

27th
Annual Report
2009 - 10



HB LEASING AND FINANCE COMPANY LIMITED



BOARD OF DIRECTORS	
Mr. Lalit Bhasin	Chairman
Mr. Anil Goyal	Managing Director
Dr. M.P. Jain	Director
Mr. L. N. Malik	Director
Mr. Arvind Kohli	Director

CHIEF FINANCIAL OFFICER

Mr. C. P. Singh

COMPANY SECRETARY

Ms. Rainy Pahuja

AUDITORS

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

REGISTERED OFFICE

Plot No. 31, Echelon Institutional Area,
Sector-32, Gurgaon - 122 001, Haryana
Ph : 0124-4675500, Fax : 0124-4370985

WEBSITE

www.hbleasing.com

REGISTRAR & SHARE TRANSFER AGENT

M/S. RCMC Share Registry Pvt. Ltd.,
B-106, Sector - 2,
Noida - 201 301
Ph : 0120-4015880, Fax : 0120-2444346

CONTENTS	
Notice	1
Directors' Report	1
Report on Corporate Governance	2
Auditors' Report	5
Balance Sheet	6
Profit & Loss Account	6
Schedules	6
Balance Sheet Abstract & Company's General Business Profile	10
Cash Flow Statement	11



HB LEASING AND FINANCE COMPANY LIMITED

NOTICE

NOTICE is hereby given that the 27th Annual General Meeting of the Company will be held as follows:

Day : Friday
Date : 20th August, 2010
Time : 12:00 Noon
Place : GIA House I.D.C. Mehrauli Road Opp. Sector 14 Gurgaon-122001 Haryana
To transact the following business:

AS ORDINARY BUSINESS (S):

- To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2010 and the Profit & Loss Account for the year ended on that date together with the Reports of Directors and Auditors thereon.
- To appoint a Director in place of Mr. Lalit Bhasin, who retires by rotation and being eligible, offers himself for reappointment.
- To appoint Auditors and to fix their remuneration.

BY THE ORDER OF THE BOARD
For HB LEASING & FINANCE CO. LTD.
RAINY PAHUJA
COMPANY SECRETARY

Place : Gurgaon
Date : 27/05/2010

NOTES:

- A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER. A PROXY IN ORDER TO BE EFFECTIVE MUST BE LODGED AT THE REGISTERED OFFICE OF THE COMPANY AT LEAST 48 HOURS BEFORE THE TIME OF THE MEETING.**
- The Register of Members and Share Transfer Books of the Company shall remain closed from 17th August, 2010 to 20th August, 2010 (both days inclusive).
- Members/Proxies should bring Attendance Slips duly filled in for attending the meeting.
- Shareholders seeking any information with regard to Accounts are requested to write to the Company at least 7 days before the date of the meeting so as to enable the management to keep the information ready.
- Members are requested to:
 - Notify any change in their address (including PINCODE) to the Company or to the Registrar and Share Transfer Agent of the company namely, RCMC Share Registry Pvt. Ltd., B-106, Sector 2, Noida-201301 Phone: 0120-4015880; Fax: 0120-2444346; E-mail: shares@rcmcdelhi.com Members whose shareholding is in electronic mode are requested to direct change of address notifications and bank particulars for receiving the dividend, if declared, through electronic credit under ECS, to their respective Depository participants.

- Bring their copies of Annual Report with them to the meeting, as the same will not be supplied again at the Meeting as a measure of economy.
- All the material documents referred to in the Notice including the Memorandum & Articles of Association of the Company are available for inspection by the members of the Company at its Registered / Corporate Office during the normal business hours on any working day.
- Details of the Directors seeking reappointment at the ensuing Annual General Meeting pursuant to Clause 49 of the Listing Agreement is as under:

Name of the Director	Mr. Lalit Bhasin
Date of Birth	14th August 1968
Date of Appointment	29th June 1990
Profile/ Expertise in Specific functional Areas.	Entrepreneur having more than 20 years of rich experience in the field of Stock Market operations, Strategic Investment and management. Bachelors of Commerce
Qualifications	• HB Estate Developers Ltd. • HB Stockholdings Ltd. • HB Portfolio Ltd. • HB Securities Ltd. • RRB Securities Ltd. • HB Prima Capital Ltd. • Bhasin Share & Stock Brokers Ltd. • AHL Hotels Ltd. • Raja Ram Bhasin Share & Stock Brokers Ltd • CHL (South) Hotels Ltd • Indo Continental Hotels & Resorts Ltd. • Taurus Asset Management Co. Ltd • RRB Master Securities Delhi Ltd. • Har Sai Investments Ltd.
List of directorship in other Public Companies.(As on 31st March 2010)	Shareholders/Investor Grievance Committee • RRB Securities Ltd Audit Committee • Indo Continental Hotels & Resorts Ltd 516905
Chairman/Membership of Committee of the Board in other Public Companies (As on 31st March 2010) Shares held by the Director	

BY THE ORDER OF THE BOARD
For HB LEASING & FINANCE CO. LTD.
RAINY PAHUJA
COMPANY SECRETARY

Place : Gurgaon
Date : 27/05/2010

DIRECTORS' REPORT

To the Members,

The Directors have pleasure in presenting the Twenty Seventh Annual Report of your Company together with the Audited Accounts for the year ended March 31, 2010.

FINANCIAL RESULTS

The summarised financial results for the year under review are as under:

PARTICULARS	(Rs. in Lakhs)	
	Year Ended 31.03.2010	Year Ended 31.03.2009
Profit/(Loss) before Depreciation & Tax	194.34	110.46
Depreciation	3.2	2.82
Profit/(Loss) before Tax	191.14	107.64
Provision for Income Tax		
— Current	15.00	13.50
— Deferred Tax charge/ (credit)	0.92	0
— Fringe Benefit Tax	0.00	0.70
— Wealth Tax	0.57	(2.61)
Net Profit/(Loss)	174.65	96.05
Appropriation - Add/(Less)		
a) Provision for substandard and doubtful asset written back	0.00	0.00
b) Liabilities no longer required written back	0.00	0.00
c) Profit/(Loss) after exceptional items	174.65	96.05
d) Profit/(Loss) brought forward	(1434.37)	(1512.08)
e) Transfer to Statutory Reserve Fund	(34.93)	(19.21)
f) Transitional effect on Account of Accounting Standard - 15	0.00	0.86
g) Profit/(Loss) carried forward	(1294.65)	(1434.38)

DIVIDEND

In view of the brought forward losses, your directors regret their inability to recommend dividend for the year under review.

PERFORMANCE REVIEW & OUTLOOK

The stock market index which declined by almost 40 % in the year 2008, undertook a sharp revival and increased by 77 % in 2009-2010. The BSE Sensitive Index which was 9901.99 at the start of the financial year, ended the year at 17527.77 on 31st March, 2010.

During the year under review, your company posted Net Profit of Rs. 174.65 lakhs compared to Rs 96.05 lakhs in previous year.

The fiscal year 2009-10 closed on a relatively good note, amidst the pressures that emanated from the global economic crisis. Being the least hit of all economies, the Indian economy has survived the storm of global financial crisis. Supported by monetary and fiscal policies, a recovery in economic activity was visible from the second quarter of the Financial Year 2009-2010. The GDP growth rate for the year 2009-10 was estimated to be 7.2 percent compared with the growth of 6.7 percent attained in 2008-09. The Indian rupee also exhibited strengthening trend against US dollar on the back of capital inflows.

The overall risks to the outlook however remain slated to the downside. There are also looming concerns over a second round of convulsion in the advanced economies. If this was to happen, the recovery process is bound to be impacted.

Industry trends and its future prospects are more elaborately given in the Management Discussion and Analysis which forms the part of this Report.

STATUTORY STATEMENTS

During the year under review your Company has not accepted any deposits from the public. The particulars under Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 on conservation of energy, technology absorption are not applicable to your Company. During the year under review, there were no earnings or outgo in foreign exchange. The provisions of Sec 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 as amended, are not applicable, as there is no such employee who were drawing/ in receipt of remuneration of prescribed amount during the period under review.

Pursuant to the requirements of Section 217(2AA) of the Companies Act, 1956, with respect to the Directors' Responsibility Statement, it is hereby stated that in the preparation of the accounts for the financial period under review the applicable accounting standards have been followed along with proper explanation relating to material departures. The Directors have selected such accounting policies and applied them consistently and made judgements and estimates that were 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 period and of the profit/loss of the Company, for the period under review. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities. Further the Directors have prepared the annual accounts (for the period under review) on a going concern basis.

REPORT ON CORPORATE GOVERNANCE

Your company has committed to adopt and follow the best Corporate Governance Practices and procedures. A detailed Corporate Governance Report together with a certificate from Statutory Auditors in regard to compliance with the requirement under Clause 49 of the Listing Agreement is attached and forms a part of this report.

STATEMENT PURSUANT TO LISTING AGREEMENT

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

AUDITORS' REPORT

Observations of the Auditors have been explained, wherever necessary, by way of appropriate notes to accounts.

AUDITORS

The Auditors, M/s. P. Bholusaria & Co., Chartered Accountants, will retire at the ensuing Annual General Meeting and are eligible for reappointment.

DIRECTORS

Mr. Lalit Bhasin being longest in the office of director, retire by rotation at the ensuing Annual General Meeting and being eligible offer himself for reappointment.

ACKNOWLEDGEMENTS

Your Directors wish to thank and acknowledge the cooperation and support extended by the Banks, Company's shareholders and Employees.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Place : Gurgaon
Date : 27/05/2010

LALIT BHASIN
CHAIRMAN



HB LEASING AND FINANCE COMPANY LIMITED

MANAGEMENT DISCUSSION AND ANALYSIS

1. Operating Results

The company earned a gross income of Rs. 238.03 Lakhs during the year under review compared to Rs.160.51 lakhs in the previous year. Gross and the net profit earned by the Company during the current year were 194.34 and 174.65 respectively (Rs.110.46 Lakhs & Rs.96.05 Lakhs respectively during the previous year)

2. Industry Trends and Business Analysis

2009 was a satisfactory year for securities traders and investors. The BSE Sensitive Index which was 9901.99 at the start of the financial year, rebounded and closed at 17527.77 on 31st March, 2010. Thus for the FY 2009-2010 the BSE Sensex registered an overall recovery of 77%.

The NBFC sector in India has become mature with reduced dependence on the acceptance of public deposits as part of overall funding. The NBFC sector is now represented by a mix of few large companies with nationwide presence and a large number of small and medium sized companies with regional focus.

3. Opportunities and Threats

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

During the period 2007-2009, Capital Markets around the globe had gone through extremely uncertain times on account of the sub-prime crisis triggered with adverse consequences for banks and financial markets as well. The global financial turmoil had knock-on effects on our financial markets. It is still a big uncertainty that the world economy is totally back on growth track.

4. Future Prospects and Outlook

The global financial markets during 2009 exhibited significant stabilization, despite the drag from the global financial crisis. Stock prices displayed a continuous upward momentum throughout the year, except for some occasional corrections during the last two quarters caused by Dubai World default and the Greek sovereign debt concerns. Following the optimism on account of measures announced in the Union Budget 2010-11 such as the roadmap for fiscal consolidation and PSU divestment, stock prices recorded further gains. The gains in stock prices were associated with substantial increase in the activity in the derivative segment and also led by the FII investments.

However uncertainties about the path of future global recovery and risks arising from large sovereign debt continue to threaten the return to stability in the international financial markets. These developments in the global financial markets transmitted to the domestic financial markets by way of sporadic volatility in stock prices and the exchange rate.

5. Risks and concerns

Company being exposed with capital market, continues to maintain a conservative profile

and following prudent business and risk management practices to manage the threats imposed by normal industry risk factors, which interalia includes economic- business cycle, fluctuations in the stock prices in the market, besides interest volatility and credit risk.

Regular Internal audits and checks ensure that responsibilities are executed effectively. The Audit Committee of the Board of Directors actively reviews the adequacy and effectiveness of internal control systems and suggests improvement for strengthening the existing control system in view of changing business needs from time to time.

6. Internal control system and their adequacy

The Company has an internal control system in place, which ensures that assets and other relative transactions are, with the size of its operations, protected from unauthorised disposition for organizational expense.

Adequate records and documents were maintained and reported as required by the laws of the land. The Company's Audit Committee reviews the internal controls at periodic intervals and looks in to the observations of the statutory and 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 2010 stood at Rs.1100.41 lakhs comprising of 1,10,62,731 Equity Shares of Rs.10 each (excluding allotment money receivable of Rs.5.86 lakhs). Though the Board of Directors have obtained necessary approval from the shareholders under Section 81(1A) of the Companies Act, 1956, for issuing Redeemable Preference Shares, has still not proceeded with the issue of preference shares.

b) Reserves and Surplus: During the year under review, the reserves and surplus increased to Rs. 2023.81 Lakhs as against Rs. 1988.88 Lakhs during previous year.

c) Current Assets & Current Liabilities: The current assets and current liabilities at the end of the year under review stood at Rs. 409.26 Lakhs and Rs.374.67 lakhs respectively against Rs. 542.59 lakhs and Rs. 685.00 lakhs for the last year.

8. Human Resources

The Company has adequate qualified and trained employees which is commensurate with the size of operations. The Company recognizes the role and importance of human resources in the future prospects of the company and follows good man management practices.

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" are only predictions within the meaning of applicable securities laws and regulations and are subject to risks, uncertainties, and assumptions that are difficult to predict. 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

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Company's corporate governance philosophy envisages attaining transparency, accountability and adhering to the policies, principles, laws, rules, regulations and procedures that enable the company to perform efficiently to maximize the long term value for the shareholders. Your company believes that all its operations and actions must serve the underlying goal of enhancing overall shareholder value, over a sustained period of time.

SIZE AND COMPOSITION OF THE BOARD

The Board of Directors of your Company comprises of 5 directors at present out of which, 4

are Non-Executive Directors with 3 being Independent Directors. Mr. Lalit Bhasin of the promoter group is the Chairman and Non-Executive Director of the Company. Mr. Anil Goyal is the Managing Director of the Company. The composition of the Board is in conformity with the Clause 49 of the listing agreement.

Five Meetings of the Board of Directors of the Company were held during the year under review (i.e. from 01.04.2009 to 31.03.2010) on 15th April, 2009; 29th May, 2009; 25th July, 2009; 29th October, 2009; and 30th January, 2010. The Particulars regarding composition of the Board of Directors and their attendance in the Meetings held during the year under review are given hereunder:

Name of the Director	Category	*Other Directorships		*Committee Membership in Other companies		Board Meetings during the period		Attended Last AGM	Shares held in the Company & % to the Subscribed capital
		Total	As Chairman	Total	As Chairman	Held	Attended		
Mr. Lalit Bhasin	Non-Executive, Promoter	14	3	2	Nil	5	5	Yes	516905 (4.67%)
Mr. Anil Goyal	Non Independent & Executive	11	Nil	5	1	5	5	Yes	150
Dr. M.P Jain	Independent & Non Executive	1	Nil	Nil	Nil	5	Nil	No	Nil
Mr. Arvind Kohli	Independent & Non Executive	Nil	Nil	Nil	Nil	5	5	Yes	Nil
Mr L.N Malik	Independent & Non Executive	Nil	Nil	Nil	Nil	5	5	Yes	300 (Insignificant)

* As on 31st March 2010

In terms of the provisions of the Companies Act, 1956 and the Articles of Association of the Company, one-third of the rotational directors of the Company retire at every Annual General Meeting. Accordingly, Mr. Lalit Bhasin would retire by rotation at the ensuing Annual General Meeting and being eligible he has offered himself for re-appointment.

AUDIT COMMITTEE

The Audit Committee as reconstituted on 15th March, 2003 comprises of Mr. L. N. Malik as its Chairman, Mr. Lalit Bhasin and Mr. Arvind Kohli as its Members and the Company Secretary of the Company as Secretary to the Committee. The Audit Committee has been empowered, inter-alia, to carry out the following functions:

- To lay down, review and revise the accounting policies of the Company,
- To review the financial operations and performance of the Company,
- To review the half yearly and annual financial accounts and other financial reports and statements, before placement thereof before the Board of Directors,
- To consider and constitute Sub-committees, wherever necessary for carrying out and/or monitoring the financial operations of the Company,
- To appoint, wherever deemed expedient, an independent internal auditor to carry out continuous audit of the accounts and systems of the Company and also consider and/or review the appointment and removal of the auditors of the Company,

6. To consider and set up adequate internal control system and review the monitor the same in consultation with the internal auditors and the auditors of the Company and ensure compliance of the same,

7. To receive, discuss and consider the observations and reports of the internal auditors and auditors of the Company from time to time,

8. To review and investigate on the matter of financial nature, as and when deemed necessary and expedient,

9. To give report and/or recommendations to the Board on the matters concerning financial operations of the Company,

10. To invite, summon any executive of the Company and/or appoint experts, wherever necessary, and discuss with them the matters relating to the finance, audit and internal control system etc.,

11. To obtain legal and professional advise wherever found necessary and expedient,

12. 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,

13. 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, 4 meetings of the Audit Committee were held on 29th May, 2009; 25th July, 2009; 29th October, 2009; and 30th January, 2010 and same were attended by all the committee members.



SHAREHOLDERS / INVESTORS GRIEVANCE COMMITTEE

The Shareholders' / Investors' Grievance Committee of the Company at present consists of Mr. Arvind Kohli, as Chairman and Mr. Lalit Bhasin, Mr. Anil Goyal as Members and Company Secretary, as Secretary to the Committee. The Shareholders' Committee has been empowered to carry out, inter-alia, the following functions:

- To consider and approve the transfer, transmission and issue of fresh/duplicate share certificates;
- To review the status of dematerialisation of shares of the Company and the matters incidental thereto;
- To review and monitor the approval to the transfers/transmissions made by Mr. Anil Goyal, Managing Director under authority given to him;
- To monitor the matters of litigation relating to shareholders/shareholders' grievances and to take decisions in respect thereof;
- To deal with such other matters related / incidental to the shareholders.

During the year under review, 10 Meetings of the Committee were held for considering/ approving the requests received from the shareholders for issue of new shares on replacement / dematerialisation / duplicate issue etc. Mr. Anil Goyal, Managing Director, has however been authorised to approve transfer of shares of the Company upto 2,000 equity shares under one folio at a time. The meetings were attended to by all the committee members.

DIRECTOR'S REMUNERATION

Sitting Fees

An amount of Rs.1,75,000/- was paid as sitting fees towards attending of Meetings of the Company to the Directors during the year as given below:

Name	Board Meeting	Audit Committee Meeting	Shareholders'/ Investors Grievances Committee Meeting	Total
Mr. Lalit Bhasin	25000/-	20000/-	20000/-	65000/-
Mr. Anil Goyal	Nil	Nil	Nil	Nil
Mr.M.P. Jain	Nil	Nil	Nil	Nil
Mr. Arvind Kohli	25000/-	20000/-	20000/-	65000/-
Mr.L.N Malik	25000/-	20000/-	Nil	45000/-

No remuneration has been paid to any Director of the Company by way of salary or commission on profits of the Company except the sitting fees paid as per details mentioned above. Further, no remuneration has been drawn by Mr. Anil Goyal, Managing Director as he has opted to draw his remuneration from HB Portfolio Limited of which he is the Managing Director

SHAREHOLDERS INFORMATION

GENERAL BODY MEETINGS

(A) Details of Annual General Meetings

(i) Location and time of last three AGMs

Year	Type	Location	Date	Time
2008-09	AGM	GIA House, I.D.C., Mehrauli Road, Opp.: Sector 14, Gurgaon-122001.	25.08.2009	11:30 A.M.
2007-08	AGM	GIA House, I.D.C., Mehrauli Road, Opp.: Sector 14, Gurgaon-122001.	11.09.2008	11.00 A.M.
2006-07	AGM	GIA House, I.D.C., Mehrauli Road, Opp.: Sector 14, Gurgaon-122001.	29.08.2007	11:30 A.M.

- List of Special Resolutions passed in the previous 3 AGMs: No Special Resolutions were passed in the previous 3 Annual General Meetings.
- Whether Special Resolutions were put through postal ballot last year: No
- Are polls proposed to be conducted through postal ballot this year: No

DISCLOSURES

- 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 2010 (Refer Note No 5 of Schedule J forming part of Balance Sheet and Profit & Loss Account). Accordingly, the same have not been reproduced here.
- 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.
- The company has adopted a Code of Conduct applicable to all Directors and Senior Management personnel of the company and the same has been posted in the website of the company www.hbleasing.com. For the year under review, all Directors and senior management personnel have confirmed their adherence to the provisions of said Code. A declaration to this effect from Managing Director of the Company is also given at the end of this report.
- Risk Assessment and Minimisation procedures are in the existence and are reviewed periodically.
- The Managing Director (CEO) and the Chief Financial Officer (CFO), have as required under Clause 49 of the Listing Agreement, given their certification on the review of financial statements, including cash flow, for the year ended 31.03.2010 to the Board of Directors.
- Remuneration Committee has not been constituted and Whistle Blower Policy has not been adopted by the Company being non mandatory requirements.
- All the mandatory requirements under Clause 49 (relating to Corporate Governance norms) of the Listing Agreement are being adhered to/complied with.

MEANS OF COMMUNICATION

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

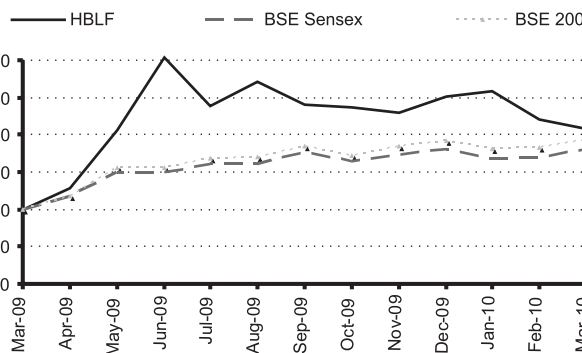
GENERAL SHAREHOLDER INFORMATION

- Ensuing Annual General Meeting Date, time and venue:
Date : 20th August, 2010
Time : 12.00 Noon
Venue : GIA House, I.D.C., Mehrauli Road, Opp. Sector 14, Gurgaon (Haryana) - 122 001
- Financial Year : 31st March 2010
- Date of Book Closure : 17/08/2010 to 20/08/2010 (both days inclusive)
- Dividend Payment Date : No dividend is being declared for year under review.
- Listing on Stock Exchanges
The Company's equity shares are listed at Bombay Stock Exchange Limited, Mumbai (BSE).
- Stock Code: The company's scrip code of BSE is 508956
- Dematerialisation of Share and Liquidity
The trading in the Equity Shares of the Company has come under compulsory dematerialization w.e.f. 29th January 2001 in terms of the SEBI - Notification No. SMDRP/ POLICY/CIR-23/2000 dated 29th May 2000.
The company has joined the National Securities Depository Ltd.(NSDL) and Central Depository Services (India) Ltd.(CDSL). The ISIN No. allotted to the company is INE549B01016.
As at 31st March 2010, 72,34,982 Equity Shares of the Company are held in dematerialised form constituting 65.39% of the Company's subscribed share capital.

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

Date	High	Low	Close	Volume
9-Apr-09	4.5	3	3.85	33,707
9-May-09	6.17	3.66	6.17	50,789
9-Jun-09	9.99	6.41	9.13	115,115
9-Jul-09	9.24	6.37	7.16	62,714
9-Aug-09	8.14	5.75	8.11	63,779
9-Sep-09	8.86	7.04	7.19	108,903
9-Oct-09	7.8	6.7	7.1	54443
9-Nov-09	7.98	6.33	6.86	58494
9-Dec-09	7.64	6.35	7.52	51238
10-Jan-10	9.25	7	7.77	78,031
10-Feb-10	8.49	6.25	6.6	33,105
10-Mar-10	7.6	6.2	6.23	33,415

IX. Performance in Broad based indices:



X. Stock Performance-Absolute returns

	1 YEAR
HB Leasing	107.67%
BSE Sensex	77.01%
BSE 200	89.60%

XI. Share Transfer System

Share Transfers are registered and returned within a period of 30 days from the date of receipt if the documents are clear in all respects. The authority for transfer of shares has been delegated to a Managing Director for transfer of shares up to a fixed number beyond which the matters are placed before the shareholders/investors grievance Committee, which meets as and when, required. As reported by Company's RTA all valid requests for transfers during the year under review were transferred within the stipulated time limit.

XII. The status of Investor's Grievance Redressal during the year 01-04-2009 to 31-03-2010.

Nature of Grievance	Received during the year	Cleared during the year
Non receipt of dividend	2	2
Non receipt of share certificate(s) after transfer / exchange	4	4
Non receipt of interest on debenture / in exchange of LOA	2	2
Non receipt of Annual Reports	3	3



XIII. The distribution of shareholdings of the company as on 31st March 2010 is as under:

No. of Shares	Shareholders		Shareholding	
	Numbers	% to total	Numbers	% to total
1-5000	36483	97.49	4638473	41.93
5001-10000	533	1.42	407163	3.68
10001-20000	224	0.60	324735	2.94
20001-30000	68	0.18	176648	1.60
30001-40000	38	0.10	133124	1.20
40001-50000	9	0.02	40163	0.36
50001-100000	32	0.09	233984	2.12
100001 and above	37	0.10	5108441	46.18
TOTAL	37424	100	11062731	100

The category-wise distribution of Shareholders as on 31st March, 2010 is as follows:

Category	No. of Shares held	% of shareholding
A. PROMOTERS HOLDING		
1. Indian Promoter	3731464	33.73
2. Foreign Promoter	—	—
B. PUBLIC SHAREHOLDING (Institutions)		
1. Mutual Funds and UTI	1570	0.01
2. Banks/Financial Institutions	510	0.00
3. Foreign Institutional Investors	—	—
C. NON INSTITUTIONAL		
1. Bodies Corporate	1123419	10.15
2. NRIs	159224	1.44
3. Indian Public	6034648	54.55
4. Clearing Members/ Intermediaries	11896	0.11
TOTAL	11062731	100

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

XV. Ms. Rainy Pahuja, Company Secretary acts as the Compliance Officer of the Company.

XVI. Registrar & Transfer Agents:

RCMC Share Registry Pvt. Ltd., B-106, Sector-2, Noida-201301. Phones: 0120-4015880; Fax: 0120-2444346; E-mail: shares@rcmdlhi.com.

XVII. Address for Correspondence
HB Leasing & Finance Co. Ltd
Plot No-31, Echelon Institutional Area,
Sector-32, Gurgaon-122001
Haryana

MANAGING DIRECTOR'S DECLARATION ON CODE OF CONDUCT

To
The Members of
HB Leasing & Finance Company Limited
I, Anil Goyal, Managing Director of the Company declare that all the members of the Board of Directors; and Senior Management of the Company have affirmed compliance with the Code of Conduct.

For HB Leasing & Finance Company Limited

Place : Gurgaon

Date : 27/05/2010

Anil Goyal
Managing Director

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

The company has obtained a Certificate from the Auditors of the Company regarding compliance of Corporate Governance as stipulated in the Listing Agreement with the Stock Exchanges.

CERTIFICATE

To the Members of
HB Leasing & Finance Co. Ltd.

We have examined the compliance of conditions of Corporate Governance by HB Leasing & Finance Co. Ltd. for the year ended on 31st March 2010, as stipulated in clause 49 of the Listing Agreement of the Company with the Stock Exchanges.

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

In our opinion and to the best of our information and according to the explanations given to us, and based on the representations made by the Directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreement.

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

FOR P. BHOLUSARIA & CO.
CHARTERED ACCOUNTANTS
FRN : 000468N

Place : Gurgaon

Date : 27/05/2010

(AMIT GOEL)
PARTNER
(M. No. 92648)



AUDITOR'S REPORT

The Members of

HB LEASING & FINANCE COMPANY LIMITED

We have audited the attached Balance Sheet of **M/s. HB LEASING & FINANCE COMPANY LIMITED** as at 31st March, 2010 and also the Profit and Loss Account and Cash flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statement presentation. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

1. As required by Companies (Auditor's Report) Order, 2003 (as amended) issued by the Central Government of India in terms of section 227 (4A) of the Companies Act, 1956, we annex hereto a statement on the matters specified in paragraphs 4 and 5 of the said order to the extent applicable.
2. Further to our comments in the Annexure referred to in paragraph 1 above, we report that :-
 - a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - b) In our opinion proper books of account as required by law have been kept by the company so far, as appears from our examination of the said books;
 - c) The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - d) In our opinion, the Balance Sheet, Profit & Loss Account and Cash Flow Statement comply with the accounting Standards referred to in Sub Section (3C) of section 211 of the Companies Act, 1956.
 - e) As informed and explained to us, none of the directors of the company is disqualified as on 31st March, 2010 from being appointed as director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.
 - f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts and read together with significant accounting policies and notes (particularly Note No. 11) thereon give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India :-
 - i) In the case of the Balance Sheet of the State of Affairs of the Company as at 31st March, 2010 and
 - ii) In the case of the Profit & Loss account of the Profit for the year ended on that date and
 - iii) In the case of Cash Flow Statement, of the Cash Flow for the year ended on that date.

**FOR P. BHOLUSARIA & CO.
CHARTERED ACCOUNTANTS
FRN : 000468N**

**Place : Gurgaon
Date : 27/05/2010**

**(AMIT GOEL)
PARTNER
(M. No. 92648)**

Annexure to Auditors' Report

Referred to in Paragraph 1 of our report of even date
(Reg.: HB Leasing & Finance Company Limited)

1. a. The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- b. As explained to us, the fixed assets have been physically verified by the management during the year 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. In our opinion, the Company has not disposed of substantial part of fixed assets during the year that would affect going concern status of the Company.
2. a. As explained to us, inventories have been physically verified by the management at reasonable intervals during the year.
- b. In our opinion and according to the information and explanations given to us, the procedure of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- c. The Company has maintained proper records of inventories. As explained to us, no material discrepancies have been noticed on physical verification of inventory as compared to the book records.
3. The Company has neither granted nor taken any loans, secured or unsecured to / from Companies, firms or other parties listed in the Register maintained under section 301 of the Companies Act, 1956.

4. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchases of inventory and fixed assets and for sale of goods. During the year there was no sale of services. During the course of our audit, we have neither come across nor have been informed of any instance of major weakness in the aforesaid internal control system.
5. a. In our opinion and according to the information and explanations given to us, the particulars of contracts for arrangements referred to in Section 301 of the Companies Act, 1956 have been entered into in the register required to be maintained under that Section.
- b. In our opinion and according to the information and explanations given to us, the transactions made in pursuance of such contracts or arrangements have been made at a price which are reasonable having regard to the market price prevailing at the relevant time.
6. The Company has not accepted any deposits from the public during the year.
7. In our opinion the internal audit system of the Company is commensurate with its size and nature of its business.
8. The nature of the company's business/activities is such that Clause 4(viii) of the Companies(Auditor's Report) Order 2003 regarding maintenance of Cost Records is not applicable to the company.
9. a. According to the records of the Company, undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales-Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Cess and other statutory dues as applicable have been generally regularly deposited by the company during the year with the appropriate authorities. According to the information and explanation given to us, no undisputed amount payable in respect of the aforesaid dues were outstanding as at 31st March 2010 for a period of more than Six months from the date of becoming payable.
- b. The disputed statutory dues aggregating to Rs.20,70,090/- that have not been deposited on account of matters pending before appropriate authorities are as under:

Sr. No.	Name of the statute	Nature of the Dues	Forum where Dispute is pending	Amount (Rs.)
1.	Income Tax Act, 1961	Income Tax	Hon'ble Delhi High Court	20,70,090/-
	TOTAL			20,70,090/-

10. The accumulated losses of the company at the Financial year end are less than fifty percent of its net worth. The company has not incurred cash losses during the financial year covered by our audit or in the immediately preceding financial year.
11. Based on our audit procedures and according to the information and explanation given to us, we are of the opinion that the Company has not defaulted in repayment of dues to financial institutions, banks or debenture holders during the year.
12. In our opinion and according to the information and explanation given to us, no loans and advances have been granted by the Company on the basis of security by way of pledge of shares, debentures and other securities.
13. In our opinion, the Company is not a chit fund or a nidhi/mutual benefit fund/society. Therefore, clause 4(xiii) of the Companies (Auditor's Report) order 2003 is not applicable to the company.
14. The Company has maintained proper records of transactions and contracts in respect of trading/ investments in shares, securities, debentures and other investments and timely entries have been made therein. All shares, securities, debentures and other investments have been held by the Company in its own name except for shares given as margin/ pledged or bad deliveries pending for rectification.
15. The Company has not given guarantees for loans taken by others from banks or financial institutions.
16. The Company has not raised any term loans during the year.
17. According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we report that the company has not raised any funds during the year either on long term or on short term basis.
18. During the year, the Company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under Section 301 of the Companies Act, 1956.
19. The Company has neither issued any debentures during the years nor there are any old debentures outstanding, and hence the question of Creating Securities in respect thereof does not arise.
20. The Company has not raised any money by way of public issue during the year.
21. In our opinion and according to the information and explanation given to us, no fraud on or by the Company has been noticed or reported during the year.

**FOR P. BHOLUSARIA & CO.
CHARTERED ACCOUNTANTS
FRN : 000468N**

**Place : Gurgaon
Date : 27/05/2010**

**(AMIT GOEL)
PARTNER
(M. No. 92648)**

HB LEASING AND FINANCE COMPANY LIMITED



BALANCE SHEET AS AT 31ST MARCH 2010

Particulars	Schedule	As at 31.03.2010 (in Rs.)	As at 31.03.2009 (in Rs.)
SOURCES OF FUNDS			
Shareholders Funds			
a) Share Capital	A	110041095	110041095
b) Reserves & Surplus	B	202380888	198887905
Deferred Tax Liability (Net) (Refer Note No. 6)		91759	0
TOTAL		312513742	308929000
APPLICATION OF FUNDS			
Fixed Assets			
Gross Block	C	1265527	5766458
Less : Depreciation		864031	5080810
Net Block		401496	685648
Investments	D	179187686	179047686
		179187686	179047686
Current Assets, Loans & Advances			
a) Stock-in-Trade	E	9412654	10774004
b) Sundry Debtors		10822322	22276042
c) Cash & Bank Balances		2408634	1878925
d) Loans and Advances		18282478	19330081
		40926088	54259052
Less : Current Liabilities & Provisions			
a) Liabilities	G	23512962	43820508
b) Provisions		13953866	24680110
		37466828	68500618
Net Current Assets Profit & Loss Account (As Per Annexed Account)		3459260	-14241566
		129465300	143437232
TOTAL		312513742	308929000
Notes on Accounts and Significant Accounting Policies J			

As per our Report attached of even date

For P. Bholusaria & Co.
Chartered Accountants
FRN : 000468N

Amit Goel
Partner
(M. No. 92648)
Place : Gurgaon
Date : 27/05/2010

C. P. Singh
Chief Financial Officer
Rainy Pahuja
Company Secretary

For and on behalf of the Board

Anil Goyal
Managing Director
Lalit Bhasin
Chairman

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2010

Particulars	Schedules	Current Year (in Rs.)	Previous Year (in Rs.)
INCOME			
Income from Operation & Other Income	H	23803507	16051162
TOTAL		23803507	16051162
EXPENDITURE			
Administrative & Other Expenses	I	4368703	5005368
Depreciation		321152	281583
TOTAL		4689855	5286951
Profit for the year before Taxation		19113651	10764211
Provision For Taxation			
— Current		1500000	1350000
— Deferred		91759	-
— Fringe Benefit Tax		-	70000
Tax Adjustment for Earlier Year		56978	-261108
Profit for the year after Taxation		17464914	9605319
Transferred to Statutory Reserve Fund		3492983	1921064
Effect of earlier Year on Account of Accounting Standard-15 (Refer Note No.9)		0	86587
Balance Brought Forward		-143437232	-151208074
Balance Carried to Balance Sheet		-129465300	-143437232
Basic & Diluted Earning Per Share In Rs.		1.58	0.87
Notes on Accounts and Significant Accounting Policies J			

As per our Report attached of even date

For P. Bholusaria & Co.
Chartered Accountants
FRN : 000468N

Amit Goel
Partner
(M. No. 92648)
Place : Gurgaon
Date : 27/05/2010

C. P. Singh
Chief Financial Officer
Rainy Pahuja
Company Secretary

For and on behalf of the Board

Anil Goyal
Managing Director
Lalit Bhasin
Chairman

SCHEDULE 'A' : SHARE CAPITAL

Particulars	As at 31.03.2010 (in Rs.)	As at 31.03.2009 (in Rs.)
AUTHORISED		
2,00,00,000 Equity Shares of Rs.10/-each	200000000	200000000
50,00,000 Redeemable Preference Shares of Rs.10/-each	50000000	50000000
	250000000	250000000
ISSUED		
1,11,83,681 Equity Shares of Rs.10/- each	111836810	111836810
SUBSCRIBED, CALLED-UP AND PAID-UP		
1,10,62,731 Equity shares of Rs.10/- each	110627310	110627310
LESS :		
Allotment Money Receivable (Other than Directors)	586215	586215
TOTAL	110041095	110041095

SCHEDULE "C" FIXED ASSETS AS ON 31.03.2010

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	Opening As at 1.04.2009	Additions during the year	Deletions during the year	As on 31.03.2010	Upto 31.03.2009	For the year	Adjustments	Total upto 31.03.2010	As at 31.03.2010	As at 31.03.2009
Office Equipments	602430	-	-	602430	435678	28615	-	464293	138137	166752
Vehicles	582208	-	531675	50533	535134	4801	531675	8260	42273	47074
Furniture & Fixture	3291070	-	3244771	46299	3003739	248612	3244771	7580	38719	287331
Data Processing Machinery	832750	37000	761485	108265	801795	17369	761485	57679	50586	30955
Air Conditioners	458000	-	-	458000	304464	21755	-	326219	131781	153536
TOTAL	5766458	37000	4537931	1265527	5080810	321152	4537931	864031	401496	685648
PREVIOUS YEAR	5762200	50533	46275	5766458	4845502	281583	46275	5080810	685648	916698

SCHEDULE 'B': RESERVES AND SURPLUS

Particulars	As at 31.03.2010 (in Rs.)	As at 31.03.2009 (in Rs.)
SHARE PREMIUM A/C		
As Per Last Year	182029190	182029190
Less : Allotment Money Receivable (Other than Directors)	1432491	1432491
	180596699	180596699
INVESTMENT ALLOWANCE (UTILISED) RESERVE A/C		
As Per Last Year	2020864	2020864
CAPITAL RESERVE		
As Per Last Year	99875	99875
STATUTORY RESERVE FUND*		
As Per Last Year	16170467	14249403
Addition During the Year	3492983	1921064
	19663450	16170467
TOTAL	202380888	198887905

*Created pursuant to Reserve Bank of India Act, 1997.

SCHEDULE 'D' - INVESTMENTS (LONG-TERM) - OTHER THAN TRADE

S. No.	Name of the Company	Face Value (Rs.)	As at 31st March, 2010		As at 31st March, 2009	
			Qty.(Nos.)	Amount(Rs.)	Qty.(Nos.)	Amount(Rs.)
A. QUOTED FULLY PAID UP EQUITY SHARES						
1.	Crompton Greaves Ltd	2	85750	140000	0	0
2.	Unitech Ltd	2	361606	174047686	361606	174047686
SUB TOTAL (A)			447356	174187686	361606	174047686
B. UNQUOTED FULLY PAID-UP REDEEMABLE PREFERENCE SHARES						
1.	HB Securities Ltd(6% Cumulative) (A Company under the same Management)	1000	5000	5000000	5000	5000000
SUB TOTAL (B)			5000	5000000	5000	5000000
GRAND TOTAL (A + B)			452356	179187686	366606	179047686

- Market Value of Quoted Investments Rs,4,89,31,205/- (Previous Year Rs. 1,26,38,130/-)
- Aggregate cost of Unquoted Investments Rs,50,00,000/- (Previous Year Rs. 50,00,000/-)
- Investments costing Rs 4,82,71,858/- were lying/pledged as margin as at the year end (Previous Year Rs.4,81,31,858/-).

SCHEDULE 'E' : CURRENT ASSETS, LOANS AND ADVANCES

Particulars	As at	As at
	31.03.2010 (in Rs.)	31.03.2009 (in Rs.)
A. CURRENT ASSETS		
Closing Stock of Shares/Debentures (as per Schedule F) as taken, valued and certified by the Management)	9412654	10774004
	9412654	10774004
Sundry Debtors (Unsecured considered good unless otherwise stated)		
Outstanding Exceeding Six Months		
Considered Doubtful	10822322	20564664
Outstanding Less than Six Months		
Considered Good	0	1711378
	10822322	22276042
Cash in Hand (As certified by Management)	333885	333885
Bank balances with Scheduled Banks:		
- In Current Accounts	1072185	1545040
- In FDR's Accounts	1000000	0
- Interest Accrued on FD	2564	0
	2408634	1878925
TOTAL 'A'	22643611	34928971

SCHEDULE 'E' : CURRENT ASSETS, LOANS AND ADVANCES (Contd...)

Particulars	As at	As at
	31.03.2010 (in Rs.)	31.03.2009 (in Rs.)
B. LOANS AND ADVANCES		
(Unsecured considered good, unless otherwise stated)		
Loans (including interest receivable Rs.4,70,466/- (Previous year Rs.4,70,466/-)		
Considered Good	0	0
Considered Doubtful	0	578405
Dividend Receivable	0	10850
Advance recoverable in Cash or in Kind or for value to be received		
Considered Good	265255	380308
Considered Doubtful	1372176	1715079
Advance Tax & Tax Deducted at Source	5069362	5067474
Security Deposits (Including Margin Money Deposits)	11575685	11577965
TOTAL 'B'	18282478	19330081
TOTAL 'A'+ 'B'	40926088	54259052

SCHEDULE 'F' - STOCK - IN - TRADE

S. No.	Name of the Company	Face Value (Rs.)	As at 31st March, 2010		As at 31st March, 2009	
			Qty.(Nos.)	Amount(Rs.)	Qty.(Nos.)	Amount(Rs.)
QUOTED FULLY PAID UP EQUITY SHARES						
1	Agrotech India Ltd.	10	40400	0	40400	0
2	Andhra Cement Co.Ltd.	10	550	0	550	0
3	Baroda Rayon Corp. Ltd.	10	7055	0	7055	0
4	Digital World India Ltd	10	127900	0	127900	0
5	EIH Ltd.	2	375	8544	375	8544
6	Essar Oil Ltd	10	2177	301188	2177	157941
7	Haryana Petro Ltd	10	1200	0	1200	0
8	Hotline Glass Ltd.	10	400	0	400	260
9	Kalyan Sundram Cement Ltd.	10	8970	0	8970	0
10	Malanpur Steel Ltd.	10	1968	0	1968	0
11	Mansinghka Oil Products Ltd.	10	300100	0	300100	0
12	Mawana Sugar Ltd.	10	43590	1266289	49484	809063
13	Modi Rubber Ltd.	10	5906	0	5906	0
14	Mohan Meakin Ltd.	5	800	0	800	0
15	Oswal Agro Mills Ltd.	10	192800	0	192800	0
16	Prakash Industries Ltd	10	50	1100	50	1100
17	Reliance Communications Ltd.	5	14	2389	14	2444
18	Reliance Industries Ltd.	10	28	1985	14	1985
19	Royal Orchid Hotels Ltd.	10	496	37944	496	20336
20	RRB Securities Ltd.	10	100000	3450000	100000	3450000
21	S.R.F. Ltd.	10	170	33549	170	12665
22	STI Granite Ltd.	10	60000	0	60000	0
QUOTED PARTLY PAID UP EQUITY SHARES						
1	Baroda Rayon Corp Ltd.	10	3527	0	3527	0
2	Ceat Ltd.	10	650	0	650	0
3	Kalyan Sundram Cement Ltd.	10	182060	0	182060	0
4	Nahar International Ltd.	10	41300	0	41300	0
SUB TOTAL (A)			1122486	5102988	1128366	4464338

SCHEDULE 'F' - STOCK - IN - TRADE

S. No.	Name of the Company	Face Value (Rs.)	As at 31st March, 2010		As at 31st March, 2009	
			Qty.(Nos.)	Amount(Rs.)	Qty.(Nos.)	Amount(Rs.)
UNQUOTED FULLY PAID UP EQUITY SHARES						
1	Taurus Investment Trust Co. Ltd.	10	14380	149800	14380	149800
2	Harsai Investments Co. Ltd.	10	200000	0	200000	2000000
3	QR Properties Pvt. Ltd.	10	5900	59000	5900	59000
UNQUOTED FULLY PAID-UP PREF.SHARES						
1	HB Tele Communications Ltd. (2% Non Cumulative)	10	10000	100000	10000	100000
UNQUOTED SHARE APPLICATION						
1	Core Telecom Pvt. Ltd.	10	250000	0	250000	0
2	Solid Portfolio Pvt. Ltd.	10	250000	0	250000	0
WITH MUTUAL FUND - (Unquoted)						
1	Taurus Mutual Fund-Libra Tax Shield-96	10	400000	4000000	400000	4000000
2	UTI Master Gain	10	26100	866	26100	866
SUB TOTAL (B)			1156380	4309666	1156380	6309666
GRAND TOTAL (A + B)			2278866	9412654	2284746	10774004

SCHEDULE 'G': CURRENT LIABILITIES AND PROVISIONS

Particulars	As at 31.03.2010 (in Rs.)	As at 31.03.2009 (in Rs.)
A. CURRENT LIABILITIES		
i) Sundry Creditors	-	-
- Due to Micro & Small Enterprises	-	-
- Others	183488	314180
ii) Advance From Customers	23250000	43400000
iii) Other Liabilities	79474	106328
TOTAL (A)	23512962	43820508
B. PROVISIONS		
i) For Sub Standard/ Doubtful Assets	12194498	22858148
ii) For Leave Encashment	197819	275219
iii) For Loss on Equity Derivative Instruments	61549	126743
iv) For Fringe Benefit Tax	0	70000
v) For Income Tax	1500000	1350000
TOTAL (B)	13953866	24680110
TOTAL (A+B)	37466828	68500618

SCHEDULE 'H' - INCOME FROM OPERATIONS & OTHER INCOME

Particulars	Current Year (in Rs.)	Previous Year (in Rs.)
Profit on Sale/Purchase of Shares and Valuation Profit/Loss (Net)	14171187	-6808474
Profit(-Loss) in Securities/Equity Derivative Dealings (Net)	9106575	-78008374
Profit From Sale of Properties	0	10000000
Dividend Income -On Stock in Trade	155108	218608
- On Long Term Investments (Other than Trade)	104760	259868
	90402	309010
Miscellaneous Income	265877	559000
TOTAL	23803507	16051162

SCHEDULE 'I' : ADMINISTRATIVE AND OTHER EXPENSES

Advertisement	53116	41307
Contribution to Provident Fund, E.S.I.& Gratuity Fund	175652	197862
Legal & Professional	349880	985095
Miscellaneous	91751	93589
Communication	403820	467491
Printing & Stationery	147870	137310
Rent and Facilities	316608	322031
Salaries & benefits	1836109	1892747
Book & Periodicals	44210	36709
Listing Fees	33090	33251
Insurance	4200	7788
Directors Sitting Fees	175000	156000
Travelling & Conveyance	439189	410196
Vehicle Running & Maintenance	119159	107616
Depository & Custodial	37921	22793
Other Repair and Maintenance	16454	2984
Staff Welfare	37534	14711
Bad Debts & Advances written off	10663650	
Less: Provision for Substandard/ Doubtful Assets w/Back	10663650	0
Auditor's Remuneration		
Audit Fees	41363	41363
Tax Audit Fees	16545	16545
Others	29232	17980
	87140	75888
TOTAL	4368703	5005368

SCHEDULE - 'J'
NOTES ON ACCOUNTS AND SIGNIFICANT ACCOUNTING POLICIES ANNEXED TO AND FORMING PART OF THE STATEMENT OF ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2010.
I. SIGNIFICANT ACCOUNTING POLICIES

- (a) i) The Financial Statements have been prepared under the Historical Cost Convention method in accordance with the generally accepted Accounting Principles and the Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956.
- ii) USE OF ESTIMATES :- The preparation of financial statements in conformity with generally accepted accounting principles (GAAP) requires Management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosures of contingent liabilities on the date of financial statements and reported amounts of revenue and expenses for that year. Actual results could differ from these estimates. Any revision to accounting estimates is recognized prospectively in current and future periods.
- (b) Income and expenditure are accounted for on accrual basis.
- (c) Depreciation has been charged on all assets at the rates specified in Schedule-XIV to the Companies Act, 1956 on straight line method.
- (d) Stock-in-trade is valued scrip-wise at cost or fair market value/realizable value whichever is lower.
- (e) Investments :- Long term Investments are stated at cost. Provision for diminution in the value of Long Term Investments is made only if such a decline is other than temporary. Provision for loss in respect of open equity derivative instruments as at the Balance Sheet date is made indexwise/scripwise. As a matter of prudence, any anticipated profit is ignored.
- (g) Employee Benefits :- Employee Benefits are recognized/accounted for on the basis of revised AS-15 detailed as under :-
 - i) Short Term Employee benefits are recognized as expense at the undiscounted amount in the Profit & Loss account of the year in which they are incurred.
 - ii) Employee benefits under defined contribution plans comprise of contribution to Provident Fund which are deposited with appropriate authorities and charged to Profit & Loss account.
 - iii) Employee Benefits under defined benefit plans comprise of gratuity and leave encashment which are accounted for as at the year end based on actuarial valuation by following the Projected Unit Credit (PUC) method. Liability for gratuity is funded with Life Insurance Corporation of India.
 - iv) Termination benefits are recognized as an Expense as and when incurred.
 - v) The actuarial gains and losses arising during the year are recognized in the Profit & Loss account of the year without resorting to any amortization.
- (h) Tax expenses for the period comprises of current tax and deferred tax charge or credit. The deferred tax asset and deferred tax liability is calculated by applying tax rates and tax laws that have been enacted or substantially enacted by the Balance Sheet date. Deferred tax assets arising mainly on account of brought forward losses and unabsorbed depreciation under tax laws are recognise, only if there is a virtual certainty of its realisation. Other deferred tax assets are recognised only to the extent there is a reasonable certainty of realisation in future. Deferred tax assets/liabilities are reviewed at each balance sheet date based on developments during the period, further future expectations and available case laws to reassess realisation/liabilities.
- (i) Impairment of Fixed Assets : Consideration is given at each balance sheet date to determine whether there is any indication of impairment of the carrying amount of the Company's Fixed Assets. If any indication exists, an asset's recoverable amount is estimated. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value based on an appropriate discount factor. Reversal of impairment losses recognised in prior years is recorded when there is an indication that the impairment losses recognised for the asset no longer exist or have decreased. However, the increase in carrying amount of an asset due to reversal of an impairment loss is recognised to the extent it does not exceed the carrying amount that would have been determined (net of depreciation) had no impairment loss been recognised for the asset in prior years.
- (j) Contingencies :- The company creates a provision when there is present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.



HB LEASING AND FINANCE COMPANY LIMITED

II. NOTES ON ACCOUNTS

1. Due from HB Securities Ltd., a Company under the same management :-

Head	Outstanding Balance as on 31.03.2010	Maximum balance outstanding during the year
a. Sundry Debtors	Nil (Nil)	27,47,954/- (58,92,055/-)
b. Loans & Advances	Nil (Nil)	Nil (1,72,50,000/-)

2. Contingent Liabilities not provided for

Particulars	Current Year	Previous Year
(a) Income tax demands disputed including interest etc. against which appeals are pending with appropriate authorities	68,52,164/-	1,36,79,205/-
(b) Claims against the Company not acknowledged as debts	1,58,02,781/-	1,58,02,781/-

3. In the opinion of the management, current assets, loans and advances are approximately of the value stated if realised in the ordinary course of business.
 4. In the opinion of management, there are no separate reportable segments as per accounting standard – segment reporting (AS-17).
 5. Disclosure of related party transaction in accordance with Accounting Standard (AS-18) 'Related Party Disclosures' is as per annexure attached.
 6. Breakup of Deferred Tax Asset/Liability is as follows :-

	As on 31.03.2010	As on 31.03.2009
a) Deferred tax asset		
- Expenses allowable u/s 43B of Income Tax Act.	65,711/-	—
b) Deferred tax liability		
- Fixed Assets	1,57,470/-	—
Net Deferred Tax Liability (b – a)	91,759/-	—

7. Earning Per Share :-

Particulars	Current Year	Previous Year
— Net Profit for the year as per Profit & Loss account	1,74,64,914	96,05,319
— Weighted average no. of equity Shares outstanding.	1,10,62,731	1,10,62,731
— Basic and Diluted Earning per share (Face value of Rs.10/- each)	1.58	0.87

8. Operating Lease (Disclosure pursuant to Accounting Standard AS-19 for Leases)

- a) Particulars of the minimum lease payments under Operating Lease :-
- Not Later than One year Rs.3,16,608/-
(Previous year Rs. 3,16,605/-)
 - Later than one year, but not later than five years Rs. Nil
(Previous year Rs. Nil)
 - Later than five years Rs. Nil
(Previous year Nil)
- b) Minimum lease payments recognised in the statement of profit & loss account during the period ended 31st March 2010 is Rs. 3,16,608/- (Previous year Rs. 3,22,031/-)
- c) General description of the lease arrangement.
- The Lessee shall not sublet or otherwise part with possession of a part or whole of the premise without the previous consent in writing of the lessor.
 - The lessee shall use the premises for commercial purposes only.
 - The lease can be terminated by the lessee by serving one month notice to the lessor.

9. Disclosure pursuant to Accounting Standard – 15

- a) The company has, adjusted Rs.Nil (Previous Year Rs.86,587/-) towards the earlier years effect of defined benefit obligation in respect of employee benefits in the Profit & Loss Account below the line.
 b) Defined Contribution Plan
 Amount recognized as expense for defined contribution plans are as under :-

Particulars	Amount (in Rs.)	
	Current Year	Previous Year
Contribution to Provident Fund	1,27,450/-	1,38,384/-
Head under which shown in Profit & Loss Account	Contribution to Provident Fund, ESI and Gratuity Fund	

c) Defined Benefit Plan
 Movement in net liability

Particulars	Gratuity (Funded)		Leave Encashment (unfunded)	
	Current Year	Previous Year	Current Year	Previous Year
Present value of obligations as at beginning of the year (A)	586891	584765	275219	241265
Adjustment for increase (Decrease) in opening obligation (B)	(—)	(86587)	—	—
Interest Cost (C)	46951	39854	22018	19301
Current service cost (D)	36467	37559	15324	27684
Benefits paid (E)	—	—	97175	—

Particulars	Gratuity (Funded)		Leave Encashment (unfunded)	
	Current Year	Previous Year	Current Year	Previous Year
Actuarial (gain)/loss on obligation (F)	5406	11300	(17567)	(13031)
Present value of obligations as at end of the year (G=A+B+C+D-E+F)	675715	586891	197819	275219

d) The amounts recognized in the balance sheet and Profit & loss account are as follows:

Particulars	Gratuity (Funded)		Leave Encashment (unfunded)	
	Current Year	Previous Year	Current Year	Previous Year
Present value of obligation (A)	675715	586891	197819	275219
Estimated fair value of plan assets (B)	690882	597749	Nil	Nil
Net Liability / (Asset) (C=A-B)	(15167)	(10858)	197819	275219

Amounts in the Balance Sheet

Liabilities / (Asset)	(15167)	(10858)	197819	275219
-----------------------	---------	---------	--------	--------

Amount charged to Profit & Loss Account

Current Service Cost	36467	37559	15324	27684
Interest Cost	46951	39854	22018	19301
Expected Return on Plan Asset	(56906)	(49355)	Nil	Nil
Actuarial(Gain)/Loss	5406	11300	(17567)	(13031)
	31918	39358	19775	33954
Head under which shown in the Profit & Loss account	Contribution to Provident, ESI and Gratuity Fund		Salary & benefits	

e) The Actual Return on Plan Assets is as follows:

Sl. No.	Particulars	Gratuity	
		Current Year	Previous Year
i)	Actual return on plan assets	56906	49355

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

Particulars	Gratuity	
	Current Year	Previous Year
Discount Rate	8%	8%
Expected Rate of Return on Plan Assets	9%	9%
Salary Escalation Rate	6%	5%

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

Sl. No.	Particulars	Gratuity	
		Current Year	Previous Year
	Opening Fair Value of Plan Assets	597749	548390
i)	Expected Return on Plan Assets	56906	49355
ii)	Actuarial Gains / (Losses)	—	—
iii)	Contribution by the Employer	36227	4
iv)	Benefits Paid	—	—
	Closing Fair Value of Plan Assets	690882	597749

10. Quantitative information in respect of Securities traded in -

Opening Stock		Purchases/Addition	
Qty(Nos.)	Value (Rs.)	Qty(Nos.)	Value (Rs.)
2284746	10774004	38014	390690
(2311582)	(20267154)	(—)	(—)
Sales/Deduction		Closing Stock	
Qty(Nos.)	Value (Rs.)	Qty(Nos.)	Value (Rs.)
43894	15923226	2278866	9412654
(26836)	(2833507)	(2284746)	(10774004)

Note : Figures in brackets pertain to previous year.

11. In the opinion of management, no provisions is required to be made for diminution amounting to Rs.14,75,05,806/- (Previous year : Rs.16,14,09,556/-) in the value of long term investments as the same is considered to be temporary.
 12. Miscellaneous Income includes Rs.18,877/- (Previous Year Rs.Nil) interest income on FDR (TDS Rs.1,888/- (Previous Year Rs.Nil) and Rs.2,47,000/- (Previous Year NIL) being the recovery of certain shares earlier written off.



13. a) To the extent information available with the company, Sundry Creditors include Nil, (Previous year Nil) due to Small Scale Industrial Undertaking.
 b) The company has not received any information from suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006. To the extent information available with the company, the company does not owe any sum including interest required to be disclosed under the said Act.
14. Disclosure pursuant to Guidance Note issued by The Institute of Chartered Accountants of India on 'Accounting for Equity Index & Equity Stock Futures & Options':-
- a) Cash Margin amounting to Rs.Nil (Previous year Rs.Nil) on equity derivative instruments contracts has been paid and also Shares/Securities costing Rs.4,82,71,858/- were given as margin as at the year end (Previous year – Rs.4,81,31,858/-)
- b) Detail of open interest in Equity Stock Future Contracts as at the year end 31st March, 2010 :-

Name of Equity Stock Future	No. of Contracts	Units (In Nos.) (Long)	Units (In Nos.) (Short)
Crompton Greaves	50 (-)	87500 (-)	- (-)
IFCI	4 (1)	31520 (15760)	- (-)
Ispat Industries Ltd.	4 (2)	49800 (49800)	- (-)
JP Associates Ltd.	12 (16)	20256 (72000)	- (-)
JP Power Ven. Ltd.	6 (3)	18750 (37500)	- (-)
Firstsource Solutions Ltd.	4 (-)	38000 (-)	- (-)
Power Grid Ltd.	- (6)	- (23100)	- (-)
Unitech Ltd.	4 (1)	18000 (9000)	- (-)
Suzlon Energy Ltd.	3 (-)	9000 (-)	- (-)

Note: Figures in brackets pertain to previous year.

15. The previous year figures have been regrouped/rearranged wherever considered necessary.
16. Additional information pursuant to Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007 is annexed.
17. Additional information pursuant to Part IV of Schedule VI to the Companies Act, 1956 is annexed.
18. Schedule A to J form an integral part of our accounts.

For and on behalf of the Board

C. P. Singh **Anil Goyal** **Lalit Bhasin**
 Chief Financial Officer Managing Director Chairman
Rainy Pahuja
 Company Secretary

Place : Gurgaon
 Date : 27/05/2010

ANNEXURE REFERRED TO IN NOTE NO. 5 OF SCHEDULE 'J' TO THE ACCOUNTS. RELATED PARTY DISCLOSURES

(AS IDENTIFIED BY MANAGEMENT AND RELIED UPON BY AUDITORS)

As per Accounting Standard(AS-18) on Related Party Disclosures, the disclosure of transaction with the Related Party as defined in the Accounting Standard are given below :-

Name of Related Party, relationship and transactions with them during the year.

- 1) Companies under direct/indirect common influence
- HB Securities Ltd.
 - HB Estate Developers Ltd.
 - RRB Master Securities Delhi Ltd.
 - RRB Securities Ltd.

- 2) Person having direct/indirect significant influence
- i) Sh.Lalit Bhasin

2. Transactions during the year with Related Parties. (Amount in Rs.)

Sl. No.	Nature of Transaction	Referred to in 1 above	Referred to in 2 above
1	Advance / Margin paid	57,50,000 (1,62,50,000)	
2	Advance / Margin recovered	57,50,000 (1,77,50,000)	
3	Sale of Securities through them	1,58,39,014 (27,20,752)	
4	Purchase of Securities through them	2,43,430 (Nil)	

5	Net derivative trading	91,68,124 (7,79,02,203)	
6	Dividend received	1,00,000 (1,50,000)	
7	Rent paid	3,16,608 (3,22,031)	
8	Depository charge paid	4831 (321)	
9	Sitting Fee paid	Nil (Nil)	65,000 (58,000)
10	Outstanding as on 31.03.10		
11	- Receivable in respect of Security Deposit Paid for Premises on Rent	1,15,00,000 (1,15,00,000)	

Note : Figures in bracket relates to previous year.

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

1. Registration Details

Registration No. 34071
 State Code 05
 Balance Sheet Date 31.03.2010

2. Capital Raised during the year (Amount in Rs. Thousands)

Public Issue NIL
 Right Issue NIL
 Bonus Issue NIL
 Private Placement NIL

3. Position of Mobilisation and Deployment of Funds (Amount in Rs. Thousands)

Total Liabilities 312514 Total Assets 312514

Sources of Funds

Paid - up Capital 110041 Reserve & Surplus 202381
 Deferred Tax Liability 92

Application of Funds

Net Fixed Assets 402 Investments 179188
 Net Current Assets 3459 Misc. Expenditure -
 Accumulated Losses 129465

4. Performance of Company (Amount in Rs.Thousands)

Turnover 23804 Total Expenditure 4690
 +/- Profit/Loss Before Tax 19114 +/- Profit/Loss After Tax 17465
 Earning Per Share in Rs. (Annualised) 1.58 Dividend Rate % Nil

5. Generic Names of Three Principal Products/Services of Company (as per Monetary terms)

Item Code No. : N.A.
 Product Description : Dealing in Sales/Purchase of Securities.
 Item Code No. : N.A.
 Product Description :
 Item Code No. : N.A.

As per our Report attached of even date

For P. Bholusaria & Co.
 Chartered Accountants
 FRN : 000468N

For and on behalf of the Board

Amit Goel **C. P. Singh** **Anil Goyal** **Lalit Bhasin**
 Partner Chief Financial Officer Managing Director Chairman
 M. No. 92648

Place : Gurgaon **Rainy Pahuja**
 Date : 27/05/2010 Company Secretary

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2010
 (Amount in '000)

	Year Ended 31st March, 2010	Year Ended 31st March, 2009
A) CASH FLOW FROM OPERATION ACTIVITIES		
Net Profit/(Loss) Before Tax	19114	10764
Adjustment for :		
Depreciation	321	282
Provision for Gratuity	32	39
Profit On Sale of Property	0	-100000
Provision for Leave encashment	20	34
Dividend on Long Term Investments	-104	-90
Operating Profit before Working Capital Changes	19383	-88971
Adjustment for:		
Trade and other Receivables	1840	-89
Inventories	1244	9493
Trade payables	-20385	-16370
Cash Generated from Operations	2082	-95937
Cash Flow Before Extra Ordinary Items	2082	-95937
Extra Ordinary Items	0	0
Tax paid	-1479	-3405
NET CASH FROM OPERATING ACTIVITIES	603	-99342
(B) CASH FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	-37	-51
Sale of Fixed Assets	0	9
Dividend Income on Long Term Investments	104	90
Interest	0	0
Purchase of Investments	-140	-20000
Sale Of Investments	0	120000
NET CASH FROM INVESTING ACTIVITIES	-73	100048
(C) CASH FROM FINANCING ACTIVITIES		
NET FLOW IN CASH AND CASH EQUIVALENTS (A+B+C)	530	706
CASH AND CASH EQUIVALENTS (Op. Bal.)	1879	1173
CASH AND CASH EQUIVALENTS (Cl. Bal.)	2409	1879

As per our Report attached of even date

For P. Bholusaria & Co.

For and on behalf of the Board

Chartered Accountants

FRN : 000468N

Amit Goel
C. P. Singh
Anil Goyal
Lalit Bhasin

Partner

Chief Financial Officer

Managing Director

Chairman

M. No. 92648

Place : Gurgaon

Rainy Pahuja

Date : 27/05/2010

Company Secretary

SCHEDULE TO THE BALANCE SHEET OF HB LEASING & FINANCE CO. LTD AS ON 31.03.2010 (AS REQUIRED IN TERMS OF PARAGRAPH 13 OF NON-BANKING FINANCIAL (NON-DEPOSIT ACCEPTING OR HOLDING) COMPANIES PRUDENTIAL NORMS (RESERVE BANK) DIRECTIONS, 2007)

(Rs. in lakhs)

Particulars	Amount Outstanding	Amount Overdue
Liabilities side :		
(1) Loans and advances availed by the NBFCs inclusive of interest accrued thereon but not paid:		
(a) Debentures : Secured	Nil	Nil
: Unsecured (other than falling within the meaning of public deposits)	Nil	Nil
(b) Deferred Credits	Nil	Nil
(c) Term Loans	Nil	Nil
(d) Inter-corporate loans and borrowing	Nil	Nil
(e) Commercial Paper	Nil	Nil
(f) Public Deposits	Nil	Nil
(g) Other Loans (specify nature)	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
(b) In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	Nil	Nil
(c) Other public deposits	Nil	Nil
Particulars	Amount Outstanding*	
Assets side :		
(3) Break-up of Loans and Advances including bills receivables [other than those included in (4) below] :		
(a) Secured		—
(b) Unsecured		118.41
* Net of Provisions		

Particulars	Amount Outstanding*		
(4) Break-up of Leased Assets and stock on hire and hypothecation loans counting towards EL/HP activities			
(i) Lease assets including lease rentals under sundry debtors :			
(a) Financial lease	—		
(b) Operating lease	—		
(ii) Stock on hire including hire charges under sundry debtors :			
(a) Assets on hire	—		
(b) Repossessed Assets	—		
(iii) Hypothecation loans counting towards EL/HP activities			
(a) Loans where assets have been repossessed	—		
(b) Loans other than (a) above	—		
(5) Break-up of Investments :			
Current Investments *			
1. Quoted :			
(i) Shares : (a) Equity	51.03		
(b) Preference	Nil		
(ii) Debentures and Bonds	—		
(iii) Units of mutual funds	—		
(iv) Government Securities	—		
(v) Others (please specify)	—		
2. Unquoted :			
(i) Shares : (a) Equity	2.09		
(b) Preference	1		
(ii) Debentures and Bonds	—		
(iii) Units of mutual funds	40		
(iv) Government Securities	—		
(v) Others (please specify)	—		
Long Term investments :			
1. Quoted :			
(i) Shares : (a) Equity	1741.88		
(b) Preference	—		
(ii) Debentures and Bonds	—		
(iii) Units of mutual funds	—		
(iv) Government Securities	—		
(v) Others (please specify)	—		
2. Unquoted :			
(i) Shares : (a) Equity	—		
(b) Preference	50.00		
(ii) Debentures and Bonds	—		
(iii) Units of mutual funds	—		
(iv) Government Securities	—		
(v) Others (please specify)	—		
(6) Borrower group-wise classification of all leased assets, stock-on-hire and loans and advances :			
Category	Amount net of provisions		
	Secured	Unsecured	Total
1. Related Parties	—	—	—
(a) Subsidiaries	—	—	—
(b) Companies in the same group	—	—	—
(c) Other related parties	—	115.00	115.00
2. Other than related parties	—	3.41	3.41
Total	—	118.41	118.41
* Stock-in-Trade			
(7) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):			
Category	Market Value/Break up or fair value or NAV	Book Value (Net of Provisions)	
1. Related Parties **			
(a) Subsidiaries	—		—
(b) Companies in the same group	50.00		50.00
(c) Other related parties	34.50		34.50
2. Other than related parties	584.51		1801.50
Total	669.01		1886.00
(8) Other information			
Particulars	Amount		
(i) Gross Non-Performing Assets			
(a) Related parties			—
(b) Other than related parties			228.58
(ii) Net Non-Performing Assets			
(a) Related parties			—
(b) Other than related parties			Nil
(iii) Assets acquired in satisfaction of debt			—

Folio No.

(To be filled in by the Shareholder)

No. of Shares



HB LEASING AND FINANCE COMPANY LIMITED

PROXY FORM

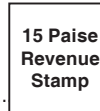
I/We
of.....
being a member(s) of **HB LEASING AND FINANCE COMPANY LIMITED**, hereby appoint.....
.....
of or failing
him/her of

as my/our proxy to attend and vote for me/us on my/our behalf at the 27th Annual General Meeting of the Company to be held on Friday, 20th day of August, 2010 and at any adjournment thereof. As witness my hand/our hands this day of 2010.

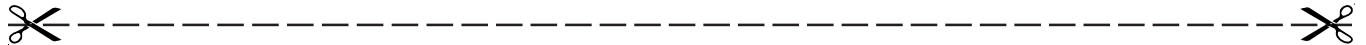
Client Id :

DP ID :

Signed by the Said :



NOTE : The proxy must be deposited at the Registered Office of the Company at Plot No. 31, Echelon Institutional Area, Sector - 32, Gurgaon - 122 001 (Haryana) not less than 48 hours before the time of holding the Meeting.



HB LEASING AND FINANCE COMPANY LIMITED

ATTENDANCE SLIP

27th ANNUAL GENERAL MEETING

Time : 12.00 Noon, Friday, 20th day of August, 2010

Place : GIA House, I.D.C. Mehrauli Road, Opp. Sector - 14, Gurgaon - 122 001, Haryana

FULL NAME OF THE FIRST SHAREHOLDER.....

Joint Shareholders, if any.....

Father's/Husband's Name

Address in full.....

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

I/We hereby record my presence at the 27th Annual General Meeting held on 20th August, 2010 at 12.00 Noon at GIA House, I.D.C. Mehrauli Road, Opp. Sector - 14, Gurgaon - 122 001, Haryana

Folio No. : No. of Shares :

Client ID :

DP ID :

Signature.....

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

BOOK POST

If Undelivered please return to :-



HB LEASING AND FINANCE COMPANY LIMITED

Plot No. 31, Echelon Institutional Area,
Sector-32, Gurgaon - 122 001, Haryana

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