities	**(355,499.64)**	328,812.56
Increase /(decrease) in Investment/ Financial assets	**(1,640,351.73)**	(2,189,968.41)
(Increase) /decrease in provisions	**3,264.64**	(4,749.94)
(Increase) /decrease in other non financial liabilities	**1,791.13**	(167.54)
Cash Flows before OCI and Tax	**(1,198,483.71)**	52,5711.60
Income Tax paid/ (Refund)	**(8,192.20)**	(11,299.34)
NET CASH FLOW FROM/ (USED) OPERATING ACTIVITIES	**(1,206,675.91)**	537,010.94
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	**(3,422.68)**	(668.97)
Sale of Fixed Assets	**2,750.00**	0.00
Purchase of Investment	**(170,052.59)**	(488,549.66)
Sale of Investment	**1,693,250.30**	63,607.00
NET CASH USED IN INVESTING ACTIVITIES	**1,522,525.03**	(425,611.63)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Borrowings	**(20,397.60)**	(18,822.81)
Interest Paid	**(1,306.44)**	(2,924.97)
NET CASH USED IN FINANCING ACTIVITIES	**(21,704.04)**	(21,747.78)
NET INCREASE/ DECREASE IN CASH & CASH EQUIVALENTS	**294,145.08**	89,651.53
OPENING CASH AND CASH EQUIVALENTS	**130,026.27**	40,374.74
CLOSING CASH AND CASH EQUIVALENTS	**424,171.35**	130,026.27

Note: 1. Consolidated Cash Flow Statement has been prepared under indirect method as set out in IND AS-7 (Cash Flow Statement).

2. Cash and Cash Equivalents consist of cash in hand balances with banks.

Change in Liability arising from Financing Activities

Particuars	Borrowings (Refer Note No. 11)
Balance as on 1st April 2021	25,783.18
Proceeds/ Repayaments of borrowing	(20,397.60)
Non cash change (Fair Value)	0.00
Balance as on 31st March 2022	5,385.58

The accompanying notes form an integral part of the Consolidated Financial Statements.

As Per our Report of even date attached

FOR G. C. AGARWAL & ASSOCIATES
CHARTERED ACCOUNTANTS
Firm Registration Number : 017851N

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS OF HB STOCKHOLDINGS LIMITED

Sd/-
G C AGARWAL
(PROPRIETOR)
MEMBERSHIP NO. : 083820

Sd/-
ANIL GOYAL
(DIRECTOR)
DIN: 00001938

Sd/-
LALIT BHASIN
(CHAIRMAN)
DIN: 00002114

Sd/-
MAHESH KUMAR GUPTA
(CHIEF FINANCIAL OFFICER)

Sd/
REEMA MIGLANI
(COMPANY SECRETARY)
M. NO.: ACS45762

PLACE: GURUGRAM
DATE: 18TH MAY, 2022

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

a. Equity Share Capital

Particulars	Number of Shares	Amount (₹ in Hundred)
As at 01st April, 2020	7,137,665	713,766.50
Changes in Equity share capital during the year	-	-
As at 31st March, 2021	7,137,665	713,766.50
Changes in Equity share capital during the year	-	-
As at 31st March, 2022	**7,137,665**	**713,766.50**

b. Other Equity

Amount (₹ in Hundred)

Particulars	Reserves and Surplus			Other Comprehensive Income	Total
	Statutory Reserve	Securities Premium	Retained Earnings		
Balance as at 01st April, 2020	1,639,611.74	2,307,631.89	(1,693,589.08)	3,076.60	**2,256,731.15**
Profit for the year	0.00	0.00	1,175,250.12	0.00	**1,175,250.12**
Other comprehensive income for the year	0.00	0.00	0.00	1,115,175.57	**1,115,175.57**
Transferred to/(from)	235,050.03	0.00	(232,662.02)	(2,388.01)	**0.00**
Total comprehensive income for the year	**1,874,661.77**	**2,307,631.89**	**(751,000.98)**	**1,115,864.16**	**4,547,156.84**
Balance as at 31st March, 2021	**1,874,661.77**	**2,307,631.89**	**(751,000.98)**	**1,115,864.16**	**4,5471,56.84**
Balance as at 01st April, 2021	1,874,661.77	2,307,631.89	(751,000.98)	1,115,864.16	**4,547,156.84**
Profit for the year	0.00	0.00	1,518,605.78	0.00	1,518,605.78
Other comprehensive income for the year	0.00	0.00	0.00	43,157.55	43,157.55
Transferred to/(from)	535,105.00	0.00	616,365.90	(1,151,470.90)	**0.00**
Total comprehensive income for the year	**2,409,766.77**	**2,307,631.89**	**1,383,970.70**	**7,550.81**	**6,108,920.17**
Balance as at 31st March, 2022	**2,409,766.77**	**2,307,631.89**	**1,383,970.70**	**7,550.81**	**6,108,920.17**

Significant accounting policies and notes to the Consolidated Financial Statements 1-47

The accompanying notes form an integral part of the Consolidated Financial Statements.

As Per our Report of even date attached

FOR G. C. AGARWAL & ASSOCIATES
CHARTERED ACCOUNTANTS
Firm Registration Number : 017851N

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS OF HB STOCKHOLDINGS LIMITED

Sd/-
G C AGARWAL
(PROPRIETOR)
MEMBERSHIP NO. : 083820

Sd/-
ANIL GOYAL
(DIRECTOR)
DIN: 00001938

Sd/-
LALIT BHASIN
(CHAIRMAN)
DIN: 00002114

Sd/-
MAHESH KUMAR GUPTA
(CHIEF FINANCIAL OFFICER)

Sd/-
REEMA MIGLANI
(COMPANY SECRETARY)
M. NO.: ACS45762

PLACE: GURUGRAM
DATE: 18TH MAY, 2022

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

1. COMPANY INFORMATION / OVERVIEW

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. Equity share of the company are listed on National Stock Exchange and Bombay stock exchange

2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

(A) Compliance with Ind As

The Consolidated financial statements of HB Stockholdings Ltd. ('the Company') and its subsidiary ('the Group') comply in all material aspects with Indian Accounting Standards ('Ind AS') notified under Section 133 of the Companies Act, 2013 ('the Act') read with the Companies(Indian Accounting Standards) Rules, 2015 as ammended from time to time and other relevant provisions of the Act. Any directions issued by the RBI or other regulators are implemented as and when they become applicable.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to the existing accounting standard requires a change in the accounting policy hitherto in use.

(B) Presentation of Financial Statements

The Balance Sheet, the statement of Changes in Equity and the Statement of Profit and Loss are presented in the format prescribed under Division III of Schedule III of the Act, as amended from time to time, for Non-Banking Financial Companies ('NBFCs') that are required to comply with Ind AS. The statement of Cash Flows has been presented as per the requirements of Ind AS 7 Statement of Cash Flows.

(C) Basis of preparation

The consolidated financial statements have been prepared under the historical cost convention on the accrual basis except for certain financial instruments and plan assets of defined benefit plans, which are measured at fair values at the end of each reporting as explained in the accounting policies below. All amounts disclosed in the financial statements and notes have been rounded off to the nearest rupees in compliance with Schedule III of the Act, unless otherwise stated.

(D) Principles of Consolidation

(i) The consolidated financial statements incorporate the financial statements of the Parent Company and all its subsidiaries (from the date control is gained), being the entities that it controls. Control is evidenced where the investor is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Power is demonstrated through existing rights that give the ability to direct relevant activities, which significantly affect the entity returns. The financial statements of subsidiaries are prepared for the same reporting year as the Parent Company. Where necessary, adjustments are made to the financial statements of subsidiaries to align the accounting policies in line with accounting policies of the Parent Company.

(ii) The Consolidated financial statements include results of the subsidiaries of HB Stockholdings Ltd. (Parent Company),consolidated in accordance with Ind AS 110 'Consolidated Financial Statements'.

Name of the Company	Country of incorporation	Proportion of ownership as at reported date	Consolidated as
Mount Finance Limited	India	100%	Subsidiary

3. SIGNIFICANT ACCOUNTING POLICIES

3.1 Use of estimates and judgement

TThe preparation of consolidated financial statements in conformity with Ind AS requires that management make judgments, estimates and assumptions that affect the application of accounting policies and the reported amount of assets, liabilities and disclosures of contingent assets and liabilities as of the date of the financial statements and the income and expense for the reporting period. The actual results could differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

Accounting policies of the group require critical accounting estimates that involve complex and subjective judgments and the use of assumptions, some of which may be for matters that are inherently uncertain and susceptible to change. Such critical accounting estimates could change from period to period and may have a material impact on the Company's financial condition, changes in financial condition or results of operations. Critical accounting estimates could also involve estimates where management could have reasonably used another estimate in the current accounting period. The critical policies that involves critical accounting estimates includes valuation of financial instruments, impairment of financial assets, recognition of interest income/expenses using Effective Interest Rate (EIR) method and deferred tax. Management believes that the estimates used in the preparation of the Company's financial statements are prudent and reasonable.

A) Effective Interest Rate (EIR) Method

The Company recognizes interest income / expense using a rate of return that represents the best estimate of a constant rate of return over the expected life of the loans given / taken. This estimation, by nature, requires an element of judgement regarding the expected behaviour and life-cycle of the instruments, as well as expected changes to other fee income/expense that are integral parts of the instrument."

B) Impairment of loans portfolio

The measurement of impairment losses across all categories of financial assets requires judgement, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different levels of allowances. It has been the Company's policy to regularly review its models in the context of actual loss experience and adjust when necessary.

C) Defined Employee Benefit Assets and Liabilities

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

D) Fair value measurement

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using various valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

E) Other Estimates

These include contingent liabilities, useful lives of tangible and intangible assets etc.

3.2 Financial Instruments

A) Initial Recognition and measurement

All financial assets and financial liabilities are recognised when the group becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of the financial assets and financial liabiities (other than financial assets and financial liabilities at FVTPL) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognised immediately in Statement of profit and loss.

B) Classification and Subsequent measurement of Financial Assets

The group classifies its financial assets into various measurements categories. The classification depends on the contractual terms of the financial assets' cash flows and the company's business model for managing financial assets.

a. Amortised Cost

A financial asset is measured at Amortised Cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the Financial Asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

b. FVOCI- Debt Instruments

A debt instruments in nature of financial asset is measured at FVOCI when the instrument is held within a business model, the objective of which is achieved by both collecting contractual cash flows and selling financial assets; and the contractual terms of the Financial Asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

c. FVOCI- Equity Instruments

Equity instruments in nature of financial assets are measured at fair value through profit or loss, unless the Company's management has elected to classify irrevocably some of its equity instruments at FVOCI, when such instruments meet the definition of Equity under Ind AS 32 Financial Instruments and are not held for trading.

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the group changes its business model for managing financial assets.

d. FVTPL

A financial asset which is not classified in any of the above categories are measured at FVTPL.

Subsequent Measurement of Financial Assets

Financial assets at amortised cost are subsequently measured at amortised cost using effective interest method. The amortised cost is reduced by

impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in Statement of profit and loss. Any gain and loss on derecognition is recognised in Statement of profit and loss.

Debt investment at FVOCI are subsequently measured at fair value. Interest income under effective interest method, foreign exchange gains and losses and impairment are recognised in Statement of profit and loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to Statement of profit and loss.

For equity investments, the group makes an election on an instrument-by-instrument basis to designate equity investments as measured at FVOCI. These elected investments are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the reserves. The cumulative gain or loss is not reclassified to Statement of profit and loss on disposal of the investments. These investments in equity are not held for trading. Instead, they are held for strategic purpose. Dividend income received on such equity investments are recognised in Statement of profit and loss.

Equity investments that are not designated as measured at FVOCI are designated as measured at FVTPL and subsequent changes in fair value are recognised in Statement of profit and loss.

Financial assets at FVTPL are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in Statement of profit and loss..

C. Financial Liabilities and equity instruments

Classification as Debt or Equity

Debt and equity instruments issued by the group are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by Company are recognised at the proceeds received. Transaction costs of an equity transaction are recognised as a deduction from equity.

Financial Liabilities

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-fortrading or it is a derivative or it is designated as such on initial recognition. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in Statement of profit and loss. Any gain or loss on derecognition is also recognised in Statement of profit and loss.

D. Derecognition

Financial Assets

The group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the group enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

Financial Liabilities

A financial liability is derecognised when the obligation in respect of the liability is discharged, cancelled or expires. The difference between the carrying value of the financial liability and the consideration paid is recognised in Statement of profit and loss.

E. Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

F. Impairment

The Group recognises lifetime expected credit losses (ECL) when there has been a significant increase in credit risk since initial recognition and when the financial instrument is credit impaired. If the credit risk on the financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12 month ECL. The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition. 12 month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

G. Write-offs

The gross carrying amount of a financial asset is written-off (either partially or in full) to the extent that there is no reasonable expectation of recovering the asset in its entirety or a portion thereof. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written-off could still be subject to enforcement activities under the Company's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in statement of profit and loss.

3.3 Cash and Cash Equivalents

Cash and cash equivalents comprise of cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short- term deposits, as defined above, net of outstanding bank overdrafts if any, as they are considered an integral part of the Company's cash management.

3.4 Property, Plant and Equipments (PPE)

Property, plant and equipment (PPE) are measured at cost less accumulated depreciation and accumulated impairment, if any. Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

Advances paid towards the acquisition of fixed assets, outstanding at each reporting date are shown under other non-financial assets. The cost of property, plant and equipment not ready for its intended use at each reporting date are disclosed as capital work-in-progress.

Subsequent expenditure related to the asset are added to its carrying amount or recognised as a separate asset only if it increases the future benefits of the existing asset, beyond its previously assessed standards of performance and cost can be measured reliably. Other repairs and maintenance costs are expensed off as and when incurred.

Depreciation on PPE is provided on straight-line basis in accordance with the useful lives specified in Schedule II to the Companies Act, 2013 on a pro-rata basis.

The estimated useful lives used for computation of depreciation are as follows:

Particulars	Useful life
Furniture & Fixture	10 years
Office Equipment	5 years
Server and Networking	6 years
Computer	3 years
Building	30 years
Vehicles	8 years

Assets costing less than Rs.5000/- are fully depreciated in the period of purchase.

PPE is derecognised on disposal or when no future economic benefits are expected from its use. Any gain or loss arising on derecognition of the asset (caculated as the differnce between the net disposal proceeds and the net carrying amount of the asset) is recognised in other income / netted off from any loss on disposal in the Statement of profit and loss in the year the asset is derecognised.

3.5 Intangible Assets

Intangible assets comprises of computer software which is amortized over the estimated useful life. The amortization period is lower of license period or 36 months which is based on management's estimates of useful life. Amortisation is calcualted using the straight line method to write down the cost of intangible assets over their estimated useful lives.

3.6 Impairment of Assets other than Financial Assets

The Group reviews the carrying amounts of its tangible and intangible assets at the end of each reporting period, to determine whether there is any indication that those assets have impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Recoverable amount is determined for an individual asset, unless the asset does not generate cash flows that are largely independent of those from other assets or group of assets.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pretax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cashgenerating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cashgenerating unit) is increased to the revised estimate of its recoverable amount such that the increased carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had been recognised for the asset (or cash-generating unit) in prior years. The reversal of an impairment loss is recognised in Statement of profit and loss.

3.7 Provisions :

Provisions are recognised when there is a present obligation as a result of a past event, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

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.

3.8 Revenue recognition

A) Recognition of interest income on loans

Interest income is recognised in Statement of profit and loss using the effective interest method for all financial instruments measured at amortised cost, debt instruments measured at FVOCI and debt instruments designated at FVTPL. The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument.

The calculation of the effective interest rate includes transaction costs and fees that are an integral part of the contract. Transaction costs include incremental costs that are directly attributable to the acquisition of financial asset.

If expectations regarding the cash flows on the financial asset are revised for reasons other than credit risk, the adjustment is recorded as a positive or negative adjustment to the carrying amount of the asset in the balance sheet with an increase or reduction in interest income. The adjustment is subsequently amortised through Interest income in the Statement of profit and loss.

The Group calculates interest income by applying the EIR to the gross carrying amount of financial assets other than credit-impaired assets.

When a financial asset becomes credit-impaired, the Company calculates interest income by applying the effective interest rate to the net amortised cost of the financial asset. If the financial asset cures and is no longer creditimpaired, the Company reverts to calculating interest income on a gross basis.

Additional interest and interest on trade advances, are recognised when they become measurable and when it is not unreasonable to expect their ultimate collection.

Income from bill discounting is recognised over the tenure of the instrument so as to provide a constant periodic rate of return.

B) Rental Income

Income from operating leases is recognised in the Statement of profit and loss as per contractual rentals unless another systematic basis is more representative of the time pattern in which benefit derived from the leased asset is diminished.

C) Dividend and interest income on investments :

- Dividends are recognised in Statement of profit and loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company and the amount of the dividend can be measured reliably.

-Interest income from investments is recognised when it is certain that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

3.9 Employee Benefits

A) Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

B) Contribution to provident fund and ESIC

Group's contribution paid/payable during the year to provident fund and ESIC is recognised in the Statement of profit and loss.

C) Gratuity

The Group's liability towards gratuity scheme is determined by independent actuaries, using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. Past services are recognised at the earlier of the plan amendment / curtailment and recognition of related restructuring costs/ termination benefits.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Statement of profit and loss.

Remeasurement gains/ losses-

Remeasurement of defined benefit plans, comprising of actuarial gains / losses, return on plan assets excluding interest income are recognised immediately in the balance sheet with corresponding debit or credit to Other Comprehensive Income (OCI). Remeasurements are not reclassified to Statement of profit and loss in the subsequent period.

Remeasurement gains or losses on long-term compensated absences that are classified as other long-term benefits are recognised in Statement of profit and loss.

D) Superannuation Fund

The Group makes contribution to the Superannuation scheme, a defined contribution scheme, administered by Life Insurance Corporation of India, which are charged to the Statement of profit and loss. The Company has no obligation to the scheme beyond its contributions.

E) Leave encashment / Compensated Bbsences

The Group provides for the encashment / availment of leave with pay subject to certain rules. The employees are entitled to accumulate leave subject to certain limits for future encashment / availment. The liability is provided based on the number of days of unutilized leave at each balance sheet date on the basis of an independent actuarial valuation.

3.10 Finance costs

Finance costs include interest expense computed by applying the effective interest rate on respective financial instruments measured at Amortised cost. Financial instruments include bank term loans, non-convertible debentures, fixed deposits mobilised, commercial papers, subordinated debts and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Finance costs are charged to the Statement of profit and loss.

3.11 Taxation - Current and Deferred Tax

Income tax expense comprises of current tax and deferred tax. It is recognised in Statement of profit and loss except to the extent that it relates to an item recognised directly in equity or in other comprehensive income.

A) Current Tax

Current tax comprises amount of tax payable in respect of the taxable income or loss for the year determined in accordance with Income Tax Act, 1961 and any adjustment to the tax payable or receivable in respect of previous years. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

B) Deferred Tax

Deferred tax assets and liabilities are recognized for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases. Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequence that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary difference could be utilized. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

3.12 Leases

As a lessee

The Company has applied Ind AS 116. For these short term and low value leases, the company recognizes the lease payments as an expense in the Statement of Profit and Loss on a Straight line basis over the term of lease.

3.13 Exceptional items

When items of income and expenses within profit or loss from ordinary activities are of such size, nature or incidence that their disclosure is relevant to explain the performance of the enterprise for the period, the nature and amount of such items is disclosed separately as Exceptional items.

3.14 Earning Per Share

The Group reports basic and diluted earnings per equity share. Basic earnings per equity share have computed by dividing net profit/loss attributable to the equity share holders for the year by the weighted average number of equity shares outstanding during the year. Diluted earnings per equity share have been computed by dividing the net profit attributable to the equity share holders after giving impact of dilutive potential equity shares for the year by the weighted average number of equity shares and dilutive potential equity shares outstanding during the year, except where the results are anti-dilutive.

3.15 Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and items of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

4. CASH AND CASH EQUIVALENT **Amount (₹ in Hundred)**

Particulars	As at 31st March, 2022	As at 31st March, 2021
A) Cash on Hand	**5,753.88**	5,494.18
B) Balance with Banks		
- In current and deposit account	**403,417.47**	109,532.09
- Cheques on Hand	**15,000.00**	15,000.00
Total	**424,171.35**	130,026.27

5. LOANS **Amount (₹ in Hundred)**

Particulars	As at 31st March, 2022	As at 31st March, 2021
A) Loans (at amortised cost) :		
Others:		
Inter Corporate Loans - Standard*	**1,185,000.00**	405,000.00
Inter Corporate Loans & Deposits -Doubtful	**100,000.00**	100,000.00
Total (Gross)	**1,285,000.00**	505,000.00
Less: Impairment loss allowance	**0.00**	0.00
Total	**1,285,000.00**	505,000.00
B) i) Secured by Tangible Assets	**0.00**	0.00
ii) Unsecured	**1,285,000.00**	505,000.00
Total (Gross)	**1,285,000.00**	505,000.00
Less: Impairment loss allowance	**0.00**	0.00
Total (Net)	**1,285,000.00**	505,000.00

Particulars	As at 31st March, 2022	As at 31st March, 2021
C) i) Loans in India		
a) Public Sector	**0.00**	0.00
b) Others	**1,285,000.00**	505,000.00
Total (Gross)	**1,285,000.00**	505,000.00
Less: Impairment loss allowance	**0.00**	0.00
Total (Net) -C (i)	**1,285,000.00**	505,000.00
ii) Loans outside India	**0.00**	0.00
Less: Impairment loss allowance	**0.00**	0.00
Total (Net) -C (ii)	**0.00**	0.00
Total (Net) -C (i + ii)	**1,285,000.00**	505,000.00

Note:- Provision for Sub-Standard and doubtful assets has been separetely shown in Note No. 14 (Short term Provisions) instead of netting it from the value of asset. This is being done as required by "Non-Banking Financial Company -Non-Systemically Important Non Deposit taking Company (Reserve Bank) Directions, 2016.

Credit quality of assets

The table below shows the credit quality and the maximum exposure to credit risk based on year end stage classification.

Particulars	As at 31st March, 2022	As at 31st March, 2021
Low credit risk- **Stage I**	**1,185,000.00**	405,000.00
Significant increase in credit risk- **Stage II**		
Credit impaired- **Stage III**	**100,000.00**	100,000.00
	1,285,000.00	505,000.00

1. The amount presented are net of impairment loss allowance.
2. There are no changes in the Impairment loss allowances during the period.

6. INVESTMENTS

S. No.	Name of the Company	Face Value (Rs.)	As at 31st March, 2022 Qty.(Nos.)	As at 31st March, 2022 Amount (₹ in Hundred)	As at 31st March, 2021 Qty.(Nos.)	As at 31st March, 2021 Amount (₹ in Hundred)
(A)	**INVESTMENTS IN EQUITY INSTRUMENTS**					
(a)	**Quoted Instrument fully paid up Equity Shares(At FVTPL)**					
1	ADITYA BIRLA CAPITAL LIMITED	10	**40000**	**43,060.00**	--	--
2	ALLCARGO LOGISTICS LIMITED	10	**2750**	**9,839.50**	--	--
3	ALPHAGEO INDIA LIMITED	10	**17100**	**52,839.00**	--	--
4	AMRIT CORPORATION LIMITED	10	**--**	**--**	132	910.80
5	ARVIN LIQUID GASES LIMITED*	10	**10000**	**0.00**	10000	--
6	AUTOMOTIVE AXLES LIMITED	10	**1000**	**17,199.00**	--	--
7	BHARAT HEAVY ELECTRICALS LIMITED	2	**50000**	**24,675.00**	--	--
8	BHARAT HOTELS LIMITED	10	**300**	**85.35**	300	0.00
9	BHARTI AIRTEL LIMITED	5	**1000**	**7,554.00**	1000	5,173.00
10	CENTURY TEXTILES AND INDUSTRIES LIMITED	10	**--**	**--**	986	4,581.94
11	CHENNAI PETROLEUM CORPORATION LIMITED	10	**19500**	**24,901.50**	--	--
12	CMI LIMITED	10	**7**	**2.14**	50000	20,950.00
13	COAL INDIA LIMITED	10	**--**	**--**	3250	4,238.00
14	CRISIL LIMITED	1	**--**	**--**	200	3,672.30
15	DCM SHRIRAM LIMITED	2	**45726**	**517,001.02**	45726	22,8881.49
16	DOLPHIN OFFSHORE ENTERPRISES I LIMITED	10	**10000**	**--**	10000	418.00
17	DWARIKESH SUGAR INDUSTRIES LTD.	1	**--**	**--**	72500	22,330.00
18	EIH LTD.	2	**52601**	**81,163.34**	52601	48,761.13
19	EVEREST INDUSTRIES LIMITED	10	**--**	**--**	2796	8,007.74
20	FINOLEX INDUSTRIES LIMITED	10	**--**	**--**	5000	31,850.00
21	FOODS & INNS LIMITED	1	**86200**	**71,416.70**	136200	74,092.80
22	GLOBAL STONE INDIA LIMITED*	10	**2000**	**--**	2000	--
23	GMR INFRASTRUCTURE LIMITED	10	**350000**	**129,150.00**	--	--
24	GRAPHITE INDIA LIMITED	2	**--**	**--**	2500	12,797.50
25	GVK POWER & INFRA LTD.	1	**60000**	**--**	60000	1,410.00
26	HARYANA LEATHER CHEMICALS LTD.	10	**31347**	**11,567.04**	31347	9,090.63
27	HARYANA PETROCHEMICALS LIMITED*	10	**9050**	**--**	9050	--
28	HB ESTATE DEVLOPERS LIMITED	10	**125400**	**22,258.50**	125400	12,840.96
29	HB PORTFOLIO LIMITED	10	**60000**	**19,770.00**	60000	11,430.00
30	HIMACHAL FUTURISTIC COMMUNICATIONS LIMITED	1	**--**	**--**	35000	8,820.00
31	HINDUSTAN ENGINEERING & INDS. LTD.*	10	**108**	**--**	108	--
32	HOTLINE GLASS LIMITED*	10	**166382**	**--**	166382	--

S. No.	Name of the Company	Face Value (Rs.)	As at 31st March, 2022 Qty.(Nos.)	As at 31st March, 2022 Amount (₹ in Hundred)	As at 31st March, 2021 Qty.(Nos.)	As at 31st March, 2021 Amount (₹ in Hundred)
33	HUHTAMAKI INDIA LIMITED	2	--	--	5000	14,015.00
34	ICP SECURITIES LIMITED*	10	1800	--	1800	--
35	IDFC FIRST BANK LIMITED	10	50000	19,825.00	--	--
36	INDIA GLYCOLS LIMITED	10	--	--	1000	4,168.00
37	INDIABULLS HOUSING FINANCE LIMITED	2	15000	23,670.00	--	--
38	INEOS STYROLUTION INDIA LIMITED	10	--	--	3000	28,074.00
39	IRB INFRASTRUCTURE LIMITED	10	50000	125,775.00	--	--
40	IRIS BUSINESS SERVICES LIMITED	10	16000	16,136.00	--	--
41	ISPAT PROFILES INDIA LIMITED*	10	10000	0.00	10000	--
42	IST LIMITED	10	128032	595,924.94	128032	486,521.60
43	JAI CORP LTD.	1	13000	14,202.50	13000	10,978.50
44	JAI PRAKASH ASSOCIATES LTD.	2	7530773	626,560.31	9208773	632,642.71
45	JAYPEE INFRATECH LTD.	10	--	--	60000	930.00
46	JINDAL STAINLESS LIMITED	10	6000	12,159.00	--	--
47	JK CEMENT LIMITED	10	1000	24,314.50	--	--
48	JK PAPER LTD.	10	--	--	7000	10,493.00
49	JP POWER VENTURES LTD.	10	2670000	181,293.00	2495000	81,836.00
50	KARUR VYSYA BANK LIMITED	2	100000	46,300.00	--	--
51	KIRAN OVERSEAS EXPORTS LIMITED*	10	10000	--	10000	--
52	KRBL LIMITED	1	9000	18,135.00	--	--
53	L&T TECHNOLOGY SERVICES LIMITED	10	100	5,102.05	--	--
54	LARSON & TURBO INFOTECH LIMITED	10	100	6,157.00	--	--
55	LCC INFOTECH LIMITED*	2	56300	--	56300	--
56	LT FOODS LIMITED	1	--	--	5000	2,912.50
57	LUNAR DIAMONDS LIMITED*	10	21000	--	21000	--
58	MAWANA SUGARS LTD.	10	10000	13,315.00	10000	3,615.00
59	MERCATOR LTD.	1	--	--	50000	405.00
60	MMTC LIMITED	1	38750	17,108.13	38750	16,430.00
61	MONTE CARLO FASHIONS LIMITED	10	100	484.55	--	--
62	NAHAR CAPITAL AND FINANCIAL SERVICES LTD.	10	--	--	3000	3,169.50
63	NATIONAL ALUMINIUM COMPANY LIMITED	5	70000	85,225.00	--	--
64	NBCC (INDIA) LIMITED	1	--	--	22000	6,402.00
65	NLC LIMITED	10	50000	31,275.00	--	--
66	NUCHEM LIMITED*	10	64755	--	64755	--
67	NURECEA LIMITED	10	1250	17,029.38	--	--
68	OIL INDIA LTD.	10	--	0.00	4500	5,519.25
69	OLECTRA GREENTECH LIMITED	10	4000	26,756.00	8000	17,296.00
70	ORISSA EXTRUSIONS LIMITED*	10	10728	--	10728	--
71	OSWAL AGRO MILLS LTD.	10	30000	8,145.00	30000	3,075.00
72	PARSVNATH DEVLOPERS LIMITED	10	83904	12,669.50	--	--
73	PATHREJA FORGINGS LIMITED*	10	1000	--	1000	--
74	PRAKASH INDUSTRIES LIMITED	10	350	266.00	--	--
75	PRISM MILLS LIMITED*	10	10000	--	10000	--
76	PUNJAB WIRELESS LIMITED*	10	100	--	100	--
77	RALLIS INDIA LIMITED	10	700	1,665.65	--	--
78	RELIANCE INDUSTRIES LTD.	10	26	684.83	--	--
79	RELIANCE INFRASTRUCTURE LIMITED	10	100000	112,600.00	--	--
80	RSWM LIMITED	10	8500	34,684.25	--	--
81	SAJJAN UDYOG EXPORTS LIMITED*	10	23600	--	23600	--
82	SAREGAMA INDIA LIMITED	10	100	4,828.45	100	1,594.10
83	SATIN CREDITCARE NETWORKS LTD.	10	--	--	10000	8,570.00
84	SAVANI FINANCIALS LIMITED*	10	7000	987.00	7000	--
85	SEACOAST SHIPPING SERVICES LIMITED	1	50000	6,435.00	--	--
86	SHREYANS INDUSTRIES LIMITED*	10	--	--	5600	--
87	SRI VASAVI INDUSTRIES LIMITED*	10	10890	--	10890	--
88	SURYA ROSHANI LIMITED	10	400	1,655.00	--	--
89	TATA STEEL LIMITED	10	800	10,456.40	--	--
90	THE NEW INDIA ASSURANCE CO LIMITED	10	--	--	7000	10,804.50
91	TIME TECHNOPLAST LIMITED	1	--	--	20000	12,070.00
92	U P HOTELS LIMITED*	10	45697	201,523.77	45697	80,905.61
93	UFLEX LIMITED	10	25000	152,225.00	--	--
94	UNITECH LTD.	2	500000	10,150.00	1900000	31,540.00
95	UPL LIMITED	10	2000	15,394.00	--	--
96	UTI ASSET MANAGEMENT CO LIMITED	10	--	--	15000	87,390.00

S. No.	Name of the Company	Face Value (Rs.)	As at 31st March, 2022 Qty.(Nos.)	As at 31st March, 2022 Amount (₹ in Hundred)	As at 31st March, 2021 Qty.(Nos.)	As at 31st March, 2021 Amount (₹ in Hundred)
97	VARDHMAN TEXTILES LIMITED	2	**2575**	**11,215.41**	--	--
98	VEDANTA LTD.	1	**4250**	**17,146.63**	4250	9,717.63
99	VENUS REMEDIES LIMITED	10	**20000**	**53,770.00**	15000	41,190.00
100	VODAPHONE IDEA LIMITED	10	**--**	**--**	100000	9,250.00
101	WARDWZARD INNOVATIONS & MOBILITY LIMITED	1	**20000**	**15,420.00**	--	--
	TOTAL (a)		**13025051**	**3,611,151.35**	15324353	2,131,771.21
(b)	**Quoted Instrument fully paid up Equity Shares(At FVTOCI)**					
1	GLENMARK PHARMACEUTICALS LIMITED	1	**5000**	**22,110.00**	5000	23,227.50
2	GREAVES COTTON LIMITED	2	**400**	**763.60**	20400	26,071.20
3	IOL CHEMICALS ABD PHARMACEUTICALS LIMITED	10	**7500**	**26,535.00**	5473	30,134.34
4	PUNJAB NATIONAL BANK	2	**--**	**--**	50000	18,325.00
5	RELIANCE INDUSTRIES LIMITED	10	**1090**	**28,710.06**	72440	1,451,118.08
	TOTAL (b)		**13990**	**78,118.66**	153313	1,548,876.12
(c)	**Quoted Partly Paid up Equity Shares(At FVTPL)**					
1	BHARTI AIRTEL LIMITED	5	**71**	**281.12**	--	--
2	RELIANCE INDUSTRIES LIMITED	10	**--**	**--**	26	283.53
3	SATIN CREDITCARE NETWORKS LTD.	10	**--**	**--**	4500	2,025.00
	TOTAL (c)		**71**	**281.12**	4526	2,308.53
(d)	**Unquoted Fully Paid up Equity Shares(At FVTPL)**					
	KESORAM TEXTILE LIMITED	10	**172**	**--**	172	--
	TOTAL (d)		**172**	**-**	172	-
	TOTAL INVESTMENTS IN EQUITY -A (a+b+c+d)		**13039284**	**3,689,551**	15482364	3,682,956
(B)	**INVESTMENTS IN PREFERENCE INSTRUMENTS**					
(a)	**Unquoted 9% Redeemable Preference Shares (Units) (At Cost)**					
1	HB ESTATE DEVELOPERS LTD SERIES 2 TRANCH 2	100	**275000**	**275,041.25**	275000	275,041.25
2	HB ESTATE DEVELOPERS LTD SERIES 2 TRANCH 3	100	**550000**	**550,082.50**	550000	550,082.50
	TOTAL INVESTMENTS IN PREFERENCE -B		**825000**	**825,123.75**	825000	825,123.75
(C)	**INVESTMENTS IN MUTUAL FUNDS**					
(a)	**Quoted Mutual Funds (Units) (At FVTPL)**					
1	NIPPON INDIA MUTUAL FUND ETF LIQUID BeES	1000	**10730**	**107,300.67**	2533	25,332.34
2	DSP MUTUAL FUND LIQUID ETF	1000	**10639**	**106,388.82**	2536	25,358.14
	TOTAL INVESTMENTS IN MUTUAL FUNDS -C		**21369**	**213,689.49**	5069	50,690.48
	TOTAL INVESTMENTS (A+B+C)		**13885653**	**4,728,364.37**	16312433	4,558,770.09

Particulars	As at 31st March, 2022 Amount (₹ in Hundred)	As at 31st March, 2021 Amount (₹ in Hundred)
Aggregate cost of quoted investment	**3,394,680.45**	3,189,834.85
Carrying amount/ fair value of quoted investment	**3,903,240.62**	3,733,646.34
Aggregate cost of unquoted investment	**825,123.75**	825,123.75

Notes:
(*) Listed but not quoted
1. All above investments are in India itself

7. OTHER FINANCIAL ASSETS **Amount (₹ in Hundred)**

Particulars	As at 31st March, 2022	As at 31st March, 2021
Security Deposits*	**345,438.40**	345,438.40
Interest accured on loans / Inter Corporate Deposits	**60,695.04**	47,051.00
Advance to others	**70,197.91**	70,000.00
Advance to related parties	**14,604.71**	16,741.33
Total	**490,936.06**	479,230.73

*Includes Rental Deposits given to related Party namely HB Estate Developers Ltd. Rs. 345,000.00/- Hundred (Previous Year Rs 345,000.00/- Hundred)

8. CURRENT TAX ASSETS (NET) **Amount (₹ in Hundred)**

Particulars	As at 31st March, 2022	As at 31st March, 2021
Tax deducted at source (Net of provision for Income tax of Rs. Nil (Previous year Rs.494.67/- Hundred)	**0.00**	6,615.36
Total	**0.00**	6,615.36

The components of income tax expenses :

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
Current tax	**50,607.52**	0.00
Adjustments in respect of current income tax of prior years	**3,769.94**	0.00
Deferred tax relating to origin and reversal of temporary differences	**(245.58)**	(3100.05)
Income tax expense reported in statement of profit and loss	**54,131.88**	(3,100.05)
Income tax recognised on other comprehensive income (OCI)		
Deferred tax related to items recognised in OCI during the period:		
- Realised gain on equity instruments at FVTOCI	9,161.65	(11,242.89)
- Income tax on realised gain on sale of equity instruments at FVTOCI	(17,548.70)	(494.67)
Income tax charged to OCI	**(8,387.05)**	**(11,737.56)**

Reconciliation of the total tax charge:
The tax charge shown in the Statement of Profit and Loss differ from the tax charge that would apply if all the profits had been charged at India corporate tax rate. A reconciliation between the tax expense and the accounting profit multiplied by India's domestic tax rate for the year ended 31st March, 2022 and year ended 31st March, 2021 is, as follows:

Amount (₹ in Hundred)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Accounting profit before tax	**1,572,737.66**	1,172,150.07
Applicable Stautory Enacted Income Tax Rate	**25.17**	25.17
Computed Tax Expenses	**395,826.61**	295,006.73
- Adjustments due to brought forward losses as per tax laws	**(224,022.42)**	(294,924.32)
- Non-deductible tax expenses (net)	**(121,196.68)**	(82.41)
- Adjustments recognised in relation to tax of prior years	**3,769.94**	-
- Deferred tax relating to origination and reversal of temporary differences	**(245.58)**	(3,100.05)
Income tax expense reported in the Statement of Profit and Loss	**54,131.88**	(3,100.05)

9. PROPERTY, PLANT & EQUIPMENT **Amount (₹ in Hundred)**

Particulars	Flat	Air Conditioners	Office Equipment	Vehicles	Data Processing Machine	Total
GROSS BLOCK						
As at 31st March, 2021	**48,233.85**	**9,965.78**	**25,027.37**	**179,566.23**	**6,069.02**	**268,862.25**
Additions during the year	0.00	0.00	1,350.00	0.00	2,072.68	3,422.68
Deletions during the year	0.00	0.00	0.00	34102.01	0.00	34,102.01
As at 31st March, 2022	**48,233.85**	**9,965.78**	**26,377.37**	**145,464.22**	**8,141.70**	**238,182.92**
ACCUMULATED DEPRECIATION						
As at 31st March, 2021	39,443.35	9,749.61	23,831.37	112,229.63	5,577.74	190,831.70
Additions during the year	3,271.19	0.00	832.60	13,799.16	829.76	18,732.71
Adjustment during the year	0.00	0.00	0.00	32,396.91	0.00	32,396.91
As at 31st March, 2022	42,714.54	9,749.61	24,663.97	93631.88	6,407.50	**177,167.50**
NET BLOCK						
As at 31st March, 2022	**5,519.31**	**216.17**	**1,713.40**	**51,832.34**	**1,734.20**	**61,015.42**
As at 31st March, 2021	**8,790.50**	**216.17**	**1,196.00**	**67,336.60**	**491.28**	**78,030.55**

10. OTHER NON FINANCIAL ASSETS **Amount (₹ in Hundred)**

Particulars	As at 31st March, 2022	As at 31st March, 2021
Prepaid Expenses	**39,807.85**	32,093.16
Recoverable from Tax Authorities	**38,980.38**	37,991.97
Total	**78,788.23**	70,085.13

11. BORROWINGS **Amount (₹ in Hundred)**

Particulars	As at 31st March, 2022	As at 31st March, 2021
(A) In India		
At amortised cost:		
Term loan from Bank	**5,385.58**	25,783.18
Outside India	**-**	-
(B) Out of above		
Secured against Hypothecation of Vehicle financed	**5,385.58**	25,783.18
Unsecured	**0.00**	0.00
Total	**5,385.58**	25,783.18

(*) The Loan taken are at Interest rate of 8.25%

- Maturity Profile of Secured Term Loan from banks are as under:		
Particulars	0-1 Years	1-2 Years
- Vehicle Loan from HDFC Bank	5,385.58	Nil

- The company has not defaulted on any loans payable during the year.

12. OTHER FINANCIAL LIABILITIES **Amount (₹ in Hundred)**

Particulars	As at 31st March, 2022	As at 31st March, 2021
Expenses payable	**16,727.76**	342,227.41
Advance From customer & others	**0.00**	30,000.00
Total	**16,727.76**	372,227.41

13. CURRENT TAX LIABILITIES (NET) **Amount (₹ in Hundred)**

Particulars	As at 31st March, 2022	As at 31st March, 2021
Provisions for tax (Net of adavnce tax/ TDS of Rs. 10049.19 Hundred (Previous year Rs. Nil)	**58,107.03**	0.00
	58107.03	0.00

14. PROVISIONS **Amount (₹ in Hundred)**

Particulars	As at 31st March, 2022	As at 31st March, 2021
Provision for Employee Benefits		
Leave Encashment	**3,467.53**	2,547.49
Others		
Contingent provision against Standard Assets	**6,592.15**	3,351.90
Sub Standard & Doubtful Assets	**100,000.00**	100,000.00
Total	**110,059.68**	105,899.39

15. DEFERRED TAX ASSETS/LIABILITIES (NET) **Amount (₹ in Hundred)**

Particulars	As at 31st March, 2022	As at 31st March, 2021
Deferred tax liability in relation to: Financial Assets carried at fair valued through Other Comprehensive Income	**2,081.24**	11,242.89
(A)	**2,081.24**	11,242.89
Deferred tax assets Difference between Depreciation as per Books of Account and the Income Tax Act, 1961	**3,345.63**	3,100.05
(B)	**3,345.63**	3,100.05
Net Deferred Tax liabilities/ (Assets) (A)-(B)	**(1,264.39)**	8,142.84

16. OTHER NON-FINANCIAL LIABILITIES **Amount (₹ in Hundred)**

Particulars	As at 31st March, 2022	As at 31st March, 2021
Statutory Dues Payable	**2,256.67**	465.54
Total	**2,256.67**	465.54

17. EQUITY SHARE CAPITAL **Amount (₹ in Hundred)**

	Particulars	As at 31st March, 2022	As at 31st March, 2021
a.	**Authorised:**		
	2,50,00,000 Equity shares of Rs. 10/- each	**2,500,000.00**	2,500,000.00
	100,00,000 Redeemable Preference Shares of Rs. 10/- each	**1,000,000.00**	1,000,000.00
	Total	**3,500,000.00**	3,500,000.00
b.	**Issued**		
	87,88,704 Equity Shares Of Rs. 10/- Each	**878,870.40**	878,870.40
	Total	**878,870.40**	878,870.40
c.	**Subscribed and Paid up**		
	71,37,665 Equity Shares Of Rs. 10/- Each fully paid up	**713,766.50**	713,766.50
	Total	**713,766.50**	713,766.50
	Add: Forfeited shares 16,51,039 (Other than Directors)	**54,316.43**	54,316.43
	Total	**768,082.93**	768,082.93

d. Reconciliation of number of equity shares outstanding at the beginning and end of the year :

Particulars	Number of Shares	Amount (₹ in Hundred)
As at 01st April, 2020	**7137665**	**713,766.50**
Issued during the year	**-**	**0.00**
As at 31st March, 2021	**7137665**	**713,766.50**
Issued during the year	**-**	**0.00**
As at 31st March, 2022	**7137665**	**713,766.50**

e. Terms / Rights attached to the Equity Shares

Issued Share capital of the Company has only one class of shares referred to as equity shares having Par value of Rs.10/.Each holder of Equity Shares is entitled to One vote per share. 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. The dividend proposed by the board of directors is subject to the approval of the sharehlders in the ensuing Annual General Meeting except in case of interim dividend.

f. Shareholders holding more than 5% Equity Shares in the Company

Promoter Name	As at 31st March, 2022		As at 31st March, 2021	
	Number of Shares	% holding in the class	Number of Shares	% holding in the class
Lalit Bhasin	**3,678,691**	**51.54%**	3,678,691	51.54%

g. Promoter's Shareholding as at 31st March, 2022 and percentage change in shareholding during the year as compared to previous year is as follows: -

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	No. of Shares as at March 31, 2022	% of total shares	% Change during the year	No. of Shares as at March 31, 2021
Lalit Bhasin	**3678691**	**51.54**	-	3678691
Kanishk Kapur	**22500**	**0.32**	-	22500
Ayush Kapur	**22500**	**0.32**	-	22500
Manasvin Arora	**22500**	**0.32**	-	22500
Mehar Arora	**22500**	**0.32**	-	22500
HB Corporate Services Limited	**20496**	**0.29**	-	20496
Merrygold Investments Limited	**9148**	**0.13**	-	9148
Total	**3798335**	**53.22**	-	3798335

h. Aggregate number of share issued in cash/ share issued pursuant to contract without payment being received in cash during the period of five years immedietaly preceedings the reporting date

-During the FY 2017-18, 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.

i. - There were no buy back of shares during the previous 5 years.

j. Dividend

Final dividend distribution to shareholder is recognised as a liability in the period in which dividend is approved by the shareholders. Any interim dividend paid is recognised on approval by board of directors. Dividend payable is recognised directly in equity.

Companies are required to pay/ distribute dividend after deducting applicable taxes. The remittance of dividend outside India is governed by indian law on foreign exchange and is also subject to withholding tax at applicable rates.

k. The Company is an Investment company, the objective of the Company is to invest in long term investments, and distributing the profits of Company in a way that shareholders can participate equitably in the Company's growth, while maintaining the financial foundation of the Company and ensure sustainable growth.

18. OTHER EQUITY **Amount (₹ in Hundred)**

	Particulars	As at 31st March, 2022	As at 31st March, 2021
	Reserve and Surplus		
a.	**Securities Premium Opening Balance**	**2,307,631.89**	2,307,631.89
	Closing Balance	**2,307,631.89**	2,307,631.89
b.	**Stautory Reserve (Pursuant to Section 45-IC of The RBI Act, 1934)**		
	Opening Balance	**1,874,661.77**	1,639,611.74
	Addition during the year	**535,105.00**	235,050.03
	Closing Balance	**2,409,766.77**	1,874,661.77
c.	**Retained Earning**		
	Opening Balance	**(751,000.98)**	(1,693,589.08)
	Add: Profit for the current year	**1,518,605.78**	1,175,250.12
	Add: Reclassification of Realised Gain on sale of investments from OCI	1,151,470.90	2,388.01
	Less: Transferred to Statutory Reserves	(535,105.00)	(235,050.03)
	Closing Balance	1,383,970.70	(751,000.98)
d.	**Other Comprehensive Income**		
	Opening Balance	**1,115,864.16**	3,076.60
	Add: Remeasurement gain/ (losses) on defined benefit plan	**(895.65)**	2,979.67
	Add: Fair value changes of Investments at FVTOCI	**52,440.25**	1,123,933.46
	Add: Tax Effects of above	**(8,387.05)**	(11,737.56)
	Less: Reclassification of Realised Gain on sale of investments to retained earning	**(1,151,470.90)**	(2,388.01)
	Closing Balance	**7,550.81**	1,115,864.16
	TOTAL OTHER EQUITY	**6,108,920.17**	4,547,156.84

Description of the nature and purpose of Other Equity

Securities Premium

Securities premium represents amount received in excess of face value of the equity shares. The Securities premium can be applied by the company for limited purposes such as issuance of bonus shares, buy back of shares etc. in accordance with the provisions of Section 52 of the Companies Act, 2013.

Stautory Reserve

Statutory reserve represents reserve fund created pursuant to Section 45-IC of the RBI Act, 1934 through transfer of specified percentage (20%) of net profit every year before any dividend is declared. The reserve fund can be utilised only for limited purposes as specified by RBI from time to time and every such utilisation shall be reported to the RBI within specified period of time from the date of such utilisation.

Other Comprehensive Income

Equity Instruments through Other Comprehensive income

The Company has elected to recognise changes in the fair value of certain investments in equity securities in other comprehensive income. These changes are accumulated within the FVTOCI equity investments reserve within equity. The Company transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognised.

Remeasurement gain/ (losses) on defined benefit plan

The Company recognises change on account of remeasurement of the net defined benefit liability/(asset) as part of other comprehensive income.

Retained Earnings

Retained earnings or accumulated surplus represents total of all profits retained since Company's inception. Retained earnings are credited with current year profits, reduced by losses, if any, dividend payouts, transfers to General reserve or any such other appropriations to specific reserves. Debit balance in retained earnings represents balance of accumulated losses.

19. INTEREST INCOME (ON FINANCIAL ASSETS, MEASURES AT AMORTISED COST)
Amount (₹ in Hundred)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Interest on Loans / Inter Corporate Deposit	**69,925.75**	87,306.93
Total	**69,925.75**	87,306.93

20. DIVIDEND **Amount (₹ in Hundred)**

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Dividend income from investment	**63,213.15**	15,530.80
Total	**63,213.15**	15,530.80

21. NET GAIN / (LOSS) ON FAIR VALUE CHANGES **Amount (₹ in Hundred)**

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Net gain/ (loss) on financial instruments measured at fair value through profit or loss		
Realised gain/(loss) loss on equity instruments at FVTPL	**382,885.19**	20,069.71
Unrealised gain/(loss) on equity instruments at FVTPL	**1,081,369.64**	1,028,377.83
Total	**1,464,254.83**	1,048,447.54

22. OTHER INCOME **Amount (₹ in Hundred)**

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Interest on Income Tax Refund	**48.00**	1025.34
Profit on sale of Fixed Assets	**1044.90**	0.00
Contingent Provision on Standard Assets written back	**0.00**	4687.07
Total	**1092.90**	5712.41

23. FINANCE COST (ON BORROWINGS, AT AMORTISED COST) **Amount (₹ in Hundred)**

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Interest on Loans	**1,306.44**	2,924.97
Total	**1,306.44**	2,924.97

24. EMPLOYEE BENEFIT EXPENSES **Amount (₹ in Hundred)**

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Salaries and Benefits	**63,343.89**	39,642.82
Contribution to Provident fund and superannuation fund	**2,121.56**	3,171.68
Gratuity	**752.52**	396.82
Staff welfare	**1,022.69**	1,367.06
Total	**67,240.66**	44,578.38

25. OTHER EXPENSES **Amount (₹ in Hundred)**

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Rent/Facility Charges	**11,863.93**	1,1721.48
Vehicle Running and Maintenance	**7,209.52**	7,370.00
Insurance	**2,028.91**	1,976.66
Communication	**3,114.81**	4,025.73
CSR Expenses	**3,980.00**	2,450.00
Travelling and Conveyance	**15,882.57**	14,188.36
Printing and Stationery	**4,263.47**	3,245.46
Office Repairs and Maintenance	**3,016.98**	2,332.06
Depository and custodial	**4,293.52**	1,506.74
Subscription and Membership	**1,585.25**	2,018.38
Misc. Balances written off	**12,372.60**	0.00
Legal and Professional	**17,640.59**	12,386.97
Advertisement & Publicity	**3,535.48**	3,640.52
Listing Fees	**5,400.00**	5,400.00
Business Promotion	**4,117.78**	3,452.06
Miscellaneous	**709.22**	3,571.44
Auditor's Remuneration		
-Audit Fees	**1,797.50**	1,797.50
-Tax Audit Fees	**250.00**	250.00
-Limited Review Reports	**300.00**	300.00
-Certification and others	**375.00**	490.00
Directors Sitting Fees	**5,090.00**	4,730.00
Total	**108,827.13**	86,853.36

26. NET GAIN ON FAIR VALUE CHANGES THROUGH OCI **Amount (₹ in Hundred)**

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Net gain/ (loss) on financial instruments measured at fair value through OCI		
Realised gain/(loss) loss on equity instruments at FVTOCI	**1,169,019.60**	2,882.68
Unrealised gain/(loss) on equity instruments at FVTOCI	**(1,116,579.35)**	1,121,050.78
Total	**52,440.25**	1,123,933.46

27. EARNING PER SHARE (EPS)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Profit/(Loss) for the year Amount (₹ in Hundred)	**1,518,605.78**	1,175,250.12
Weighted average number of Equity Shares used in computing basic EPS	**7,137,665**	7,137,665
Weighted average number of Equity Shares used in computing diluted EPS	**7,137,665**	7,137,665
Basic Earnings per share (Rs.)	**21.28**	16.47
Diluted Earnings per share (Rs.)	**21.28**	16.47
Face value per share (Rs.)	**10**	10

28. RELATED PARTY DISCLOSURES

As per Ind AS 24 on 'Related party disclosures', the related parties of the Company are as follows:

a) Key Managerial Personnel:

1. Shri Rupesh Kumar, (Joined on 16.06.2020 and Left on 24.01.2022)
2. Shri Mahesh Kumar Gupta, Chief Financial Officer
3. Shri Jag Mohan Lal Suri, (Manager - upto 14th December, 2020)
4. Shri Naresh Khanna, (Manager upto 7th June, 2021)

Directors

1. Shri Gulshan Rai (Independent Director)
2. Shri Harbans Lal (Independent Director)
3. Smt. Asha Mehra (Independent Director)
4. Shri Anil Goyal
5. Shri Ashish Kapur
6. Shri Lalit Bhasin (also see Para 'b' below)

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 Estate Developers Ltd.
2. HB Securities Ltd.

e) Transactions during the financial year ended 31.03.2022 with Related Parties as under :

Amount (₹ in Hundred)

Sr. No.	Particulars	Nature of Transaction	For the year ended 31st March, 2022	For the year ended 31st March, 2021
i	RRB Master Securities Delhi Ltd.	Advances given (net)	**14,604.71**	16,741.33
		Purchase of Investment through them	**5,939,495.58**	856,101.21
		Sale of Investment through them	**7,590,921.66**	557,281.39
		Net Turnover of Derivative Trading/Difference in share trading	**106,859.40**	168,168.56
		Receivable at the year end in respect of Loans & Advances	**14,604.71**	16,741.33

Sr. No.	Particulars	Nature of Transaction	For the year ended 31st March, 2022	For the year ended 31st March, 2021
ii	HB Estate Developers Ltd.	Rent/ Facility Charges Paid (including GST)	**10,162.63**	10,162.63
		Receivable at the year end in respect of Loans & Advances	**345,000.00**	345,000.00
iii	HB Securities Ltd.	Depository Charges	**3,374.36**	374.67
iv	Lalit Bhasin	Sitting Fees paid	**500.00**	550.00
v	Anil Goyal	Sitting Fees paid	**980.00**	1,010.00
vi	Ashish Kapur	Sitting Fees paid	**400.00**	300.00
vii	Gulshan Rai	Sitting Fees paid	**1,150.00**	1,150.00
viii	Harbans Lal	Sitting Fees paid	**1,230.00**	1,060.00
ix	Asha Mehra	Sitting Fees paid	**830.00**	660.00
x	Naresh Khanna	Remuneration & other services	**18,500.00**	Nil
xi	Jag Mohan Lal Suri	Remuneration & other services	**Nil**	10,276.89
xii	Mahesh Kumar Gupta	Remuneration & other services	**21,083.33**	17,101.99
xiii	Rupesh Kumar	Remuneration & other services	**6,010.89**	5,230.33

29. RETIREMENT BENEFIT OBLIGATIONS

Disclosure in respect of Employee Benefits pursuant to Ind AS-19.

A) Defined Contributions Plans

The company has recognised following expenses in respect of the defined contribution plans:

Amount (₹ in Hundred)

Particulars	Current Year	Previous Year
Company Contribution to Provident Fund	**2,121.56**	2,496.68
Company Contribution to Superannuation Fund	**0.00**	675.00

B) Defined Benefit Plans

Below tables sets forth the changes in the projected benefit obligation and plan assets and amounts recognized in the Balance Sheet as of 31st March, 2022 and 31st March, 2021, being the respective measurement dates:

(i) Movement in defined benefit obligation **Amount (₹ in Hundred)**

Particulars	Gratuity (Funded)		Leave Encashment (Unfunded)	
	Year ended 31st March, 2022	Year ended 31st March, 2021	**Year ended 31st March, 2022**	Year ended 31st March, 2021
Present value of obligation -at the beginning of the period	**10,128.73**	10,817.60	**2,547.49**	5,590.03
Interest cost	**734.33**	757.23	**184.69**	391.30
Current service cost	**1,133.42**	578.33	**742.15**	194.91
Benefits paid	**0.00**	0.00	**(495.00)**	(3,706.67)
Remeasurements - actuarial (gain)/ loss	**422.83**	(2,024.43)	**488.20**	77.92
Present value of obligation -at the end of the period	**12,419.31**	10,128.73	**3,467.53**	2,547.49

(ii) Movement in Plan Assets – Gratuity **Amount (₹ in Hundred)**

Particulars	Gratuity (Funded)		Leave Encashment (Unfunded)	
	Year ended 31st March, 2022	Year ended 31st March, 2021	**Year ended 31st March, 2022**	Year ended 31st March, 2021
Fair value of plan assets at beginning of year	**15,382.46**	13,410.56	**-**	-
Expected return on plan assets	**1,115.23**	938.74	**-**	-
Employer contributions	**0.00**	0.00	**-**	-
Benefits paid	**0.00**	0.00	**-**	-
Actuarial gain / (loss)	**1,538.00**	1,033.16	**-**	-
Fair value of plan assets at end of year*	**18,035.69**	15,382.46	**-**	-

(*) 100% of fund is managed by Insurance Company

(iii) The amount to be recognised in the Balance Sheet **Amount (₹ in Hundred)**

Particulars	Gratuity (Funded)		Leave Encashment (Unfunded)	
	Year ended 31st March, 2022	Year ended 31st March, 2021	**Year ended 31st March, 2022**	Year ended 31st March, 2021
Present value of obligation-at the end of the period	**12,419.31**	10,128.73	**3,467.53**	2,547.49
Fair value of plan assets at end of year	**16,513.07**	15,382.46	**0.00**	0.00
Net liability/(asset) recognized in Balance Sheet	**(4,093.76)**	(5,253.73)	**3,467.53**	2,547.49
Funded Status- Surplus/ (Deficit)	**4,093.76**	5,253.73	**(3,467.53)**	(2,547.49)

(iv) Expense recognised in the statement of Profit and Loss **Amount (₹ in Hundred)**

Particulars	Gratuity (Funded)		Leave Encashment (Unfunded)	
	Year ended 31st March, 2022	Year ended 31st March, 2021	**Year ended 31st March, 2022**	Year ended 31st March, 2021
Interest cost	**734.33**	757.23	**184.69**	391.30
Current Service cost	**1,133.42**	578.33	**742.15**	194.91
Expected return on plan assets	**(1,115.23)**	(938.74)	**0.00**	0.00
Expenses to be recognised in P&L	**752.52**	396.82	**926.84**	586.21

(v) Recognised in Other Comprehensive Income **Amount (₹ in Hundred)**

Particulars	Gratuity (Funded)		Leave Encashment (Unfunded)	
	Year ended 31st March, 2022	Year ended 31st March, 2021	**Year ended 31st March, 2022**	Year ended 31st March, 2021
Cumulative unrecognized actuarial (gain)/loss opening. B/F	**(5,257.98)**	(2,200.39)	**(798.29)**	(876.21)
Remeasurement - Actuarial (gain)/loss -Obligation	**422.83**	(2,024.43)	**488.20**	77.92
Remeasurement - Actuarial (gain)/loss -Plan assets	**(1,538.00)**	(1,033.16)	**0.00**	0.00
Total Acturial (gain)/loss	**(1,115.17)**	(3,057.59)	**488.20**	77.92
Cumulative unrecognized actuarial (gain)/loss opening. C/F	**(6373.15)**	(5257.98)	**(310.09)**	(798.29)

(vi) The principal actuarial assumptions used for estimating the Company's defined benefit obligations are set out below:

Weighted average actuarial assumptions	Gratuity (Funded)		Leave Encashment (Unfunded)	
	Year ended 31st March, 2022	Year ended 31st March, 2021	**Year ended 31st March, 2022**	Year ended 31st March, 2021
Discount Rate	**7.25 % per anum**	7.00 % per anum	**7.25 % per anum**	7.00 % per anum
Expected Rate of increase in salary	**5.00 % per anum**	5.00 % per anum	**5.00 % per anum**	5.00 % per anum
Mortality rate	**IALM 2012-14**	IALM 2012-14	**IALM 2012-14**	IALM 2012-14
Withdrwal Rate- 18 to 30 Years	**5.00 % p.a.**	5.00 % p.a.	**5.00 % p.a.**	5.00 % p.a.
- 30 to 44 Years	**3.00 % p.a.**	3.00 % p.a.	**3.00 % p.a.**	3.00 % p.a.
- 44 to 70 Years	**2.00 % p.a.**	2.00 % p.a.	**2.00 % p.a.**	2.00 % p.a.

The assumption of future salary increase takes into account the inflation, seniority, promotion and other relevant factors such as supply and demand in employment market.

(vii) Sensitivity Analysis

For the year ended 31st March, 2022

Particulars	Change in assumption	Effect on Gratuity	Effect on leave encashment
Discount Rate	+1%	11006.17	3079.18
	-1%	14075.25	3923.61
Salary Growth Rate	+1%	14097.05	3929.59
	-1%	10964.74	3067.89
Attrition Rate	+1%	12680.43	3548.64
	-1%	12126.21	3376.76

(viii) Estimate of expected benefit payments (In absolute terms i.e. undiscounted)

Amount (₹ in Hundred)

Particulars	Gratuity	Leave encashment
01st April, 2022 to 31st March, 2023	410.41	126.81
01st April, 2023 to 31st March, 2024	134.95	3,340.72
01st April, 2024 to 31st March, 2025	134.95	
01st April, 2025 to 31st March, 2026	142.12	
01st April, 2026 to 31st March, 2027	142.28	
01st April, 2027 Onwards	11,454.60	

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

CONTINGENT LIABILITIES:

a) Income Tax Rs. Nil (Previous Year Rs. Nil)

b) Amount payable in respect of partly paid up shares: Rs.284.89/- Hundred (previous year Rs. 920.11/- Hundred)

31. QUANTITATIVE DETAILS

Quantitative information in respect of Investments in securities:

EQUITY INSTRUMENTS

Particulars	Current Year		Previous Year	
	Qty. (Nos.)	**Amount (₹ in Hundred)**	Qty.(Nos.)	Amount (₹ in Hundred)
Opening Balance	**15329051**	**2,134,079.74**	11778445	819,925.56
Purchases/conversions	**5164638**	**6,368,980.29**	4755031	741,779.18
Sales/Conversions/Transfer*	**7468395**	**6,355,962.80**	1204425	476,019.28
Closing Balance	**13025294**	**3,611,432.47**	15329051	2,134,079.74

MUTUAL FUND UNITS

Particulars	Current Year		Previous Year	
	Qty. (Nos.)	**Amount (₹ in Hundred)**	Qty.(Nos.)	Amount (₹ in Hundred)
Opening Balance	**5069**	**50,690.48**	Nil	Nil
Purchases/conversions	**16300**	**163,079.42**	16191	200,792.93
Sales/Conversions/Transfer*	**0**	**0.00**	11122	150,155.71
Closing Balance	**21369**	**213,689.49**	5069	50,690.48

32. 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, 2022 and 31st March, 2021.

33. 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

	Particulars	Outstanding Balance as on 31st March, 2022	Max. Balance outstanding during the year	Outstanding Balance as on 31st March, 2021	Max. Balance outstanding during the previous Year
i.	Loans & Advances in the nature of loans to subsidiary.	0	0	1000.00	1000.00
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**	**Amount.**	**No. of Shares**	**Amount.**
		Nil	Nil	Nil	Nil

34. DISCLOSURE RELATING TO OUTSTANDING DERIVATIVE EXPOSURES IN SECURITIES

a) Cash Margin amounting to ₹ 14,604.71/- Hundred (₹ 16,741.33/- Hundred) 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 31st March, 2022

Name of Equity Stock Future	No. of Contracts	Units (In Nos.) Long	Units (In Nos.) (Short)
Adani Ports Ltd	5	1250	Nil
	Nil	Nil	Nil
Bank of Baroda	12	11700	Nil
	Nil	Nil	Nil
Bandhan Bank	Nil	Nil	Nil
	6	1800	Nil
BPCL	Nil	Nil	Nil
	8	1800	Nil
Canara Bank	3	1800	Nil
	2	5400	Nil
Glenmark Pharma	6	1150	Nil
	6	1150	Nil
GMR Infrastructure Limited	8	22500	Nil
	8	22500	Nil
HCL Tecnologies Ltd	Nil	Nil	Nil
	12	700	Nil
India Bull Housing & Finance Ltd	24	3100	Nil
	Nil	Nil	Nil
ITC Ltd	20	3200	Nil
	31	3200	Nil
Hind Petro Ltd	Nil	Nil	Nil
	7	2700	Nil
L&T Finance Holding Ltd	Nil	Nil	Nil
	1	8924	Nil
Lupin Laboratories Ltd	Nil	Nil	Nil
	3	850	Nil
Punjab National Bank	Nil	Nil	Nil
	1	16000	Nil
Petronet LNG Ltd	9	3000	Nil
	Nil	Nil	Nil
SAIL	34	4750	Nil
	Nil	Nil	Nil
Sun Pharmaceuticals Ltd	32	700	Nil
	8	1400	Nil
Tata Motors Ltd	10	2850	Nil
	8	2850	Nil
Tata Steel Ltd	24	425	Nil
	Nil	Nil	Nil
Reliance Industries Ltd	4	250	Nil
	11	250	Nil

35. CAPITAL MANAGEMENT

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business.

The company has adequate cash and bank balances. The company monitors its capital by careful scrutiny of the cash and bank balances, and a regular assessment of any debt requirements. In the absence of any significant amount of debt, the maintenance of debt equity ratio etc. may not be of any relevance to the Company.

36. FINANCIAL RISK MANAGEMENT

Financial risk factors

The Company's principal financial liabilities, comprise borrowings and other payables. The main purpose of these financial liabilities is to purchase certain fixed assets and other liabilities incurred during the ordianary course of Company's operations. The Company's principal financial assets include Investments, inter corporate deposits, loans, cash and cash equivalents and other receivables. The Company's activities expose it to a variety of financial risks:

I. Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise three types of risk: currency rate risk, interest rate risk and other price risks, such as commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits, investments.

The company is exposed to market risk primarily related to the market value of its investments.

Interest Rate Risk

Interest rate risk is the risk that the fair value of future cash flows of Financial Instruments will fluctuate because of change in market interest rates.The company does not have exposure to the risk of changes in market interest rate as it has debt obligations with fixed interest rates which are measured at amortised cost.

Currency risk

Currently company does not have transaction in foreign currencies and hence the company is not exposed to currency risk.

Equity Price Risk

(a) Exposure

The company is exposed to equity price risk arising from Investments held by the company and classified in the balance sheet as fair value through P&L. To manage its price risk arising from investment in equity securities, the company diversifies its portfolio.

The majority of the company's equity instruments are listed on the Bombay stock exchange (BSE) or the National stock exchange (NSE) in India.

(b) Sensitivity analysis- Equity price risk

The table below sumarise the impact of increase/ decrease of the index on the company's equity and the profit for the period. The analysis is based on the assumption that the equity/ index had increased by 2% or decreased by 2% with all other variable held constant, and that all the company's equity instruments moved in line with the Index.

Particulars	Impact on Profit & Loss for the year ended 31st March 2022	
	31st March, 2022	31st March, 2021
NSE/ BSE Index - Increase by 2 %	**72,228.65**	42,681.59
NSE/ BSE Index - Decrease by 2 %	**(72,228.65)**	(42,681.59)

II. Credit risk

Credit risk is the risk that a counter party will not meet its obligations under a financial instrument or customer contract, leading to a financial loss.The company is exposed to credit risk from its financing activities towards inter corporate loans where no significant impact on credit risk has been identified..

III. Liquidity risk

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses.The Company manages its liquidity requirement by analysing the maturity pattern of Company's cash flows of financial assets and financial liabilities.

The table below summarises the maturity profile of the undiscounted cash flows of the Company's financial assets and liabilities.

Amount (₹ in Hundred)

As at 31st March, 2022	Within 12 Months	After 12 Months	Total
Financial Assets			
Cash and cash equivalents	424,171.35	0.00	424,171.35
Loans	1,285,000.00	0.00	1,285,000.00
Investments	3,825,121.96	903,242.41	4,728,364.37
Other Financial Assets	490,936.06	0.00	490,936.06
Total	**6,025,229.38**	**903,242.41**	**6,928,471.79**
Financial Liabilities			
Borrowings	5,385.58	0.00	5,385.58
Other financial liabilities	16,727.76	0.00	16,727.76
Total	**22,113.34**	**0.00**	**22,113.34**

Amount (₹ in Hundred)

As at 31st March, 2021	Within 12 Months	After 12 Months	Total
Financial Assets			
Cash and cash equivalents	130,026.27	0.00	130,026.27
Loans	505,000.00	0.00	505,000.00
Investments	2,184,770.22	2,373,999.87	4,558,770.09
Other Financial Assets	479,230.73	0.00	479,230.73
Total	**3,299,027.22**	**2,373,999.87**	**5,673,027.09**
Financial Liabilities			
Borrowings	20,397.60	5,385.58	25,783.18
Other financial liabilities	372,227.41	0.00	372,227.41
Total	**392,625.01**	**5,385.58**	**398,010.59**

37. MATURITY ANALYSIS OF ASSETS AND LIABILITIES

The table shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled

Amount (₹ in Hundred)

Particulars	31st March, 2022			31st March, 2021		
	Within 12 Months	**After 12 Months**	**Total**	Within 12 Months	After 12 Months	Total
ASSETS						
Finacial Assets						
Cash and cash equivalents	**424,171.35**	**0.00**	**424,171.35**	130,026.27	0.00	130,026.27
Loans	**1,285,000.00**	**0.00**	**1,285,000.00**	505,000.00	0.00	505,000.00
Investments	**3,825,121.96**	**903,242.41**	**4,728,364.37**	2,184,770.22	2,373,999.87	4,558,770.09
Other Financial Assets	**490,936.06**	**0.00**	**490,936.06**	479,230.73	0.00	479,230.73
Non-Finacial Assets						
Current tax assets	**0.00**	**0.00**	**0.00**	6,615.36	0.00	6,615.36
Deferred Tax Assets (Net)	**1,264.39**	**0.00**	**1,264.39**	0.00	0.00	0.00
Property, Plant and Equipment	**61,015.42**	**0.00**	**61,015.42**	78,030.55	0.00	78,030.55
Other non -financial assets	**78,788.23**	**0.00**	**78,788.23**	70,085.13	0.00	70,085.13
TOTAL ASSETS	**6,166,297.42**	**903,242.41**	**7,069,539.83**	3,453,758.27	2,373,999.87	5,827,758.14
LIABILITIES						
Financial Liabilities						
Borrowings	**5,385.58**	**0.00**	**5,385.58**	20,397.60	53,85.58	25,783.18
Other financial liabilities	**16,727.76**	**0.00**	**16,727.76**	372,227.41	0.00	372,227.41
Non Financial Liabilities						
Current Tax Liabilities (Net)	**58,107.03**	**0.00**	**58,107.03**	0.00	0.00	0.00
Provisions	**100,059.68**	**10,000.00**	**110,059.68**	93,557.31	12,342.08	105,899.39
Deferred Tax Liabilities (Net)	**0.00**	**0.00**	**0.00**	8,142.84	0.00	8,142.84
Other non-financial liabilities	**2,256.67**	**0.00**	**2,256.67**	465.54	0.00	465.54
TOTAL LIABILITIES	**182,536.72**	**10,000.00**	**192,536.72**	494,790.70	17,727.66	512,518.36

38. FAIR VALUES

The management assessed that Fair Values of Financial Assets and Liabilities are approximately their carrying values.

39. FAIR VALUE HIERARCHY

The company determines fair values of its financial instruments according to the following hierarchy:
Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities.
Level 2: Other techniques for which all inputs have a significant effect on the recorded fair value are observable, either directly or indirectly.
Level 3: Techniques which use Inputs that have a significant effect on the recorded fair value that are not based on observable market data.

The following table presents the carrying value and fair value of each category of financial assets and liabilities as at 31st March, 2022: **Amount (₹ in Hundred)**

Particulars	Ammortised cost	Fair value through OCI	Fair value through P&L	Total carrying value	Total Fair Value	Fair value			
						Level 1	Level 2	Level 3	Total
Financial Assets									
Cash and cash equivalents	424,171.35	0.00	0.00	424,171.35	424,171.35	0.00	0.00	0.00	0.00
Bank Balance other than above	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Loans	1,285,000.00	0.00	0.00	1,285,000.00	1,285,000.00	0.00	0.00	0.00	0.00
Investments									
-Quoted shares/Units	0.00	78,118.66	3,825,121.96	3,903,240.62	3,903,240.62	3,903,240.62	0.00	0.00	3,903,240.62
-Unquoted shares/Units	825,123.75	0.00	0.00	825,123.75	825,123.75	0.00	0.00	0.00	0.00
Other Financial Assets	490,936.06	0.00	0.00	490,936.06	490,936.06	0.00	0.00	0.00	0.00
Total	**3,025,231.16**	**78,118.66**	**3,825,121.96**	**6,928,471.78**	**6,928,471.78**	**3,903,240.62**	**0.00**	**0.00**	**3,903,240.62**
Financial Liabilities									
Borrowings	5,385.58	0.00	0.00	5,385.58	5,385.58	0.00	0.00	0.00	0.00
Other financial liabilities	16,727.76	0.00	0.00	16,727.76	16,727.76	0.00	0.00	0.00	0.00
Total	**22,113.34**	**0.00**	**0.00**	**22,113.34**	**22,113.34**	**0.00**	**0.00**	**0.00**	**0.00**

The following table presents the carrying value and fair value of each category of financial assets and liabilities as at 31st March, 2021: **Amount (₹ in Hundred)**

Particulars	Ammortised cost	Fair value through OCI	Fair value through P&L	Total carrying value	Total Fair Value	Fair value			
						Level 1	Level 2	Level 3	Total
Financial Assets									
Cash and cash equivalents	130026.27	0.00	0.00	130026.27	130026.27	0.00	0.00	0.00	0.00
Loans	505000.00	0.00	0.00	505000.00	505000.00	0.00	0.00	0.00	0.00
Investments									
-Quoted shares	0.00	1548876.12	2184770.22	3733646.34	3733646.34	3733646.34	0.00	0.00	3733646.34
-Unquoted shares	825123.75	0.00	0.00	825123.75	825123.75	0.00	0.00	0.00	0.00
Other Financial Assets	479230.73	0.00	0.00	479230.73	479230.73	0.00	0.00	0.00	0.00
Total	**1939380.75**	**1548876.12**	**2184770.22**	**5673027.09**	**5673027.09**	**3733646.34**	**0.00**	**0.00**	**3733646.34**
Financial Liabilities									
Borrowings	25783.18	0.00	0.00	25783.18	25783.18	0.00	0.00	0.00	0.00
Other financial liabilities	372227.41	0.00	0.00	372227.41	372227.41	0.00	0.00	0.00	0.00
Total	**398010.59**	**0.00**	**0.00**	**398010.59**	**398010.59**	**0.00**	**0.00**	**0.00**	**0.00**

40. LITIGATION

The Company is in appeal in respect of various income tax matters.The Contingent liability in respect thereof is disclosed in note no. 30. 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.

41. LEASE

Expenses recognised in the statement of profit & loss in respect of short term lease for ` 11863.93/- Hundred (PY Rs.11721.48/- Hundred)

42. SEGMENT REPORTING

In the opinion of Management there are no separate reportable segments as per Indian Accounting Standard (Ind AS-108)

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

44. The Company is required to spent Rs.3707.60/- Hundred (Previous year Rs. Nil) on Corporate Social Responsibility(CSR) activities during the year. Amount spent during the year Rs, 3980.00/- Hundred (Previous Year Rs. 2500.00/- Hundred)

Corporate Social Responsibility (CSR) Expenses during the year: (Rs. in Hundred)

	Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
i	**Amount required to be spent by the company during the year**	3,707.60	2500.00
ii	Gross amount spent by the Company during the year	3,980.00	2500.00
iii	Shortfall/(Excess) for the year (i-ii)	(272.40)	0.00
iv	Total of previous years shortfall	0.00	0.00
v	Previous year shortfall spent during the year	0.00	0.00
vi	Reason for Shortfall	0.00	0.00
vii	**Nature of CSR activities: - Promoting healthcare, Promotoing education, Eradicating hunger**		
viii	**CSR activities with Related Parties**	NA	NA
ix	Movement of CSR Provisions: -		
	Opening Provision	**0.00**	**0.00**
	Created during the year	**3,707.60**	**0.00**
	Utilized during the year	**3,980.00**	**0.00**
	Closing Provision	**(272.40)**	**0.00**

45. ADDITIONAL INFORMATION PURSUANT TO PARA 2 OF GENERAL INSTRUCTIONS FOR THE PREPARATIONS OF CONSOLIDATED FINANCIAL STATEMENTS:

Name of the entity in the	Net Assets i.e Total assets minus total Liabilities		Share in Profit/ Loss		Shares in other Comprehensiv income	Amount (₹ in Hundred)	Shares in total Comprehensive income	Amount (₹. in Hundred)
	As % of consolidated net assets	Amount (₹ in Hundred)	As % of consolidated Profit/Loss	Amount (₹ in Hundred)				
1	2	3	4	5				
Parent								
HB Stockholding Ltd.	100.35	6,901,033.67	100.46	1,180,698.39	100.00	43157.55	100.35	1,567,211.60
	(100.35)	(5,333,822.08)	(100.44)	(1,180,441.20)	(100.00)	(1,115,175.57)	(100.23)	(2,295,616.77)
Subsidiary (Indian)								
Mount Finance Ltd.	-0.35	-24,030.57	-0.46	-5,448.27	0.00	0.00	-0.35	-5448.27
	(-0.35)	(-18,582.30)	(-0.44)	(-5,191.07)	(0.00)	(0.00)	(-0.23)	(-5191.07)
Total	100.00	6,877,003.10	100.00	1,175,250.12	100.00	43,157.55	100.00	1,561,763.33
	(100.00)	(5,315,239.78)	(100.00)	(1,175,250.13)	(100.00)	(1,115,175.57)	(100.00)	(2,290,425.70)

(*) Figure in bracket relates to previous year.

46. OTHER STATUTORY INFORMATION

i The Group does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.

ii The Group does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period

iii The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017 for the financial years ended 31st March, 2022 and 31st March, 2021.

iv The company did not have any transactions with companies which were struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956

v The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

vi The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

vii The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

viii The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries or

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,

ix The Company has not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961

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

The accompanying notes form an integral part of the Consolidated Financial Statements.

As Per our Report attached on even date

FOR G. C. AGARWAL & ASSOCIATES
CHARTERED ACCOUNTANTS
Firm Registration Number : 017851N

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS OF HB STOCKHOLDINGS LIMITED

Sd/-
G C AGARWAL
(PROPRIETOR)
MEMBERSHIP NO. : 083820

Sd/-
ANIL GOYAL
(DIRECTOR)
DIN: 00001938

Sd/-
LALIT BHASIN
(CHAIRMAN)
DIN: 00002114

Sd/-
MAHESH KUMAR GUPTA
(CHIEF FINANCIAL OFFICER)

Sd/-
REEMA MIGLANI
(COMPANY SECRETARY)
(M NO: ACS45762)

PLACE: GURUGRAM
DATE: 18TH MAY, 2022

Form AOC-1

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

STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENTS OF SUBSIDIARIES/ ASSOCIATE COMPANIES/ JOINT VENTURES

Part "A": Subsidiaries:

(Amount In ₹)

S. No.	Particulars	
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 and Surplus	(1,07,03,118)
6.	Total Assets	9,15,232
7.	Total Liabilities	9,15,232
8.	Investments	Nil
9.	Turnover	Nil
10.	Profit/(Loss) Before Taxation	(5,44,827)
11.	Provision for taxation/ Deferred Tax	Nil
12.	Profit After Taxation	(5,44,827)
13.	Proposed Dividend	Nil
14.	% of Shareholding (Equity)	100%

Notes:

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

Part "B": Associates and Joint Venture: Not Applicable

FOR AND ON BEHALF OF THE BOARD
HB STOCKHOLDINGS LIMITED

Sd/-
ANIL GOYAL
(DIRECTOR)
DIN:00001938

Sd/-
LALIT BHASIN
(CHAIRMAN)
DIN: 00002114

PLACE: GURUGRAM
DATE : 18TH MAY, 2022

Sd/-
MAHESH KUMAR GUPTA
(CHIEF FINANCIAL OFFICER)

Sd/-
REEMA MIGLANI
(COMPANY SECRETARY)
ACS-45762

HB STOCKHOLDINGS LIMITED

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