

HB PORTFOLIO LIMITED

Regd. Office : Plot No. 31, Echelon Institutional Area, Sector - 32, Gurugram -122001 (Haryana)
Ph.:0124-4675500, Fax:0124-4370985, E-mail:corporate@hbportfolio.com
Website : www.hbportfolio.com, CIN : L67120HR1994PLC034148

August 16, 2019

Listing Centre

The Listing Department
Bombay Stock Exchange Limited,
Pheroze Jeejeebhoy Towers,
Dalal Street, Fort
Mumbai - 400 001

Company Code: 532333

CORRIGENDUM: Submission of 24th Annual Report (2018 – 2019)

Dear Sir / Madam,

Due to inadvertence, incorrect copy of full Annual Report 2018-19 was submitted by the Company on 14th August, 2019.

Hence, please find enclosed herewith final copy of Annual Report 2018-19 (both full and Abridged) along with the Notice of the AGM being dispatched to the Shareholders of the Company in the manner prescribed under Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Annual Report (both full and Abridged) along with the Notice of the AGM has also been uploaded on the Company's website, <http://www.hbportfolio.com>

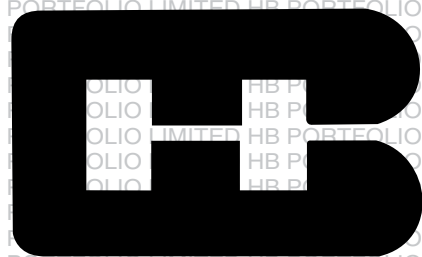
You are requested to take the same on record in due compliance with Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Thanking you,
Yours Faithfully,
For **HB PORTFOLIO LIMITED**

DINESH KAPOOR
(Company Secretary & Compliance Officer)

Encl: As above

24th Annual Report 2018 - 19



HB PORTFOLIO LIMITED

**BOARD OF DIRECTORS**

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

COMPANY SECRETARY

Mr. Dinesh Kapoor

CHIEF FINANCIAL OFFICER

Mr. Himanshu Kansal

STATUTORY AUDITORS

G. C. Agarwal & Associates

Firm Registration No.: 017851N

Chartered Accountants

240, Ghalib Apartments

Parwana Road, Pitampura,

Delhi - 110 034

REGISTERED OFFICE

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

Ph : 0124-4675500, Fax : 0124-4370985

Email : corporate@hbportfolio.com

CIN: L67120HR1994PLC034148

WEBSITE

<http://www.hbportfolio.com>

REGISTRAR & SHARE TRANSFER AGENT

RCMC Share Registry Pvt. Ltd.

CIN: U67120DL1950PTC601854

B-25/1, First Floor

Okhla Industrial Area Phase-II

New Delhi - 110020

Ph : 011-26387320, 26387321

Fax : 011-26387322

E-mail: investor.services@rcmcdelhi.com

Website: www.rcmcdelhi.com

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NOTICE

NOTICE IS HEREBY GIVEN THAT THE 24TH ANNUAL GENERAL MEETING OF HB PORTFOLIO LIMITED WILL BE HELD AS FOLLOWS:

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

Day : Tuesday
Date : 17th September, 2019
Time : 11.00 A.M
Place : GIA House, I.D.C., Mehrauli Road, Opp. Sector 14, Gurugram - 122 001 (Haryana)

to transact the following business/(s):

ORDINARY BUSINESS:

1. ADOPTION OF AUDITED FINANCIAL STATEMENTS INCLUDING CONSOLIDATED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2019 TOGETHER WITH THE REPORTS OF THE DIRECTORS' AND AUDITORS' THEREON.

To receive, consider and adopt the Audited Financial Statements including Consolidated Financial Statements of the Company for the Financial Year ended 31st March, 2019, including the Audited Balance Sheet as at 31st March, 2019, 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.

2. APPOINTMENT OF MR. LALIT BHASIN (DIN: 00002114), 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. Lalit Bhasin (DIN: 00002114), who retires by rotation and being eligible offers himself for re-appointment, be and is hereby re-appointed as the Director of the Company.”

3. CONTINUATION OF THE APPOINTMENT OF 'G.C. AGARWAL & ASSOCIATES' CHARTERED ACCOUNTANTS (FRN 017851N), STATUTORY AUDITORS OF THE COMPANY.

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

“RESOLVED THAT pursuant to the amended provisions of Section 139(1) and all other applicable provisions of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and the Companies (Amendment) Act, 2017 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and in partial modification of the resolution passed by the Members of the Company at the 22nd Annual General Meeting of the Company held on 26th September, 2017, the Company hereby dispenses with the requirement of annual ratification of appointment of 'G.C. Agarwal & Associates', Chartered Accountants, Delhi (FRN 017851N) for its remaining tenure as the Statutory Auditors of the Company.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all acts, deeds and things, necessary and expedient to give effect to this resolution.”

SPECIAL BUSINESS:

4. APPOINTMENT OF MR. HARBANS LAL (DIN: 00076405) AS AN INDEPENDENT DIRECTOR OF THE COMPANY.

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

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions, if any, of the Companies Act, 2013 ('the Act') and the rules made there-under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Act, Regulation 17(1A) and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, Mr. Harbans Lal (DIN: 00076405) who has already attained the age of seventy five years and in respect of whom the Company has received a notice in writing under Section 160(1) of the Act from a member proposing his candidature for the office of Director, be and is hereby appointed as Non-Executive Independent Director of the Company to hold office for a term of five (5) consecutive years with effect from 17th September, 2019 to 16th September, 2024 and he shall not be liable to retire by rotation.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all acts, deeds and things, necessary and expedient to give effect to this resolution.”

5. RE-APPOINTMENT OF MR. RAJ KUMAR BHARGAVA (DIN: 00016949) AS AN INDEPENDENT DIRECTOR OF THE COMPANY.

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

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions, if any, of the Companies Act, 2013 ('the Act') and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Act, Regulation 17(1A) and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, Mr. Raj Kumar Bhargava (DIN: 00016949) who has already attained the age of seventy five years and in respect of whom the Company has received a notice in writing under Section 160(1) of the Act from a member proposing his candidature for the office of Director, be and is hereby re-appointed as Non-Executive Independent Director of the Company to hold office for second term of five (5) consecutive years with effect from 16th September, 2019 to 15th September, 2024 and he shall not be liable to retire by rotation.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all acts, deeds and things, necessary and expedient to give effect to this resolution.”

6. RE-APPOINTMENT OF MR. RAMESH CHANDRA SHARMA (DIN: 00023274) AS AN INDEPENDENT DIRECTOR OF THE COMPANY.

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

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions, if any, of the Companies Act, 2013 ('the Act') and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Act, Regulation 17(1A) and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, Mr. Ramesh Chandra Sharma (DIN: 00023274) who has already attained the age of seventy five years and in respect of whom the Company has received a notice in writing under Section 160(1) of the Act from a member proposing his candidature for the office of Director, be and is hereby re-appointed as Non-Executive Independent Director of the Company for second term of five (5) consecutive years with effect from 16th September, 2019 to 15th September, 2024 and he shall not be liable to retire by rotation.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all acts, deeds and things, necessary and expedient to give effect to this resolution.”

7. CONTINUATION OF DIRECTORSHIP OF MR. JAG MOHAN LAL SURI (DIN: 00002373) NON-EXECUTIVE DIRECTOR OF THE COMPANY.

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

“RESOLVED THAT pursuant to Regulation 17(1A) and other applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, applicable provisions of the Companies Act, 2013 and rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), approval of the members be and is hereby accorded for continuation of Directorship of Mr. Jag Mohan Lal Suri (DIN: 00002373), who has already attained the age of seventy five years, as Non-Executive Director of the Company.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all acts, deeds and things, necessary and expedient to give effect to this resolution.”

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

**Sd/-
DINESH KAPOOR
(Company Secretary)**

**Place: Gurugram
Date : 27th May, 2019**

Membership No.: FCS-6731

NOTES:

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

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



2. **SHAREHOLDERS OF THE COMPANY HOLDING SHARES IN PHYSICAL FORM ARE REQUESTED TO CONVERT THEIR HOLDING INTO DEMAT FORM.**
3. **SHAREHOLDERS OF THE COMPANY ARE REQUESTED TO PROVIDE / UPDATE THEIR E-MAIL ID WITH THEIR DEPOSITORY PARTICIPANT (DP) / COMPANY'S REGISTRAR & SHARE TRANSFER AGENT (RTA), RCMC SHARE REGISTRY PRIVATE LIMITED FOR COMMUNICATION PURPOSES.**
4. An Explanatory Statement(s) pursuant to Section 102 of the Companies Act, 2013 in respect of the Special Business herein is annexed hereto and forms part of this Notice.
5. The Register of Members and Share Transfer Books of the Company shall remain closed from **11th September, 2019 to 17th September, 2019** (Both days inclusive).
6. 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 years from the due date is required to be transferred to the Investor Education and Protection Fund (IEPF), constituted by the Central Government. The Company had, accordingly, transferred ₹ 16,55,822/- (Rupees Sixteen Lacs Fifty Five Thousand Eight Hundred Twenty Two Only) to IEPF on 10th October, 2018 being the Unpaid and Unclaimed Dividend amount pertaining to Final Dividend for the Financial Year ended 31st March, 2011. The detail of Unpaid / Unclaimed Dividend lying with the Company as on the date of the last Annual General Meeting in respect of the financial years from 2012 to 2016 is available on the website of the IEPF viz. www.iepf.gov.in and also on the website of the Company; http://www.hbportfolio.com/Unpaid_Dividend/index_2018.html

The Company strongly recommends Shareholders to encash / claim their respective dividends within the period given below from the Company's Registrar and Share Transfer Agent:

Financial Year	Last Date for claiming Dividend	Unclaimed Dividend in ₹ (As on 31.03.2019)
2011-12	08 th October, 2019	17,23,989.50
2012-13	12 th October, 2020	22,30,163.00
2013-14	20 th October, 2021	26,20,893.50
2014-15	07 th October, 2022	8,98,860.00
2015-16	01 st October, 2023	9,18,096.50
2016-17	No Dividend was declared	-
2017-18	No Dividend was declared	-

Pursuant to the provisions of Section 124 of the Companies Act, 2013 read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 and Amendment Rules thereto, the Company has duly transferred all Equity Shares in respect of which Dividend has not been paid or claimed for seven consecutive years or more to the specified DEMAT Account of the Investor Education and Protection Fund (IEPF) Authority, Ministry of Corporate Affairs after giving individual notice to all such Equity Shareholders and publication of newspaper advertisement thereto. The complete details of such Equity Shares transferred to IEPF Account is available on the website of the Company; <http://www.hbportfolio.com/IEPF/index.html>

Any further Dividend on such Equity Shares shall be credited to the IEPF Account. The Equity Shareholders may claim back their Shares along with the Unclaimed Dividend amount from the IEPF Authority by following the refund procedure as detailed on the website of IEPF Authority; <http://iepf.gov.in/IEPFA/refund.html>. The refund procedure is also available on the Company's website, <http://www.hbportfolio.com/IEPF/index.html>

Mr. Dinesh Kapoor, Company Secretary 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; <http://www.hbportfolio.com/IEPF/index.html>

7. **THE SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) VIDE ITS CIRCULAR NO. SEBI/HO/MIRSD/DOP/P/2018/73 DATED 20TH APRIL, 2018 HAS DIRECTED ALL LISTED COMPANIES TO ENSURE THAT ANY PAYMENT OF DIVIDEND TO THE SHAREHOLDERS IS MADE THROUGH ELECTRONIC CHANNELS SUCH AS NECS/NEFT/RTGS. THE COMPANIES THROUGH THEIR REGISTRAR AND SHARE TRANSFER AGENT (RTA) ARE FURTHER DIRECTED TO COLLECT COPY OF PAN AND BANK ACCOUNT DETAILS OF ALL SHAREHOLDERS HOLDING SHARES IN PHYSICAL FORM. IN VIEW OF THE SAME.**

(A) Members who hold shares in physical form are requested to:

- (i) Furnish their PAN and Bank Account details to the Company or Company's Registrar and Share Transfer Agent namely, RCMC Share Registry Pvt. Ltd. along with self-attested copy of PAN Card and cancelled "Name printed Cheque" in original or copy of Bank Passbook / Bank Statement duly attested by the Bank.

- (ii) Convert their holding into Demat Form.
- (iii) Provide / update their E-mail ID for communication purpose.

(B) Members who hold shares in demat form are requested to:

- (i) Update their Bank Account details with the Depository Participant (DP) to avoid any kind of rejection by the banker; and
- (ii) Provide / update their E-mail ID with the Depository Participant (DP) for communication purpose.

We wish to highlight the following benefits of receiving payments through the Electronic mode rather than receiving drafts / warrants in physical mode.

- ✓ Ensures timely credit of funds to the specified accounts.
- ✓ Ensures credits are done seamlessly without manual intervention.
- ✓ Eliminates postal / mailing delays.
- ✓ Saves your effort of safekeeping and depositing of physical drafts / warrants at a bank.
- ✓ Helps track receipt of payments from the bank statements.

In compliance with the requirement of the said Circular, members holding securities in physical form were separately communicated by the Company's Registrar and Share Transfer Agent vide three letters at their registered address. 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 with effect 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. Members can contact the Company's RTA for assistance in this regard.

8. Members/Proxies should bring Attendance Slips duly filled in for attending the meeting.
9. Corporate Members are requested to send a duly Certified Copy of the Board Resolution authorizing their representative(s) to attend and vote on their behalf at the Meeting.
10. Shareholders seeking any information with regard to Financial Statements are requested to write to the Company at least seven (7) days before the date of the meeting so as to enable the management to keep the information ready.
11. Route map showing directions to reach the venue of the AGM is given at the end of the Annual Report as per the requirement of the Secretarial Standard-2 (SS-2) on "General Meeting".
12. **Members are requested to:**
 - (a) Notify any change in their address including PIN CODE to the Registrar and Share Transfer Agent of the Company namely,

RCMC Share Registry Pvt. Ltd.
B-25/1, First Floor,
Okhla Industrial Area, Phase-II,
New Delhi – 110 020
Phone: 011 – 26387320, 26387321
Fax: 011 – 26387322
E-mail: investor.services@rcmcdelhi.com
 - (b) Bring their copies of Annual Report with them at the meeting as the same will not be supplied again as a measure of economy.
13. The Company is implementing the "Green Initiative" to enable electronic delivery of Notices / Documents and Annual Reports to the Shareholders. Henceforth, the e-mail addresses indicated in your respective Depository Participant (DP) accounts which will be periodically downloaded from NSDL / CDSL will be deemed to be your registered email address for serving Notices / Documents including those covered under Section 136 of the Companies Act, 2013.

Electronic copies of the Annual Report, Notice along with Attendance Slip and Proxy Form are being sent by e-mail to those members whose e-mail addresses are registered with the Company / Depository Participant(s) unless any member has requested for a hard copy of the same.

In other cases, hard copy of the Abridged Annual Report i.e. Statement containing salient features of Balance Sheet and Profit & Loss Account including Notice, Attendance Slip and Proxy Form is being sent to the Members by the permitted mode. The members who are desirous of receiving the Full Annual Report may write to the Company's RTA for a copy of the same.

Members may note that Notice of the Annual General Meeting, Abridged Annual Report, Full Annual Report, Attendance Slip and Proxy Form are also available on the website of the Company, <http://www.hbportfolio.com>

14. Voting through electronic means:

- (i) In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Members are provided with the facility to cast their votes by electronic means on all the resolutions proposed to be considered in this Annual General Meeting from a remote location ("Remote e-voting").
- (ii) The Company has engaged the services of Karvy Fintech Pvt. Ltd. ("Karvy") to provide the facility of Remote e-voting.
- (iii) The facility for voting through Physical Ballot Papers shall be made available at the meeting and members attending the meeting, who have not already cast their vote by Remote e-voting shall be able to exercise their right to vote at the meeting through Ballot Papers.
- (iv) The e-voting rights of the Members shall be in proportion to the paid-up value of their Shares in the Equity Share Capital of the Company. Members of the Company holding Shares either in physical form or in dematerialized form, as on the **cut-off date i.e. 10th September, 2019**, may cast their vote by remote e-voting / at the meeting.
- (v) Any person who acquires Shares of the Company and becomes member of the Company after dispatch of the Notice and holding Shares as on the **cut-off date i.e. 10th September, 2019** may obtain the login Id and password by sending a request at evoting@karvy.com. However, if you are already registered with Karvy for remote e-voting then you can use your exiting user ID and password for casting your vote.
- (vi) **The Remote e-voting period commences on 14th September, 2019 (09.00 A.M) and ends on 16th September, 2019 (05.00 P.M).** The Remote e-voting module shall be disabled by Karvy for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently.
- (vii) Once the vote on a resolution is cast by a Member, the Member shall not be allowed to change it subsequently. The Members who have cast their vote by Remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.
- (viii) **Ms. Jyoti Sharma, Company Secretary in Whole-time Practice (Membership No.: 8843, C.P. No.: 10196) failing her Ms. Purni Singhal, Company Secretary in Whole-time Practice (Membership No.: 40565, C.P. No.: 19493) have been appointed as the Scrutinizer(s) for conducting the remote e-voting & polling process in a fair and transparent manner.**
- (ix) The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast at the meeting, thereafter unblock the votes cast through Remote e-voting in the presence of at least two witnesses not in the employment of the Company, and make, not later than three days of conclusion of the meeting, a Consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing who shall countersign the same. The Chairman or a person authorized by him in writing shall declare the result of the voting forthwith upon submission of the Scrutinizer's Report.
- (x) The Company shall submit to the Bombay Stock Exchange Limited (BSE Limited), within forty eight hours of the conclusion of the meeting, details regarding the voting results in the prescribed format. The results declared along with the Scrutinizer's Report(s) shall also be placed on the website of the Company, <http://www.hbportfolio.com> and on Karvy's website, <https://evoting.karvy.com> immediately after the declaration of results.
- (xi) In case of any queries pertaining to e-voting, please visit Help & FAQ's section available at Karvy's website, <https://evoting.karvy.com> or call their Toll Free No. 1800-345-4001 for any further clarification.
- (xii) The instructions for availing the Remote e-voting facility indicating the process and manner of e-voting are given as hereunder.
 - **In case a Member receives notice through e-mail from Karvy [for Members whose e-mail IDs are registered with the Company / Depository Participants]:**
 - (a) Launch internet browser by typing the URL: <https://evoting.karvy.com>
 - (b) Enter the login credentials (i.e. User ID and Initial Password provided by Karvy in e-mail). Your Folio No. / DP ID-Client ID will be your User ID. However, if you are already registered with Karvy for e-voting, you can use your existing User ID and password for casting your vote.
 - (c) After entering these details appropriately, click on "LOGIN".
 - (d) You will now reach password change Menu wherein you are required to mandatorily change your password. The new password shall comprise minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric (0-9) and a special character (@, #, \$, etc.). The system will prompt you to change your password and update your contact details like mobile number, email ID, etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.
 - (e) You need to login again with the new credentials.
 - (f) On successful login, the system will prompt you to select the E-Voting Event Number for **HB Portfolio Limited**.
 - (g) On the voting page enter the number of shares (which represents the number of votes) as on the cut-off date under "FOR / AGAINST" or alternatively, you may partially enter any number in "FOR" and partially in "AGAINST" but the total number in "FOR / AGAINST" taken together should not exceed your total shareholding. You may also choose the option "ABSTAIN" and the shares held will not be counted under either head.
 - (h) Members holding multiple folios / demat accounts shall choose the voting process separately for each of the folios / demat accounts.
 - (i) Voting has to be done for each item of the Notice separately. In case you do not desire to cast your vote on any specific item it will be treated as abstained.
 - (j) You may then cast your vote by selecting an appropriate option and click on "Submit".
 - (k) A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you confirm, you will not be allowed to modify your vote. During the voting period, Members can login any number of times till they have voted on the Resolution(s).
 - (l) Corporate / Institutional Members (i.e. other than Individuals, HUF, NRI etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution / Authority Letter etc., together with attested specimen signature(s) of the duly authorized representative(s), to the **Scrutinizer at e-mail ID: legal2015js@gmail.com with a copy to Karvy at e-mail ID: evoting@karvy.com**. They may also upload the same in the e-voting module in their login. The scanned image of the above mentioned documents should be in the naming format "Corporate Name_EVENT NO."
 - **In case a Member receives Notice in physical form [for Members whose e-mail IDs are not registered with the Company / Depository Participants]:**
 - (a) User ID and Initial Password as given in the e-voting notice sent along with the Annual Report.
 - (b) Please follow all steps given hereinabove, to cast your vote.

15. All documents referred to in this Notice shall be open for inspection at the Registered Office of the Company during normal business hours (9.00 A.M to 5.00 P.M) on all working days up to and including the date of the Annual General Meeting of the Company.

16. 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 maintained under Section 189 of the Companies Act, 2013 shall be made available for inspection at the Annual General Meeting.

17. 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] are as under:

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

Name of the Director	(1) MR. LALIT BHASIN	(2) MR. HARBANS LAL
Directors Identification Number (DIN)	00002114	00076405
Date of Birth	14 th August, 1968	28 th February, 1942
Date of First Appointment on the Board	27 th July, 2004	N.A
Profile / Expertise in Specific functional Areas.	Mr. Lalit Bhasin, Director (Chairman) is a commerce graduate from Shri Ram College of Commerce, Delhi University. He brings with him nearly three decades of expertise in the field of management, hospitality, investments and capital market.	Mr. Harbans Lal is a seasoned banking professional with more than 37 years of extensive experience in the field of corporate lending and industrial rehabilitation. He retired from the State Bank of India (SBI) as Chief General Manager (Delhi Circle). He had also held position of nominee director on the Board of Delhi Stock Exchange, Petronet LNG Ltd. and Gujarat Biotech Ltd. Presently, he is serving on the Arbitration Panel of Multi Commodity Exchange of India Ltd. (MCX), NCDEX and Indian Council of Arbitration.
Qualifications	B.Com	M.A (Public Administration) & C.A.I.I.B. (Associate of Institute of Bankers)
List of Directorship in other Companies	Listed Companies: 1. HB Stockholdings Ltd. 2. HB Estate Developers Ltd. 3. HB Leasing & Finance Co. Ltd. 4. CHL Ltd. Other Companies: 5. Taurus Asset Management Co. Ltd. 6. RRB Master Securities Delhi Ltd. 7. RRB House Finance Pvt. Ltd. 8. Pal Properties (India) Pvt. Ltd. 9. HB Financial Consultants Pvt. Ltd. 10. ALMR Gems & Trading Pvt. Ltd.	Listed Companies: 1. HB Stockholdings Ltd. Other Companies: 2. Taurus Asset Management Co. Ltd.
Membership of Committee of the Board in other Companies.	Audit Committee 1. HB Leasing & Finance Co. Ltd. (Member) 2. CHL Ltd. (Member) Stakeholders Relationship Committee 3. HB Leasing & Finance Co. Ltd. (Chairman) 4. CHL Limited (Member) Nomination and Remuneration Committee 5. HB Leasing & Finance Co. Ltd. (Member) 6. CHL Ltd. (Member) CSR Committee 7. HB Stockholdings Ltd. (Chairman) 8. Taurus Asset Management Co. Ltd. (Chairman)	Audit Committee 1. HB Stockholdings Ltd. (Member) 2. Taurus Asset Management Co. Ltd. (Chairman) Stakeholders Relationship Committee 3. HB Stockholdings Ltd. (Chairman) Nomination and Remuneration Committee 4. HB Stockholdings Ltd. (Chairman)
No. of Equity Shares held	6324671	Nil
No. of Board Meetings attended/entitled to attend during the year	4/4	N.A
Whether related to any Board Members, Manager or KMP of the Company	No	No

Name of the Director	(3) MR. RAJ KUMAR BHARGAVA	(4) MR. RAMESH CHANDRA SHARMA
Directors Identification Number (DIN)	00016949	00023274
Date of Birth	26 th October, 1935	24 th January, 1939
Date of First Appointment on the Board	25 th July, 2001	27 th July, 2004
Profile / Expertise in Specific functional Areas.	Mr. Raj Kumar Bhargava is a retired I.A.S officer and has held various high level positions with the Government of India and State Governments including Chief Secretary, U.P Government, Home Secretary, Government of India and Information & Broadcasting Secretary, Government of India.	Mr. Ramesh Chandra Sharma brings with him in-depth understanding and multi faceted experience in administration in Government, Business and Industry in addition to his expertise in security and investigation methodologies. He has held highly responsible and sensitive positions with Central Bureau of Investigation (CBI), premiere investigating agency in India and Haryana State Police requiring top level administrative ability. Besides he has also been Joint Secretary, Ministry of Home Affairs.
Qualifications	M.A. & B.A. (Hons.), I.A.S	M.A. (Econ.) & B.A. (Econ. & Geography)
List of Directorship in other Companies	Listed Companies: 1. Kajaria Ceramics Ltd. 2. Asian Hotels (West) Ltd. Other Companies: 3. Nada Vibronics Pvt. Ltd. 4. Aria Hotels & Consultancy Services Pvt. Ltd.	Listed Companies: 1. Sir Shadi Lal Enterprises Ltd. 2. CHL Ltd. Other Companies: 3. PCI Ltd. 4. Indec Securities and Finance Ltd.
Membership of Committee of the Board in other Companies.	Audit Committee 1. Kajaria Ceramics Ltd. (Chairman) 2. Asian Hotels (West) Ltd. (Chairman) Stakeholders Relationship Committee 3. Asian Hotels (West) Ltd. (Member) Nomination and Remuneration Committee 4. Asian Hotels (West) Ltd. (Member) CSR Committee 5. Asian Hotels (West) Ltd. (Member)	Audit Committee 1. Sir Shadi Lal Enterprises Ltd. (Member) 2. PCI Ltd. (Member) Nomination and Remuneration Committee 3. Sir Shadi Lal Enterprises Ltd. (Member) 4. PCI Ltd. (Member) Investment Committee 5. PCI Ltd. (Member)
No. of Equity Shares held	4270	NIL
No. of Board Meetings attended/entitled to attend during the year	4/4	4/4
Whether related to any Board Members, Manager or KMP of the Company	No	No



Name of the Director	(5) MR. JAG MOHAN LAL SURI
Directors Identification Number (DIN)	00002373
Date of Birth	27 th April, 1938
Date of First Appointment on the Board	18 th August, 1994
Profile / Expertise in Specific functional Areas.	Mr. Jag Mohan Lal Suri is an Engineer by profession. He headed the operations of a Swedish Multinational before his association with the HB Group. He brings with him decades of long experience in Corporate Administration.
Qualifications	B.E
List of Directorship in other Companies	Listed Companies: 1. HB Estate Developers Ltd. Other Companies: 2. HB Corporate Services Ltd. 3. RRB Securities Ltd. 4. Mount Finance Ltd. 5. AHL Hotels Limited 6. Bhasin Share & Stock Brokers Ltd. 7. Raja Ram Bhasin Share & Stock Brokers Ltd. 8. Pal Properties (India) Pvt. Ltd.
Membership of Committee of the Board in other Companies.	Audit Committee 1. HB Estate Developers Ltd. (Member) 2. RRB Securities Ltd. (Member) Stakeholders Relationship Committee 3. HB Estate Developers Ltd. (Chairman) 4. RRB Securities Ltd. (Chairman) Nomination and Remuneration Committee 5. HB Estate Developers Ltd. (Member)
No. of Equity Shares held	450 (Jointly held with his wife)
No. of Board Meetings attended/entitled to attend during the year	4/4
Whether related to any Board Members, Manager or KMP of the Company	No

BY ORDER OF THE BOARD
FOR HB PORTFOLIO LIMITED

Place: Gurugram
Date: 27th May, 2019

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

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

ITEM NO. 4:

The Board of Directors on the recommendation of the Nomination and Remuneration Committee in their meeting held on 27th May, 2019 considered and recommended the appointment of Mr. Harbans Lal (DIN: 00076405) aged 77 years as a Non-Executive Independent Director of the Company pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions, if any of the Companies Act, 2013 ('the Act') and the rules made there-under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Act, Regulation 17(1A) and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') as amended.

The Company has received requisite consent from Mr. Harbans Lal to act as Director of the Company and a declaration to the effect that he is not disqualified under sub-section (2) of Section 164 of the Companies Act, 2013 and is not debarred from holding the office of director by virtue of any SEBI Order or any other such authority. The Company has, in terms of Section 160(1) of the Act, received in writing a notice from Member, proposing his candidature for the office of Director.

In the opinion of the Board, Mr. Harbans Lal fulfill the conditions specified in the Act and the criteria of Independent Director in terms of the provisions of Section 149 of the Companies Act, 2013 and Regulation 16(1)(b) of SEBI Listing Obligations and Disclosure Requirements Regulations, 2015 and he is independent of the management. He is not related to any of the Directors or Key Managerial Personnel (including relatives of Directors or Key Managerial Personnel) of the Company in terms of Section 2(77) of the Companies Act, 2013.

Copy of Draft letter for his appointment as Non-Executive Independent Director setting out the terms and conditions is available for inspection without any fee by the members at the Company's registered office during normal business hours on working days up to the date of the AGM.

As per the requirements of Regulation 36(3) of Listing Regulations and Secretarial Standard – 2, issued by the Institute of Company Secretaries of India, the required details of Mr. Harbans Lal are given in Notes forming part of the Notice.

As per the provisions of Regulation 17(1A) of the SEBI Listing Obligations and Disclosure Requirements Regulations, 2015 as amended, no listed entity shall appoint a person or continue the directorship of any person as a Non-Executive Director who has attained the age of seventy five years unless a special resolution is passed to that effect.

The Board recommends to the Shareholders that the appointment of Mr. Harbans Lal would be of immense benefit to the Company considering his knowledge, background and extensive experience in the banking sector. Mr. Harbans Lal is a person of high repute, integrity and has rich and varied experience which will be an invaluable input to the Company's strategic direction and decision making. The Board recommends the Special Resolution at Item No. 4 of the Notice for the approval of the Members.

Except Mr. Harbans Lal and / or his 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.

ITEM NO. 5 & 6:

Mr. Raj Kumar Bhargava (DIN: 00016949) and Mr. Ramesh Chandra Sharma (DIN: 00023274) were appointed as Non-Executive Independent Directors of the Company for a term of five (5) consecutive years by the Shareholders in their Annual General Meeting held on 16th September, 2014 pursuant to the provisions of Section 149, 150, 152 of the Companies Act, 2013 and rules made thereunder ('the Act') read with Schedule IV to the Act and Clause 49 of the erstwhile Listing Agreement entered into with the Stock Exchange.

In terms of the said provisions, an Independent Director shall hold office for a term upto five consecutive years on the Board of a Company, but shall be eligible for re-appointment on passing of a Special Resolution by the Company and disclosure of such appointment in the Board's report. No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after the expiration of three years of ceasing to become an Independent Director. Pursuant to Regulation 17(1A) of the SEBI Listing Obligations and Disclosure Requirements Regulations, 2015, as amended, no listed entity shall appoint a person or continue the directorship of any person as a Non-Executive Director who has attained the age of seventy five years unless a Special resolution is passed to that effect.

The Board of Directors on the recommendation of the Nomination and Remuneration Committee in their meeting(s) held on 12th February, 2019 and 27th May, 2019 considered and recommended the re-appointment of Mr. Raj Kumar Bhargava (DIN: 00016949) aged 83 years and Mr. Ramesh Chandra Sharma (DIN: 00023274) aged 80 years as Non-Executive Independent Directors of the Company for second term of five consecutive years pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions, if any of the Companies Act, 2013 ('the Act') and the rules made there-under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Act, Regulation 17(1A) and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended.

The Company has received a declaration to the effect that they are not disqualified under sub-section (2) of Section 164 of the Companies Act, 2013 and are not debarred from holding the office of director by virtue of any SEBI Order or any other such authority. The Company has, in terms of Section 160(1) of the Act, received in writing a notice from Member, proposing their candidature for the office of Director.

In the opinion of the Board, Mr. Raj Kumar Bhargava and Mr. Ramesh Chandra Sharma fulfill the conditions specified in the Act and the criteria of Independent Director in terms of the provisions of Section 149 of the Companies Act, 2013 and Regulation 16(1)(b) of SEBI Listing Obligations and Disclosure Requirements Regulations, 2015 and they are independent of the management. They are not related to any of the Directors or Key Managerial Personnel (including relatives of Directors or Key Managerial Personnel) of the Company in terms of Section 2(77) of the Companies Act, 2013.

Copy of Draft letter for their re-appointment as Non-Executive Independent Directors setting out the terms and conditions is available for inspection without any fee by the members at the Company's registered office during normal business hours on working days up to the date of the AGM.

As per the requirements of Regulation 36(3) of Listing Regulations and Secretarial Standard – 2, issued by the Institute of Company Secretaries of India, the required details of Mr. Raj Kumar Bhargava and Mr. Ramesh Chandra are given in Notes forming part of the Notice.

The Board recommends to the Shareholders that the association of Mr. Raj Kumar Bhargava and Mr. Ramesh Chandra Sharma would be beneficial to the Company based on their performance evaluation, knowledge, background, extensive experience and contributions made by them during their tenure, it is desirable to re-appoint them as Non-Executive Independent Directors of the Company for second term of five consecutive years. The Board recommends the Special Resolution(s) at Item No. 5 & 6 of the Notice for the approval of the Members.

Except Mr. Raj Kumar Bhargava and Mr. Ramesh Chandra Sharma 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).

ITEM NO. 7:

Mr. Jag Mohan Lal Suri (DIN: 00002373), Non-Executive Director is 81 years old and is associated with the Company since 1994. Mr. Jag Mohan Lal Suri is highly experienced in Corporate Administration and has successfully contributed towards the growth of the Company.

The Board of Directors on the recommendation of the Nomination and Remuneration Committee in their meeting held on 12th February, 2019 considered and recommended for the continuation of directorship of Mr. Jag Mohan Lal Suri as Non-Executive Director of the Company pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any of the Companies Act, 2013 ('the Act') and the rules made there-under (including any statutory modification(s) or re-enactment thereof for the time being in force), Regulation 17(1A) and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended.

The Company has received a declaration to the effect that he is not disqualified under sub-section (2) of Section 164 of the Companies Act, 2013 and is not debarred from holding the office of director by virtue of any SEBI Order or any other such authority.

As per the requirements of Regulation 36(3) of Listing Regulations and Secretarial Standard – 2, issued by the Institute of Company Secretaries of India, the required details of Mr. Jag Mohan Lal Suri are given in Notes forming part of the Notice.

In terms of Regulation 17(1A) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, no listed entity shall appoint a person or continue the directorship of any person as a non-executive director who has attained the age of seventy five years unless a special resolution is passed to that effect.

The Board recommends to the Shareholders that the association of Mr. Jag Mohan Lal Suri would be beneficial to the Company considering his knowledge, background, extensive experience and contributions made by him during his tenure and it is desirable to continue his Directorship as Non-Executive Director of the Company. The Board recommends the Special Resolution at Item No. 7 of the Notice for the approval of the Members.

Except Mr. Jag Mohan Lal Suri and / or his 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.

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

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

**Place: Gurugram
Date : 27th May, 2019**

DIRECTORS' REPORT

To the Members,

Your Directors are pleased to present the 24th Annual Report together with the Audited Financial Statement for the Financial Year ended 31st March, 2019.

FINANCIAL RESULTS

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

(₹ In Lacs)

PARTICULARS	Standalone		Consolidated	
	Year Ended 31.03.2019	Year Ended 31.03.2018	Year Ended 31.03.2019	Year Ended 31.03.2018
Total Revenue	420.84	1450.96	2065.76	3179.61
Expenditure	254.59	202.68	1640.93	1720.41
Finance Cost	1.36	1.27	3.38	5.27
Depreciation	7.73	6.64	27.56	29.99
Profit for the year before Tax	157.16	1240.37	393.89	1423.94
Tax Expense	(2.86)	233.79	7.52	264.65
Add: Share of (Profit) transferred to Minority Interest	NA	NA	(84.11)	(49.70)
Add: Share of Profit in Associates	NA	NA	12.26	6.66
Profit for the year after Tax	160.02	1006.58	314.52	1116.25
Appropriations				
Statutory Reserve Fund	32.00	201.32	32.00	201.32
Add: Adjustment	0.00	138.47	0.00	138.47
(From 01/04/2015 to 31/03/2017) *				
General Reserve	0.00	0.00	0.00	0.00
Balance Brought Forward	2311.12	1077.41	2324.49	1981.63
Add: Adjustment	0.00	566.92	0.00	566.92
(From 01/04/2015 to 31/03/2017) *				
Less: Adjusted Group Share of Profit/Losses upto 31.03.2017 *	NA	NA	0.00	1000.52
Accumulated Profits	2439.14	2311.12	2607.01	2324.49

(*) Pursuant to the Scheme of Arrangement.

DIVIDEND

The Board of Directors, after considering holistically the relevant circumstances and keeping in view the current market conditions, has decided that it would be prudent, not to recommend any Dividend for the Financial Year 2018-2019.

TRANSFER TO GENERAL RESERVE

The Board of Directors of your Company has decided not to transfer any amount to the General Reserve for the year under review.

PERFORMANCE REVIEW & OUTLOOK

The Company posted Total Revenue of ₹ 420.84 Lacs and Net Profit after tax of ₹ 160.02 Lacs for the Financial Year ended 31st March, 2019. The financial figures for the current year are not comparable with previous year due to accounting effect given in the Financial Statements for the Financial Year ended 31st March, 2018 from the Appointed Date(s) i.e. 01st April, 2015 & 03rd April, 2015 pursuant to the sanction of the Scheme of Arrangement ("the Scheme") between HB Stockholdings Limited (HBSL), HB Portfolio Limited (HBPL) and HB Estate Developers Limited (HBEDL) and their respective Shareholders and Creditors under Sections 391 to 394 read with Section 100 to 104 of the Companies Act, 1956.

The Indian economy in FY 2018-19 started with a healthy 8.2% growth in the first quarter on the back of domestic resilience. Growth eased to 7.3% in the subsequent quarter due to rising global volatility, largely from financial volatility, normalized monetary policy in advanced economies, externalities from trade disputes, and investment rerouting. Further, the Indian rupee depreciated because of the crude price shock, and conditions exacerbated as recovery in some advanced economies caused faster investment outflows.

Equities remained volatile in the Financial Year 2018-19 amidst geo-political risks such as trade wars and Brexit, tight financial conditions, fears of slowing global growth and liquidity crisis in NBFCs. FY 2018-19 witnessed sharp drop in primary market activity in terms of both number of transactions and capital raised as the number of Initial Public Offerings ("IPOs"). The major stock indices touched an all-time high during the year but were trimmed owing to volatility towards the end of the year. The rally in the large caps was one of the narrowest seen in the history of Indian equity markets. Mid and small capitalisation stocks underperformed, due to risk aversion emanating from high relative valuations and FPI outflows.

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

SCHEME OF ARRANGEMENT

The Hon'ble National Company Law Tribunal (NCLT), Chandigarh Bench at Chandigarh vide its Order Dated 22nd December, 2017 sanctioned the Scheme of Arrangement between HB Stockholdings Limited (HBSL), HB Portfolio Limited (HBPL) and HB Estate Developers Limited (HBEDL) and their respective Shareholders and Creditors under Sections 391 to 394 read with Section 100 to 104 of the Companies Act, 1956.

The Scheme came into effect on 30th January, 2018 from the Appointed Date(s) i.e. 01st April, 2015 & 03rd April, 2015 in a manner more particularly defined in the Scheme.

The Copy of Scheme of Arrangement along with all other documents are available on the Company's website having following web link, http://www.hbportfolio.com/Scheme_of_Arrangement.html

NBFC REGISTRATION WITH THE RESERVE BANK OF INDIA

The Company had filed fresh application for registration on 08th March, 2016 with the Reserve Bank of India (RBI). The information / clarifications sought thereafter by RBI from time to time have been duly submitted by the Company. RBI vide its letter dated 18th July, 2017 has returned the Company's application with the advice that, the existing financial business of the Company may be merged / amalgamated with any of the Registered Group NBFC. Accordingly, the Company vide its letter dated 19th February, 2018 has written to RBI for either transfer of license of one of the Group NBFC to the Company or for issue of fresh Certificate of Registration to the Company in lieu of surrender of NBFC Certificate by one of the Group NBFC Company.

STATUTORY STATEMENTS

(i) Share Capital

The Paid up Equity Share Capital as on 31st March, 2019 stood at ₹ 10,76,42,300/- comprising of 10764230 Equity Shares of ₹ 10/- each. During the year under review, the Company has neither issued any Shares with differential voting rights nor granted stock options nor sweat equity.

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

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

During the year under review, four Board Meetings were convened and held. The details of such meeting(s) are given in the Corporate Governance Report. The maximum interval between any two meeting(s) did not exceed 120 days, as prescribed in the Companies Act, 2013.

(iii) Public Deposits

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

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

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

(v) Particulars of Loans, Guarantees or Investments

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.

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

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

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

(vii) Change in the Nature of Business

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

(viii) 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.

(ix) 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.

(x) 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 Subsidiaries as on 31st March, 2019:

Name of the Company	As on 31.03.2019	
	No. of Shares	% of holding
1. HB Securities Limited	7207570	100.00%
2. HB Corporate Services Limited	4257478	97.40%
3. Taurus Asset Management Company Limited*	11872118	70.12%
4. Taurus Investment Trust Company Limited	78850	80.39%

(*) Unlisted Material Subsidiary Company

Note(s):

- a) HB Insurance Advisors Limited got amalgamated with Company's another Subsidiary namely, HB Corporate Services Limited w.e.f. 14th May, 2018 pursuant to the Scheme of Amalgamation of RRB Master Holdings Limited, HBB Properties Private Limited, HB Insurance Advisors Limited, HB Telecommunications Limited and HB Prima Capital Limited (the Transferor Companies) with HB Corporate Services Limited (the Transferee Company) under Sections 391 to 394 of the Companies Act, 1956 / Section 230-232 of the Companies Act, 2013 sanctioned by the Hon'ble National Company Law Tribunal (NCLT) Chandigarh Bench at Chandigarh and Principal Bench, New Delhi vide their order dated 07th November, 2017 and 13th April, 2018 respectively. Accordingly, HB Insurance Advisors Limited ceased to be Company's Subsidiary during the year under review.
- b) The status of HB Corporate Services Limited has been changed from Wholly Owned Subsidiary (WoS) to Subsidiary Company of HB Portfolio Limited as the Shareholding of HB Portfolio Limited has gone down from 100% to 97.40% pursuant to the said Scheme of Amalgamation.

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

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, <http://www.hbportfolio.com/PdfFiles/PDMS.pdf>

(ii) Joint Ventures

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

(iii) Associate Companies

In terms of Sec 2(6) of the Companies Act, 2013, Merwanjee Securities Limited and Har Sai Investments Limited are the Associate Companies. A separate statement containing the salient features of the Financial Statement of the Company's Associates is being provided in **Form AOC-1** along with Financial Statements in terms of Section 129(3) of the Companies Act, 2013.

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 Auditor's confirming compliance(s) forms an integral part of this report.

WHISTLE BLOWER POLICY – VIGIL MECHANISM

In terms of the provisions of Sec 177(9) & (10) of the Companies Act, 2013 and pursuant to the provisions of 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, <http://www.hbportfolio.com/PdfFiles/WBP.pdf>

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 Sec 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.

In terms of Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Company's Policy on Related Party Transactions and with the approval of the Shareholders, the Company entered into material related party transaction with HB Estate Developers Limited by subscribing 2000000 (Twenty Lakhs) 9% Non-Cumulative Redeemable Preference Shares (Series III) of ₹ 100/- each issued & allotted by HB Estate Developers Limited on Private Placement basis to the Company aggregating to ₹ 20,00,00,000/- (Rupees Twenty Crores Only) during the year under review.

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, <http://www.hbportfolio.com/PdfFiles/RPT.pdf>

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. 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 10th February, 2016 has adopted a Policy for Preservation of Documents & Archival thereof, classifying them in two categories as follows:

- documents whose preservation shall be permanent in nature;
- 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, <http://www.hbportfolio.com/PdfFiles/PDAP.pdf>

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 HARASSMENT OF WOMEN AT WORKPLACE

The Company has zero tolerance for sexual harassment at workplace. The Board of Directors in their meeting held on 08th August, 2014 constituted the Internal Complaint Committee and 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:

- Mrs. Bannala Jha, Presiding Officer (Sr. V.P Legal – HB Estate Developers Ltd.)
- Mrs. Madhu Suri, Member (Working in the Delhi Legal Services Authority as a Counsellor)
- Mr. Anil Goyal, Member (Managing Director)
- Mr. Dinesh Kapoor, Member (Company Secretary)

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 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

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.

AUDITORS**(i) Statutory Auditors**

The Shareholders in the 22nd Annual General Meeting held on 26th September, 2017 had appointed 'G. C. Agarwal & Associates', Chartered Accountants, Delhi (FRN 017851N) as the Statutory Auditors for a term of five (5) consecutive years i.e. from the conclusion of the 22nd Annual General Meeting to the conclusion of 27th Annual General Meeting to be held in the year 2022.

As per the amended provisions of Sec 139(1) of the Companies Act, 2013, the requirement of ratification of the appointment of Statutory Auditors by members at every general meeting has been omitted. Accordingly, the resolution is proposed for the approval of members at the ensuing Annual General Meeting to dispense with the requirement of annual ratification of appointment of 'G.C. Agarwal & Associates', Chartered Accountants, Delhi (FRN 017851N) for its remaining tenure as the Statutory Auditors of the Company.

Observations of the Statutory Auditors are explained, wherever necessary, by way of Notes to the Financial Statements.

**(ii) Internal Auditors**

'Marv & Associates LLP', Chartered Accountants, New Delhi 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

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 – I".

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

- (a) The Company did not have Chief Financial Officer (CFO) during the year under review. In order to comply with the said requirement, the Company has appointed CFO effective from 27.05.2019 being its Key Managerial Personnel (KMP) as per the provisions of Section 203 of the Companies Act, 2013.

Director's Comment: No comments required as the Auditors observation is self explanatory in itself.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Board of Directors has constituted a Corporate Social Responsibility Committee (CSR Committee) pursuant to the provisions of Section 135 of the Companies Act, 2013. The composition of the CSR Committee has been mentioned in the Corporate Governance Report forming part of this report. The Board of Directors, on the recommendation of the CSR Committee, has approved the Corporate Social Responsibility Policy (CSR Policy) of the Company which is available on the website of the Company having following web link, <http://www.hbportfolio.com/CSR/PdfFiles/CSR.pdf>. No changes have been made to the CSR Policy of the Company during the year under review.

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.

As a part of the CSR initiatives, your Company has undertaken CSR activity towards eradicating hunger, poverty, malnutrition and promotion of education in accordance with Schedule VII of the Companies Act, 2013 during the financial year 2018-2019. The report on CSR activities is attached as "ANNEXURE – II" forming part of this report.

DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP)**(a) Appointment / Re-appointment / Resignation of Directors and KMP**

As per the provisions of Section 152 of the Companies Act, 2013, Mr. Lalit Bhasin (DIN: 00002114), Director (Chairman) 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. Harbans Lal (DIN: 00076405) aged 77 years is proposed to be appointed as Non-Executive Independent Director of the Company on the recommendation of the Nomination and Remuneration Committee of the Board of Directors. The Company has received requisite consent from Mr. Harbans Lal to act as Director of the Company and a declaration to the effect that he is not disqualified under sub-section (2) of Section 164 of the Companies Act, 2013 and is not debarred from holding the office of director by virtue of any SEBI Order or any other such authority. In the opinion of the Board, Mr. Harbans Lal fulfill the conditions specified in the Act and the criteria of Independent Director in terms of the provisions of Section 149 of the Companies Act, 2013 and Regulation 16(1) (b) of SEBI Listing Obligations and Disclosure Requirements) Regulations, 2015 and he is independent of the management. The Board recommends to the Shareholders that the appointment of Mr. Harbans Lal would be of immense benefit to the Company considering his knowledge, background and extensive experience in the banking sector.

Mr. Raj Kumar Bhargava (DIN: 00016949) aged 83 years and Mr. Ramesh Chandra Sharma (DIN: 00023274) aged 80 years are proposed to be re-appointed as Non-Executive Independent Directors for second term of five consecutive years. The Company has received a declaration to the effect that they are not disqualified under sub-section (2) of Section 164 of the Companies Act, 2013 and are not debarred from holding the office of director by virtue of any SEBI Order or any other such authority. In the opinion of the Board, Mr. Raj Kumar Bhargava and Mr. Ramesh Chandra Sharma fulfill the conditions specified in the Act and the criteria of Independent Director in terms of the provisions of Section 149 of the Companies Act, 2013 and Regulation 16(1)(b) of SEBI Listing Obligations and Disclosure Requirements) Regulations, 2015 and they are independent of the management. On the recommendation of the Nomination and

Remuneration Committee, the Board of Directors recommends to the Shareholders that the association of Mr. Raj Kumar Bhargava and Mr. Ramesh Chandra Sharma would be beneficial to the Company based on their performance evaluation, considering their knowledge, background, extensive experience and contributions made by them during their tenure and it is desirable to re-appoint them as Non-Executive Independent Directors of the Company for second term of five consecutive years.

It is proposed to continue the Directorship of Mr. Jag Mohan Lal Suri (DIN: 00002373), Non-Executive Director of the Company in terms of Regulation 17(1A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended. He is 81 years old and associated with the Company since 1994. He is highly experienced in Corporate Administration and has successfully contributed towards the growth of the Company. The Company has received a declaration to the effect that he is not disqualified under sub-section (2) of Section 164 of the Companies Act, 2013 and is not debarred from holding the office of director by virtue of any SEBI Order or any other such authority. On the recommendation of the Nomination and Remuneration Committee, the Board recommends to the Shareholders that the association of Mr. Jag Mohan Lal Suri would be beneficial to the Company considering his knowledge, background, extensive experience and contributions made by him during his tenure and it is desirable to continue his Directorship as Non-Executive Director of the Company.

Mr. Bhuneshwar Lal Chadha (DIN: 00242990), Non-Executive Independent Director resigned from the Board on 21st August, 2018 due to his old age and ill health and there were no other material reasons other than those provided. After three months of his resignation, he left for his heavenly abode on 08th December, 2018. His contributions and guidance during the deliberations at the Board and Committee meetings have been of immense help to the Company. Mr. Chadha was a great human being and he will remain forever in everyone's thoughts and prayers and may his divine soul rest in peace.

(b) Declaration from Independent Directors

Mr. Raj Kumar Bhargava, Mr. Ramesh Chandra Sharma and Mrs. Anita Jain 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.

Following changes have been made in the Nomination and Remuneration Policy of the Company as per the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended:

- 1) The Nomination and Remuneration Committee to recommend to the Board, all remuneration, in whatever form, payable to the Directors, key managerial personnel and Senior Management.
- 2) “**Senior Management**” means officers / personnel of the Company who are members of the core management team excluding Board of Directors comprising all members of management one level below the chief executive officer / managing director / whole time director / manager (including chief executive officer / manager, in case they are not part of the board) and shall specifically include company secretary and chief financial officer.
- 3) The Company shall not appoint a person or continue the directorship of any person as a non-executive director who has attained the age of seventy five years unless a special resolution is passed to that effect, in which case the explanatory statement annexed to the notice for such motion shall indicate the justification for appointing such a person.
- 4) The fees or compensation payable to executive directors who are promoters or members of the promoter group, shall be subject to the approval of the shareholders by special resolution in general meeting, if-
 - (i) the annual remuneration payable to such executive director exceeds rupees 5 crore or 2.5 per cent of the net profits of the company, whichever is higher; or
 - (ii) where there is more than one such director, the aggregate annual remuneration to such directors exceeds 5 per cent of the net profits of the company;

Provided that the approval of the shareholders under this provision shall be valid only till the expiry of the term of such director.

- 5) The approval of shareholders by special resolution shall be obtained every year, in which 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, giving details of the remuneration thereof.

The complete Nomination and Remuneration Policy of the Company is available on the website of the Company having following web link, <http://www.hbportfolio.com/PdfFiles/NRC.pdf>

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

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

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

Sr. No.	Name	Category	Ratio/Times per Median of employee remuneration	% Increase in remuneration
1.	Mr. Anil Goyal	Managing Director (Executive)	16.15	Nil
2.	Mr. Lalit Bhasin	Director (Non-Executive)	N.A	N.A
3.	Mr. Jag Mohan Lal Suri	Director (Non-Executive)	N.A	N.A
4.	Mr. Raj Kumar Bhargava	Director (Non-Executive)	N.A	N.A
5.	Mr. Ramesh Chandra Sharma	Director (Non-Executive)	N.A	N.A
6.	Mrs. Anita Jain	Director (Non-Executive)	N.A	N.A
7.	Mr. Bhuneshwar Lal Chadha*	Director (Non-Executive)	N.A	N.A
8.	Mr. Dinesh Kapoor	Company Secretary		Nil

(*) Resigned from the Board w.e.f 21st August, 2018.

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

- (iii) There is no increase in the median remuneration of employees in current financial year as compared to previous financial year.
- (iv) There are five permanent employees on the rolls of the Company as on 31st March, 2019.
- (v) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year as compared to the percentile increase in the managerial remuneration: Nil
- (vi) The key parameters for any variable component of remuneration availed by the directors: Not Applicable
- (vii) The remuneration paid to the Directors / Key Managerial Personnel (KMP) is in accordance with the remuneration policy of the Company.

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).

EXTRACT OF ANNUAL RETURN

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

The Annual Return (Form MGT-7) filed by the Company for FY 2017-18 with the Registrar of Companies is available on the website of the Company having following web link, http://www.hbportfolio.com/Annual_Return/index.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 have been followed along with proper explanation relating to material departures;
- b) the Directors have selected such Accounting Policies and applied them consistently and made judgments and estimates, that are reasonable and prudent so as to give a true and fair view of the State of Affairs of the Company at the end of the Financial Year and of the Profit or Loss of the Company for that period;
- c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the Directors had prepared the Annual Accounts on a going concern basis;
- e) the Directors have laid down Internal Financial Controls to be followed by the Company and that such Internal Financial Controls are adequate and were operating effectively; and
- f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

ACKNOWLEDGMENTS

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

For and on behalf of the Board

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

**Place: Gurugram
Date: 27th May, 2019**



**FORM NO. MR-3
SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2019

(Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014

To,
The Members of
HB Portfolio Limited

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

Based on our verification of **HB Portfolio Limited's** books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, We hereby report that in our opinion, the Company has, during the audit period covering the **Financial Year ended on 31st March, 2019** complied with statutory provisions listed hereunder and also that the Company has proper Board – processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2019 according to the provisions of:
 - (i) The Companies Act, 2013 (the Act) and the rules made there under;
 - (ii) The Securities Contracts (Regulation) Act, 1956 (SCRA) and the rules made there under;
 - (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
 - (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings*.
 - (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
 - (d) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (e) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009*;
 - (f) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014*;
 - (g) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008*;
 - (h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009*;
 - (i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998*.
 - (*) Foreign Exchange Management Act, 1999 and the rules and regulations at sub-para (iv), SEBI Regulations listed at sub-para (v) Serial Nos. (e), (f), (g), (h) and (i) above are not applicable to the Company for 2018-19 as there were no corporate decisions/actions attracting these regulations.
 - (vi) The Other Laws applicable specifically to the Company are:
 - (a) Reserve Bank of India Act, 1934 and applicable NBFC directions (Complied with to a limited extent on voluntary basis).
 - (b) Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.
2. We have also examined the compliances with the applicable Regulations/Standards of the following:
 - (i). SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Listing Agreement with the Bombay Stock Exchange (BSE Limited); 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 and the Rules, Regulations, Guidelines etc. mentioned above subject to the following observations:

The Company did not have Chief Financial Officer (CFO) during the year under review. In order to comply with the said requirement, the Company has appointed CFO effective from 27.05.2019 being its Key Managerial Personnel (KMP) as per the provisions of Section 203 of the Companies Act, 2013.

4. We further report that:

- (a) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-executive Directors, Woman Director and Independent Directors. There is no change in the composition of the Board of Directors during the period under Audit.
- (b) Adequate notice is given to all Directors to schedule the Board Meetings, Agenda and Detailed Notes on Agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- (c) Majority decision is carried through while dissenting members' views are captured and recorded as part of the minutes.

5. We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

6. We further report that during the audit period, no major decisions have been taken which have a bearing on Company's affairs in pursuance of the above referred laws, rules / regulations.

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

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

Sd/-
A.N. Kukreja
(Proprietor)
FCS 1070; CP 2318

**Place: New Delhi
Date: 27th May, 2019**

Annexure – 'A'

To,
The Members of
HB Portfolio Limited

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

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

Sd/-
A.N. Kukreja
(Proprietor)
FCS 1070; CP 2318

**Place: New Delhi
Date: 27th May, 2019**

REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES**(A) Average Net Profits and prescribed CSR expenditure:****(Amount in ₹)**

Particulars	
Average net profits of the Company for last three financial years	3,16,30,667
Prescribed CSR expenditure	6,32,613

(B) Details of CSR spent during the financial year:

Particulars	
Total amount spent during the financial year	6,50,000
Total	6,50,000
Amount unspent, if any	Nil

(C) Manner in which the amount spent during the financial year is detailed below:

Sr. No.	CSR project or activity identified	Sector in which the project is covered	Projects or programs: (1) Local area or other (2) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub-heads: (1) Direct expenditure on projects or programs. (2) Overhead	Cumulative expenditure upto the reporting period	Amount spent: Direct or through implementing agency *
1.	Contribution to Delhi Langar Seva Society for feeding the Hungry People	Eradicating Hunger, Poverty & Malnutrition	Delhi	3,00,000	3,00,000	3,00,000	Implementing Agency *
2.	Contribution to Prayas Juvenile Aid Centre Society for the repair of Kitchen & Roof of their School Centre	Eradicating Hunger, Poverty & Malnutrition, Promotion of Education	Delhi	3,50,000	3,50,000	3,50,000	Implementing Agency **
Total				6,50,000	6,50,000	6,50,000	

(*) Delhi Langar Seva Society (DLSS) is a Registered Trust, and is focused on ‘Feeding the Hungry’ people. DLSS started its activity of feeding hungry people approx. 300 persons once a week outside AIIMS (All India Institute of Medical Sciences), New Delhi. Presently, DLSS is feeding approx. 1300 hungry people every day at eight different locations in Delhi.

(**) Prayas Juvenile Aid Centre (Prayas) is Registered under the Societies Registration Act, 1860 and Foreign Contribution (Regulation) Act, 1976. Prayas was founded in 1988 and is currently working in association with Lightworkers Foundation. Prayas is primarily putting all its efforts and resources to eliminate problems from the life of needy Women and Children. Prayas is running three schools for Children and an education program for the Women living in slums of Delhi.

Responsibility Statement

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

For HB Portfolio Limited**For HB Portfolio Limited**

Sd/-
ANIL GOYAL
(Managing Director)

Sd/-
RAMESH CHANDRA SHARMA
(Chairman – CSR Committee)

FORM NO. MGT – 9
EXTRACT OF ANNUAL RETURN
As on the Financial Year ended on 31.03.2019
(Pursuant to Section 92(3) of the Companies Act, 2013 and
Rule 12(1) of the Company (Management & Administration) Rules, 2014

I. REGISTRATION & OTHER DETAILS:

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

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

All the business activities contributing 10% or more of the total turnover of the Company shall be stated

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

III. PARTICULARS OF HOLDING, SUBSIDIARY & ASSOCIATE COMPANIES:

Sl. No.	Name & Address of the Company	CIN/GLN	Holding / Subsidiary / Associate	% of shares held	Applicable Section
1.	HB Securities Limited H-72, Connaught Circus, New Delhi – 110 001	U67120DL1991PLC044025	Subsidiary	100.00	2(87)(ii)
2.	HB Corporate Services Limited Plot No. 31, Echelon Institutional Area, Sector 32, Gurugram – 122 001, Haryana	U74999HR1999PLC041545	Subsidiary	97.40	2(87)(ii)
3.	Taurus Asset Management Company Limited AML Centre – 1, 8 Mahal Industrial Estate, Mahakali Caves Road, Andheri (East), Mumbai – 400093	U67190MH1993PLC073154	Subsidiary	70.12	2(87)(ii)
4.	Taurus Investment Trust Company Limited AML Centre – 1, 8 Mahal Industrial Estate, Mahakali Caves Road, Andheri (East), Mumbai – 400093	U65990MH1993PLC072984	Subsidiary	80.39	2(87)(ii)
5.	Merwanjee Securities Limited* 301, Regent Chambers, 208, Jammalal Bajaj Marg, Nariman Point, Mumbai – 400 021, Maharashtra	U67120MH1992PLC069529	Associate	48.00	2(6)
6.	Har Sai Investments Limited H-72, Connaught Circus, New Delhi – 110 001	U74899DL1995PLC063951	Associate	39.96	2(6)

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

IV. SHAREHOLDING PATTERN (Equity Share Capital Break up as percentage of total Equity):**(i) Category-wise Shareholding:**

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. PROMOTERS									
(1) Indian									
a) Individual / HUF	6518927	0	6518927	60.56	6549671	0	6549671	60.85	0.29
b) Central Govt.	0	0	0	0.00	0	0	0	0.00	0.00
c) State Govt.	0	0	0	0.00	0	0	0	0.00	0.00
d) Bodies Corporate	95318	0	95318	0.89	64574	0	64574	0.60	(0.29)
e) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
f) Any other	0	0	0	0.00	0	0	0	0.00	0.00
SUB TOTAL: (A) (1)	6614245	0	6614245	61.45	6614245	0	6614245	61.45	0.00
(2) Foreign									
a) NRI-Individuals	0	0	0	0.00	0	0	0	0.00	0.00
b) Other Individuals	0	0	0	0.00	0	0	0	0.00	0.00
c) Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
d) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
e) Any other	0	0	0	0.00	0	0	0	0.00	0.00
SUB TOTAL: (A) (2)	0	0	0	0.00	0	0	0	0.00	0.00
Total Shareholding of Promoter (A) = (A)(1)+(A)(2)	6614245	0	6614245	61.45	6614245	0	6614245	61.45	0.00



Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
B. PUBLIC SHAREHOLDING									
(1) Institutions									
a) Mutual Funds	157	1236	1393	0.01	157	1236	1393	0.01	0.00
b) Banks / FI	0	84	84	0.00	0	44	44	0.00	0.00
c) Central Govt.	0	0	0	0.00	0	0	0	0.00	0.00
d) State Govt.	0	0	0	0.00	0	0	0	0.00	0.00
e) Venture Capital Fund	0	0	0	0.00	0	0	0	0.00	0.00
f) Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
g) FIs / Foreign Portfolio Investors	5252	0	5252	0.05	3419	0	3419	0.03	(0.02)
h) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
i) Others (specify)	0	0	0	0.00	0	0	0	0.00	0.00
SUB TOTAL (B)(1):	5409	1320	6729	0.06	3576	1280	4856	0.04	(0.02)
(2) Non Institutions									
a) Bodies Corporate									
i) Indian	425305	12367	437672	4.07	412986	12303	425289	3.95	(0.12)
ii) Overseas	0	0	0	0.00	0	0	0	0.00	0.00
b) Individuals									
i) Individual Shareholders holding nominal share capital upto ₹ 1 lakh	1712727	1262616	2975343	27.64	1720084	1126229	2846313	26.44	(1.20)
ii) Individual Shareholders holding nominal share capital in excess of ₹ 1 lakh	171340	27473	198813	1.85	305561	0	305561	2.84	0.99
c) Other (specify)									
i) Clearing Members	22307	0	22307	0.21	12574	46	12620	0.12	(0.09)
ii) Non-Residents	78469	34764	113233	1.05	72246	31262	103508	0.96	(0.09)
iii) Trusts	37	0	37	0.00	15	0	15	0.00	0.00
iv) NBFC	45	0	45	0.00	99	0	99	0.00	0.00
v) IEPF Account	395806	0	395806	3.68	451724	0	451724	4.20	0.52
SUB TOTAL (B)(2):	2806036	1337220	4143256	38.49	2975289	1169840	4145129	38.51	0.02
TOTAL PUBLIC SHAREHOLDING (B)=(B)(1)+(B)(2)	2811445	1338540	4149985	38.55	2978865	1171120	4149985	38.55	0.00
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0.00	0	0	0	0.00	0.00
Grand Total (A+B+C)	9425690	1338540	10764230	100.00	9593110	1171120	10764230	100.00	0.00

(ii) Shareholding of Promoters:

Sl. No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in Shareholding during the year
		No. of Shares	% of total Shares of the Company	% of Shares pledged / encumbered to total Shares	No. of Shares	% of total Shares of the Company	% of Shares pledged / encumbered to total Shares	
1.	Lalit Bhasin	6293927	58.47	0.00	6324671	58.76	0.00	0.29
2.	HB Stockholdings Limited	60000	0.56	0.00	60000	0.56	0.00	0.00
3.	Ayush Kapur	56250	0.52	0.00	56250	0.52	0.00	0.00
4.	Kanishk Kapur	56250	0.52	0.00	56250	0.52	0.00	0.00
5.	Manasvin Arora	56250	0.52	0.00	56250	0.52	0.00	0.00
6.	Mehar Arora	56250	0.52	0.00	56250	0.52	0.00	0.00
7.	RRB Master Holdings Limited*	30744	0.29	0.00	0	0.00	0.00	(0.29)
8.	Merrygold Investments Limited	4574	0.04	0.00	4574	0.04	0.00	0.00
9.	HB Corporate Services Limited*	0	0.00	0.00	0	0.00	0.00	0.00
	Total	6614245	61.45	0.00	6614245	61.45	0.00	0.00

(*) During the year under review, 30744 Equity Shares held by RRB Master Holdings Limited transferred to and vested into HB Corporate Services Limited on 03/11/2018 pursuant to Scheme of Amalgamation duly sanctioned by the Hon'ble NCLT. Later, these 30744 Equity Shares were acquired by Mr. Lalit Bhasin from PAC, HB Corporate Services Limited through off-market transaction on 18/12/2018. The overall Promoters' Shareholding remains same.

(iii) Change in Promoters' Shareholding:

Sl. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1.	Mr. Lalit Bhasin				
	At the beginning of the year	6293927	58.47	6293927	58.47
	18/12/2018 – Acquisition*	30744	0.29	6324671	58.76
	At the end of the year			6324671	58.76
2.	RRB Master Holdings Limited				
	At the beginning of the year	30744	0.29	30744	0.29
	03/11/2018 – Transfer**	(30744)	(0.29)	0	0.00
	At the end of the year			0	0.00
3.	HB Corporate Services Limited				
	At the beginning of the year	0	0.00	0	0.00
	03/11/2018 – Acquisition**	30744	0.29	30744	0.00
	18/12/2018 - Sale	(30744)	0.00	0	0.00
	At the end of the year			0	0.00

(*) Off-market acquisition of Shares from PAC, HB Corporate Services Limited.

(**) Pursuant to the Scheme of Amalgamation of RRB Master Holdings Limited with HB Corporate Services Limited.

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

Sl. No.	For Each of the Top Ten Shareholders	Buy / Sell	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
			No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1.	ASHARI AGENCIES LIMITED					
	At the beginning of the year		116412	1.08	116412	1.08
	07/12/2018	Buy	7500	0.07	123912	1.15
	At the end of the year				123912	1.15
2.	SUJATA HOLDINGS PRIVATE LIMITED					
	At the beginning of the year		94053	0.87	94053	0.87
	10/08/2018	Sell	(16435)	(0.15)	77618	0.72
	17/08/2018	Sell	(4812)	(0.04)	72806	0.68
	At the end of the year				72806	0.68
3.	DEEPAK JAIN					
	At the beginning of the year		66600	0.62	66600	0.62
	At the end of the year				66600	0.62
4.	AMRIT STEELS PRIVATE LIMITED					
	At the beginning of the year		0	0	0	0
	07/12/2018	Buy	55000	0.51	55000	0.51
	At the end of the year				55000	0.51
5.	KUMARA SWAMY BS					
	At the beginning of the year		33196	0.31	33196	0.31
	At the end of the year				33196	0.31
6.	DHANUSH D SURANA					
	At the beginning of the year		0	0	0	0
	09/11/2018	Buy	4435	0.04	4435	0.04
	16/11/2018	Buy	4169	0.04	8604	0.08
	30/11/2018	Buy	1847	0.02	10451	0.10
	07/12/2018	Buy	1426	0.01	11877	0.11
	14/12/2018	Buy	4114	0.04	15991	0.15
	21/12/2018	Sell	(53)	(0.00)	15938	0.15
	28/12/2018	Buy	1083	0.01	17021	0.16
	04/01/2019	Buy	575	0.01	17596	0.16
	11/01/2019	Buy	3317	0.03	20913	0.19
	18/01/2019	Buy	1235	0.01	22148	0.21
	25/01/2019	Buy	2444	0.02	24592	0.23
	01/02/2019	Buy	190	0.00	24782	0.23
	08/02/2019	Buy	2775	0.03	27557	0.26
	15/02/2019	Buy	2223	0.02	29780	0.28
	22/02/2019	Buy	1388	0.01	31168	0.29
	08/03/2019	Buy	100	0.00	31268	0.29
	15/03/2019	Buy	1384	0.01	32652	0.30
	22/03/2019	Buy	31	0.00	32683	0.30
	At the end of the year				32683	0.30
7.	NASSAR P.V.					
	At the beginning of the year		30000	0.28	30000	0.28
	At the end of the year				30000	0.28
8.	DELHI IRON & STEEL COMPANY PRIVATE LIMITED					
	At the beginning of the year		101044	0.94	101044	0.94
	10/08/2018	Sell	(2623)	(0.02)	98421	0.91
	24/08/2018	Sell	(23648)	(0.22)	74773	0.69
	07/12/2018	Sell	(57500)	(0.53)	17273	0.16
	21/12/2018	Buy	4091	0.04	21364	0.20
	28/12/2018	Buy	1155	0.01	22519	0.21
	04/01/2019	Buy	1500	0.01	24019	0.22
	11/01/2019	Buy	3311	0.03	27330	0.25
	18/01/2019	Buy	1000	0.01	28330	0.26
	At the end of the year				28330	0.26
9.	RAJENDRA KUMAR JAIN HUF					
	At the beginning of the year		0	0	0	0
	12/10/2018	Buy	19641	0.18	19641	0.18
	19/10/2018	Buy	2065	0.02	21706	0.20
	At the end of the year				21706	0.20
10.	AVANTHA HOLDINGS LIMITED					
	At the beginning of the year		18711	0.17	18711	0.17
	At the end of the year				18711	0.17

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

Sl. No.	For each of the Directors & KMP	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1.	Mr. Lalit Bhasin	6293927	58.47	6324671	58.76
2.	Mr. Jag Mohan Lal Suri *	450	0.00	450	0.00
3.	Mr. Raj Kumar Bhargava	4270	0.04	4270	0.04
4.	Mr. Ramesh Chandra Sharma	NIL	N.A	NIL	N.A
5.	Mrs. Anita Jain	NIL	N.A	NIL	N.A
6.	Mr. Bhuneshwar Lal Chadha**	NIL	N.A	NIL	N.A
7.	Mr. Anil Goyal, MD (KMP)	NIL	N.A	NIL	N.A
8.	Mr. Dinesh Kapoor, CS (KMP)	NIL	N.A	NIL	N.A

(*) Jointly held with his wife.

(**) Resigned from the Board w.e.f 21st August, 2018

V. INDEBTEDNESS:

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

(Amount in ₹ Lacs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	20.89	NIL	NIL	20.89
ii) Interest due but not paid	NIL	NIL	NIL	NIL
iii) Interest accrued but not due	NIL	NIL	NIL	NIL
Total (i+ii+iii)	20.89	NIL	NIL	20.89
Changes in Indebtedness during the financial year				
• Addition	NIL	NIL	NIL	NIL
• Reduction	8.48	NIL	NIL	8.48
Net Change	8.48	NIL	NIL	8.48
Indebtedness at the end of the financial year				
i) Principal Amount	12.41	NIL	NIL	12.41
ii) Interest due but not paid	NIL	NIL	NIL	NIL
iii) Interest accrued but not due	NIL	NIL	NIL	NIL
Total (i+ii+iii)	12.41	NIL	NIL	12.41

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:
A) Remuneration to Managing Director, Whole –Time Directors and / or Manager:

(Amount in ₹ Lacs)

Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager
		Mr. Anil Goyal, Managing Director
1.	Gross Salary	
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	45.00
	(b) Value of perquisites u/s 17(2) Income-Tax Act, 1961	28.60
	(c) Profits in lieu of salary under Section 17(3) Income-Tax Act, 1961	NIL
2.	Stock Option	NIL
3.	Sweat Equity	NIL
4.	Commission - as % of profit - others, specify	NIL -
5.	Others, please specify	NIL
	Total (A)	73.60
	Ceiling as per the Act	240.00 (As per Schedule V of the Companies Act, 2013 – Special Resolution)

B) Remuneration to other Directors:

(Amount in ₹ Lacs)

Sl. No.	Particulars of Remuneration	Name of Directors				Total Amount
1.	Independent Directors	Mr. Raj Kumar Bhargava	Mr. Ramesh Chandra Sharma	Mrs. Anita Jain	Mr. Bhuneshwar Lal Chadha*	
	<ul style="list-style-type: none">Fee for attending board / committee meetings #CommissionOthers, please specify	1.95 NIL -	0.90 NIL -	1.50 NIL -	0.40 NIL -	4.75 NIL -
	Total (1)	1.95	0.90	1.50	0.40	4.75
2.	Other Non-Executive Directors	Mr. Lalit Bhasin		Mr. Jag Mohan Lal Suri		
	<ul style="list-style-type: none">Fee for attending board / committee meetings #CommissionOthers, please specify	0.80 NIL -		1.85 NIL -		2.65 NIL -
	Total (2)	0.80		1.85		2.65
	Total Managerial Remuneration					7.40
	Overall Ceiling as per the Act	Sitting fee paid as per the provisions of the Companies Act, 2013.				

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

(*) Resigned from the Board w.e.f 21st August, 2018.

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

(Amount in ₹ Lacs)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel (Company Secretary)	Total Amount
		Mr. Dinesh Kapoor	
1.	Gross Salary		
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	9.00	9.00
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	13.90	13.90
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	NIL	NIL
2.	Stock Option	NIL	NIL
3.	Sweat Equity	NIL	NIL
4.	Commission		
	- As % of profit	NIL	NIL
	- Others, specify	-	-
5.	Ex-Gratia	3.00	3.00
	Total	25.90	25.90

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:

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

MANAGEMENT'S DISCUSSION AND ANALYSIS

1. OPERATING RESULTS

During the year under review, the Company's Total Revenue is ₹ 420.84 Lacs as compared to ₹ 1450.96 Lacs in the previous year. The Company incurred total expenses amounted to ₹ 263.37 Lacs as compared to ₹ 210.59 Lacs during the previous year. Profit after tax stood at ₹ 160.02 Lacs as against ₹ 1006.58 Lacs in the previous year.

The financial figures for the current year are not comparable with previous year due to accounting effect given in the Financial Statements for the Financial Year ended 31st March, 2018 from the Appointed Date(s) i.e. 01st April, 2015 & 03rd April, 2015 pursuant to the sanction of the Scheme of Arrangement ('the Scheme') between HB Stockholdings Limited (HBSL), HB Portfolio Limited (HBPL) and HB Estate Developers Limited (HBEDL) and their respective Shareholders and Creditors under Sections 391 to 394 read with Section 100 to 104 of the Companies Act, 1956.

2. INDUSTRY STRUCTURE AND DEVELOPMENTS

India has a diversified financial sector undergoing rapid expansion, both in terms of strong growth of existing financial services firms and new entities entering the market. The sector comprises commercial banks, insurance companies, non-banking financial companies, co-operatives, pension funds, mutual funds and other smaller financial entities.

Liquidity issues in the NBFC sector adversely impacted the flows into financial markets and the performance of the equity market in particular. Major stake sales in various companies were also carried out by Government in order to meet the disinvestment target and control the fiscal deficit.

India's economic growth also decelerated somewhat in 2018-19 — with GDP growing at 7% in 2018-19, compared to 7.2% in the previous year. But, the growth outlook for 2019-20 is positive. The Reserve Bank of India (RBI), in its monetary policy statement released in April 2019, expects GDP growth to return to 7.2% in 2019-20. Equally, even as there are risks around global oil prices, inflation is expected to remain rangebound, which should sustain the current neutral monetary policy stance of the RBI. With no hikes in interest rates on the cards and a resilient demand, consumer confidence and discretionary spends are likely to improve in 2019-20.

3. OPPORTUNITY AND THREATS

The financial services industry continues to recover from the economic crisis. Against the backdrop of a complex and uncertain economic environment, financial service institutions in India are struggling to retain their competitiveness and to align their business models to the rapidly changing circumstances. These complexities in the Indian business environment make the future of financial services difficult to predict.

The India growth story, although impacted to a great extent by international factors, is equally driven by domestic factors, like changing consumer behaviour, falling investment, the increasing trade gap and current account deficit. In view of the growing integration with global markets, India needs to have a strong regulatory framework to prevent and protect against external threats. Being a hugely under-penetrated financial market, India presents immense opportunities to tap investors' savings and channel them into the financial markets. A strong regulatory framework entails strengthening liquidity conditions, enhancing risk coverage, reducing leverage, recognising systemic risk and maintaining financial stability.

4. FUTURE PROSPECTS AND OUTLOOK

In April 2018, the IMF forecasted global growth to increase to 3.9% in FY 2019-20. However, the forecast was downgraded subsequently to 3.5% in January, 2019 and further to 3.3% in April, 2019. The downward revision is mainly driven by advanced economies ('Aes'). Aes are expected to grow 1.8% in FY 2019-20 while Emerging Markets are expected to grow 4.4%. The main reasons for lower growth are trade tensions, decline in business confidence and higher policy uncertainty.

Domestic equity flows are likely to be robust while FPI flows could continue to be volatile. Corporate profitability of Indian Inc. is expected to improve in FY 2019-20 as the NPA recognition cycle peaks out along with improving consumption and infrastructure spend by the government.

India is expected to be a high growth economy in the medium to longer term which coupled with an expectation of recovery in economic growth at global level augurs well for the capital markets in India.

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

5. RISKS AND CONCERNS

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

Risk Management Policy

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

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

- The macroeconomic risks, investee company specific risks are covered by investment decisions based on third party research and internal assessment.
- Market wide risks are assessed and managed by investment timing decisions.
- The execution risk is managed by dealing with reputed intermediaries and through own back office discipline re accounting and follow up of trades.

- 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

- 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, 2019 stood at ₹ 10,76,42,300/- comprising of 10764230 Equity Shares of ₹ 10/- each.
- Reserves and Surplus:** During the year under review, the Reserves and Surplus is ₹ 11,248.72 Lacs as against ₹ 11,088.70 Lacs during the previous year.
- Non-Current Assets:** During the year under review, the Non-Current Assets stood at ₹ 12,126.09 Lacs as against ₹ 10,186.47 Lacs during the previous year.
- Current Assets & Current Liabilities:** The Current Assets and Current Liabilities & Provisions for the year under review stood at ₹ 591.43 Lacs and ₹ 162.38 Lacs respectively against ₹ 2,681.07 Lacs and ₹ 462.35 Lacs for the previous year.
- Key Financial Ratios (Standalone):**

Particulars	FY 2018-19	FY 2017-18	% change over previous year	Formula used
1. Debtors Turnover Ratio	NA	NA	NA	NA
2. Inventory Turnover Ratio	NA	NA	NA	NA
3. Interest Coverage Ratio	116.15	974.5	-88.08	EBIT / Interest Expense
4. Current Ratio	3.64	5.80	-37.24	Current Assets / Current Liabilities
5. Debt Equity Ratio	0.012	0.019	-36.84	Debt / Equity
6. Operating Profit Margin (%)	37.67	85.57	-55.98	EBIT / Total Revenue
7. Net Profit Margin (%)	38.22	69.45	-44.97	Net Profit / Revenue from operations
8. Return on Net Worth (%)	14.87	93.51	-84.10	Net Profit / Shareholders Equity

Explanation:

Change of more than 25% in the above key financial ratios has occurred due to accounting effect given in the Financial Statements for the Financial Year ended 31st March, 2018 from the Appointed Date(s) i.e. 01st April, 2015 & 03rd April, 2015 pursuant to the sanction of the Scheme of Arrangement ('the Scheme') between HB Stockholdings Limited (HBSL), HB Portfolio Limited (HBPL) and HB Estate Developers Limited (HBEDL) and their respective Shareholders and Creditors under Sections 391 to 394 read with Section 100 to 104 of the Companies Act, 1956.

8. HUMAN RESOURCES

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

9. CAUTIONARY STATEMENT

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

REPORT ON CORPORATE GOVERNANCE

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:

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

2. SIZE AND COMPOSITION OF THE BOARD:

The Board of Directors of your Company comprises of Six Directors out of which five are Non-Executive Directors and three are Independent Directors including one Woman Director as on 31st March, 2019. The Non-Executive Directors are

proficient in their own fields and bring with them decades of rich experience. Mr. Lalit Bhasin, Director (Promoter) is the Chairman and Non-Executive Director of the Company. Mr. Anil Goyal is the Managing Director of your Company. He has to his credit nearly thirty six years of corporate experience. He is responsible for overall management of the Company. The composition of the Board is in conformity with the Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Four Board meetings were held during the year under review on 29th May, 2018; 07th August, 2018; 13th November, 2018 and 12th February, 2019.

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

Name of the Director	Category	Directorships in other Public Companies as on 31st March, 2019		#Committee Membership held in other Public Companies as on 31st March, 2019		No. of Board Meetings attended/entitled to attend 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	3	1	4/4	Yes	6324671
Mr. Anil Goyal	Non-Independent Executive	9	NIL	5	NIL	4/4	Yes	NIL
Mr. Jag Mohan Lal Suri	Non-Independent Non Executive	7	NIL	2	2	4/4	Yes	*450
Mr. Raj Kumar Bhargava	Independent Non Executive	3	1	1	4	4/4	Yes	4270
Mr. Ramesh Chandra Sharma	Independent Non Executive	4	NIL	2	NIL	4/4	Yes	NIL
Mrs. Anita Jain	Independent Non Executive	NIL	NIL	NIL	NIL	4/4	Yes	NIL
Mr. Bhuneshwar Lal Chadha**	Independent Non Executive	N.A	N.A	N.A	N.A	1/2	N.A	N.A

(*) Jointly held with his wife

(**) Resigned from the Board w.e.f 21st August, 2018.

(#) 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, 2019 is given as under:

Name of the Director	Directorships in other listed entities (Category of Directorship)
Mr. Lalit Bhasin	1. HB Stockholdings 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 Stockholdings Ltd. (Non-Executive Non-Independent Director) 2. HB Estate Developers Ltd. (Non-Executive Non-Independent Director) 3. HB Leasing & Finance Co. Ltd. (Executive Director - MD)
Mr. Jag Mohan Lal Suri	1. HB Estate Developers Ltd. (Non-Executive Non-Independent Director)
Mr. Raj Kumar Bhargava	1. Kajaria Ceramics Ltd. (Non-Executive Independent Director) 2. Asian Hotels (West) Ltd. (Non-Executive Independent Director) 3. Noida Toll Bridge Co. Ltd.* (Non-Executive Independent Director - Chairperson)
Mr. Ramesh Chandra Sharma	1. Sir Shadi Lal Enterprises Ltd. (Non-Executive Independent Director - Chairperson) 2. CHL Ltd. (Non-Executive Independent Director)
Mrs. Anita Jain	None

(*) Resigned w.e.f 01st April, 2019

The number of Committees (Audit Committee and Stakeholder Relationship Committee) of Public Limited Companies in which a Director is a Member / Chairperson 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 at the time of their appointment 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, <http://www.hbportfolio.com/PdfFiles/TCID.pdf>

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 existing Articles of Association of the Company, one-third of the Directors of the Company, who are liable to retire by rotation, shall retire at every Annual General Meeting. Accordingly, Mr. Lalit Bhasin, Director (Chairman) shall retire at the ensuing Annual General Meeting and who being eligible offers himself for re-appointment.

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



4. MEETING OF INDEPENDENT DIRECTORS:

During the year under review, the Independent Directors met on 12th February, 2019, 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 are available on the website of the Company having following web link, <http://www.hbportfolio.com/PdfFiles/FPID2019.pdf>

All the Independent Directors were present at the Meeting.

5. PERFORMANCE EVALUATION:

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 Chairperson 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 12th February, 2019 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 12th February, 2019 expressed their satisfaction with the performance evaluation of all individual Directors being the Independent Directors, Non-Independent Directors, Chairperson, 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.

6. 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 2018-2019 are set out below:

(A) Audit Committee:

The Board of Directors in their meeting held on 28th July, 2001 had constituted the Audit Committee. The Committee was duly reconstituted on 29th January, 2004, 27th July, 2004, 01st August, 2018 and thereafter on 23rd August, 2018.

The terms of reference of the Audit Committee was revised by the Board of Directors in their meeting held on 27th May, 2014 in terms of the provisions of Sec 177(4) 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 10th February, 2016 and 12th February, 2019 in terms of Regulation 18 read with Part C of Schedule II of the 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. Raj Kumar Bhargava, Chairman (Independent Director)
- (ii) Mrs. Anita Jain, Member (Independent Director)
- (iii) Mr. Jag Mohan Lal Suri, Member (Non-Independent Director)

The Company Secretary acting 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.

Mrs. Anita Jain has been appointed as member of the Audit Committee on 01st August, 2018. Mr. Bhuneshwar Lal Chadha ceased to be a member of the Audit Committee consequent upon of his resignation on 21st August, 2018.

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. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the Company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the Company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors of any significant findings and follow up there on;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To review the functioning of the Whistle Blower mechanism;
19. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
20. The Audit Committee shall mandatorily review the following information:
 - a) Management discussion and analysis of financial condition and results of operations;
 - b) Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;

- c) Management letters / letters of internal control weaknesses issued by the statutory auditors;
- d) Internal audit reports relating to internal control weaknesses; and
- e) The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.
- f) 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.

21. 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.

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

- a) To investigate any activity within its terms of reference.
- b) To seek information from any employee.
- c) To obtain outside legal or other professional advice.
- d) To secure attendance of outsiders with relevant expertise, if it considers necessary.
- e) To consider and act on any matters as or included under Clause 49 of the Listing Agreement and/or as may be so included from time to time, whether provided here in above or not.
- f) To deal with any other matters related and or incidental to the above or as may be assigned, in addition to the aforesaid, by the Board from time to time.

During the year under review, four Audit Committee Meetings were held on 29th May, 2018; 07th August, 2018; 13th November, 2018 and 12th February, 2019 and the same were attended by all Committee members as well as the Internal & Statutory Auditors of the Company except Mr. Bhuneshwar Lal Chadha who had expressed his inability to attend the meeting held on 07th August, 2018.

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

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

The Board of Directors in their meeting held on 19th December, 2001 had constituted the Remuneration Committee. The Committee was duly reconstituted on 30th October, 2004 and 23rd August, 2018.

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

Further, the terms of reference of the Nomination and Remuneration Committee has been partially amended by the Board of Directors in their meeting held on 10th February, 2016 and 12th February, 2019 in terms of Regulation 19 read with Part D of Schedule II of the 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.

The Nomination and Remuneration Committee comprises of following members:

- (i) Mr. Raj Kumar Bhargava, Chairman (Independent Director)
- (ii) Mrs. Anita Jain, Member (Independent Director)
- (iii) Mr. Ramesh Chandra Sharma, Member (Independent Director)

The Company Secretary acting as Secretary to the Committee.

Mrs. Anita Jain has been appointed as member of the Nomination and Remuneration Committee on 23rd August, 2018. Mr. Bhuneshwar Lal Chadha ceased to be a member of the Nomination and Remuneration Committee consequent upon of his resignation on 21st August, 2018.

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

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

2. Formulation of criteria for performance evaluation of Independent Directors and the Board;
3. Devising a policy on Board diversity;
4. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.
5. 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, two meetings of Nomination and Remuneration Committee were held on 13th November, 2018 and 12th February, 2019 respectively. All the committee members were present at the meeting.

Remuneration paid during the year ended 31st March, 2019 is as under:

(Amount in ₹ Lacs)

Director	Relationship with other Director(s)	Sitting Fees Paid (₹)	Salary & Perks (₹)	Commission, if any
Mr. Lalit Bhasin	N.A	0.80	Nil	Nil
Mr. Jag Mohan Lal Suri	N.A.	1.85	Nil	Nil
Mr. Raj Kumar Bhargava	N.A.	1.95	Nil	Nil
Mr. Ramesh Chandra Sharma	N.A.	0.90	Nil	Nil
Mrs. Anita Jain	N.A.	1.50	Nil	Nil
Mr. Bhuneshwar Lal Chadha*	N.A.	0.40	Nil	Nil
Mr. Anil Goyal	N.A.	Nil	73.60	Nil

(*) Resigned from the Board w.e.f 21st August, 2018.

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

The aggregate value of salary and perquisites paid for the year ended 31st March, 2019 to Mr. Anil Goyal, Managing Director is as follows:

Salary ₹ 45.00 Lacs and Perquisites ₹ 28.60 Lacs

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

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

Brief outline / salient features of the Nomination and Remuneration Policy including changes made therein during the year 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.hbportfolio.com/PdfFiles/NRC.pdf>

(C) **Stakeholders Relationship Committee:**

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

Further, the terms of reference of the Stakeholders Relationship Committee has been partially amended by the Board of Directors in their meeting held on 12th February, 2019 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. There was no change in the constitution of SRC during the year. The Stakeholders Relationship Committee comprises of following members:

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

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

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

1. To consider and approve the transfer, transmission and issue of fresh/duplicate share certificates.
2. To review the status of dematerialization of company's shares and matters incidental thereto.
3. To review and monitor the approval to the transfers and transmissions made by the Executive Director, under executive authority delegated to him from time to time.
4. To consider, review and look into 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 matters related and/or incidental to the shareholders.

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

During the year under review, five meetings of Stakeholders Relationship Committee were held on 06th April, 2018; 06th July, 2018; 06th October, 2018; 18th October, 2018 and 09th January, 2019 and the same were attended by all the Committee members.

Number of Shareholders Complaints received and redressed during the year 2018-2019:

Nature of Complaint	Received	Disposed Off	Pending
Non receipt of Dividend	1	1	Nil
Non receipt of Annual Report	2	2	Nil
Transfer, Transmission, Issue of Share Certificate etc.	8	8	Nil
Complaints received through SEBI / Stock Exchange	3	3	Nil
TOTAL	14	14	Nil

(D) Corporate Social Responsibility (CSR) Committee:

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

The Corporate Social Responsibility Committee consists of three Directors as members out of which one Director is an Independent Director who is also the Chairman of the Committee. There was no change in the constitution of CSR Committee during the year. The Corporate Social Responsibility Committee comprises of following members:

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

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

1. formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the company as specified in Schedule VII;
2. recommend the amount of expenditure to be incurred on the activities referred to in clause (a); and
3. monitor the Corporate Social Responsibility Policy of the Company from time to time.

During the year under review, Corporate Social Responsibility Committee met on 13th November, 2018 and the same was attended by all members of the Committee.

(E) Finance and Borrowings Committee:

The Board of Directors in their meeting held on 30th April, 2003 constituted the Finance and Borrowings Committee. There was no change in the constitution of Finance and Borrowings Committee during the year.

The Finance and Borrowings Committee comprises of following members:-

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

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

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

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

(F) Capital Restructuring Committee:

The Board of Directors in their meeting held on 01st February, 2018 has constituted the Capital Restructuring Committee. There was no change in the constitution of Capital Restructuring Committee during the year.

The Capital Restructuring Committee comprises of following members-

- (i) Mr. Ramesh Chandra Sharma, Member (Independent Director)
- (ii) Mr. Jag Mohan Lal Suri, Member (Non-Independent Director)
- (iii) Mr. Anil Goyal, Member (Executive Director)

The Company Secretary acting as Secretary to the Committee.

Minimum two members form quorum for convening a meeting of 'Capital Restructuring Committee'.

The Board of Directors empowered Capital Restructuring Committee to make an allotment of Equity Shares to the Shareholders of HB Stockholdings Limited (HBSL) in consideration of the Demerger of HBSL "Long Term Equity Investment Undertaking" from HBSL and transfer and vesting of the same to the Company (HBPL) in terms of Part B of the Scheme (Demerger 1) and for effecting Reduction of Share Capital as envisaged in the Scheme of Arrangement between HB Stockholdings Limited (HBSL), HB Portfolio Limited (HBPL) and HB Estate Developers Limited (HBEDL) and their respective Shareholders and Creditors under Sections 391 to 394 read with Section 100 to 104 of the Companies Act, 1956.

No meeting of Capital Restructuring Committee was held during the year.

7. GENERAL BODY MEETINGS:

I. Details of Annual General Meetings (AGM):

Location and time where the last three AGM's were held:

Year	Type	Location	Date	Time
2017-18	AGM	GIA House, I.D.C., Mehrauli Road, Opp. Sector 14, Gurugram - 122 001 (Haryana)	28.09.2018	11.00 A.M.
2016-17	AGM		26.09.2017	03.00 P.M.
2015-16	AGM		30.08.2016	11.00 A.M.

II. List of Special Resolutions passed in the previous three AGMs:

S. No.	Subject Matter	AGM Reference and Date of passing
1.	No Special Resolution was passed	23rd AGM 28.09.2018
2.	Re-appointment of Mr. Anil Goyal, Managing Director of the Company.	22nd AGM 26.09.2017
3.	Alteration of Memorandum of Association (MOA) of the Company.	21 st AGM 30.08.2016

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 Disclosure Requirements) Regulations, 2015.

- III. Whether any Special Resolution passed last year through Postal Ballot: No
- IV. Whether any Special Resolution is proposed to be conducted through Postal Ballot: No

8. MEANS OF COMMUNICATION:

- I. **Quarterly Results:** Dissemination through Listing Centre of Bombay Stock Exchange (BSE Limited), Company's Website and through publication in newspapers 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:** <http://www.hbportfolio.com>
- IV. The website also displays Public Notices / Announcements containing important communications made to the Bombay Stock Exchange (BSE Limited). As and when any presentation is made to institutional investors the same would be simultaneously uploaded on the Company's Website.

9. DISCLOSURES:

- I. In terms of Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Company's Policy on Related Party Transactions and with the approval of the Shareholders, the Company entered into material related party transaction with HB Estate Developers Limited by subscribing 2000000 (Twenty Lakhs) 9% Non-Cumulative Redeemable Preference Shares (Series III) of ₹ 100/- each issued & allotted by HB Estate Developers Limited on Private Placement basis to the Company aggregating to ₹ 20,00,00,000/- (Rupees Twenty Crores Only) during the year under review.

Apart from the above, there have been no materially significant related party transactions, pecuniary transactions or relationships other than those disclosed in the Financial Statements for the financial year ended 31st March, 2019 (Refer Note No. 22 of the Notes to Accounts) forming part of the Financial Statements. The Policy on Related Party Transactions is available on the website of the Company having following web link, <http://www.hbportfolio.com/PdfFiles/RPT.pdf>

- II. No penalty has been imposed nor any strictures have been imposed 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 is available on the website of the Company having following web link, <http://www.hbportfolio.com/PdfFiles/WBP.pdf> No personnel have been denied access to the Audit Committee.
- IV. Taurus Asset Management Company Limited falls under the definition of 'Material Unlisted Subsidiary' of the Company on the basis of Consolidated Financial Statements of the Company and Subsidiaries for the Financial Year ended 31st March, 2019. None of the other Company's Subsidiaries is a "Material Unlisted Subsidiary" in terms of Regulation 24 of the SEBI (Listing

Obligations and Disclosure Requirements) 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 Subsidiaries is available on the website of the Company having following web link, <http://www.hbportfolio.com/PdfFiles/PDMS.pdf>

- 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. The Managing Director of the Company, who is a qualified Chartered Accountant having vast experience has given the Compliance Certificate on the review of Financial Statements, including Cash Flow Statement for the Financial Year ended 31st March, 2019 to the Board of Directors as required under Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company has appointed Chief Financial Officer being its Key Managerial Personnel (KMP) w.e.f. 27th May, 2019 in terms of the provisions of Sec 203 of the Companies Act, 2013.
- 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	8,85,790
Tax Audit Fees	15,000
Limited Review Reports	30,000
Certification and others	1,05,000
Total	10,35,790

- 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 is available on the website of the Company, <http://www.hbportfolio.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.

10. GENERAL SHAREHOLDER INFORMATION:

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

Location	Date	Time
GIA House, I.D.C., Mehrauli Road, Opp. Sector 14, Gurugram – 122 001 (Haryana)	17.09.2019	11.00 A.M.

- II. **Financial Year:** 1st April, 2018 to 31st March, 2019

- III. **Date of Book Closure:** 11th September, 2019 to 17th September, 2019.

IV. Listing on Stock Exchanges:

The Company's Equity Shares are listed at the Bombay Stock Exchange (BSE Limited), Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001. The Annual Listing Fee for the financial year 2019-2020 has been paid to BSE Limited.

V. Stock Code / ISIN:

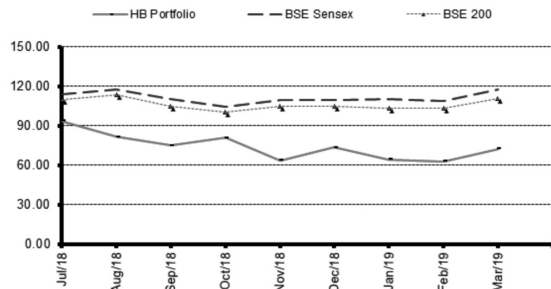
The Company's Stock Code at BSE Limited is 532333 (ISIN: INE638B01025)

VI. Market Price Data: The monthly High, Low price of the Company's Equity Share during each month in the last financial year at Bombay Stock Exchange Limited (BSE Limited) is as under:

Month	High Price	Low Price	Close Price	Volume
Jul-18	32.75	29.75	32.75	7,569
Aug-18	40.50	20.95	28.55	1,89,677
Sep-18	35.95	23.55	26.25	76,039
Oct-18	29.65	20.15	28.30	48,314
Nov-18	33.30	22.10	22.25	57,674
Dec-18	29.20	22.65	25.65	1,13,735
Jan-19	29.25	20.00	22.50	38,154
Feb-19	25.85	18.00	22.00	49,680
Mar-19	26.70	21.50	25.30	50,153

Note:

Data for the month of April to June, 2018 is not available since BSE Limited vide its Notice dated 28/02/2018 advised trading members not to deal in Equity Shares of the Company w.e.f 12/03/2018 for the purpose of implementing the Scheme of Arrangement duly sanctioned by the Hon'ble NCLT, Chandigarh Bench at Chandigarh. The trading in the Equity Shares of the Company admitted for trading on the Exchange w.e.f 25/07/2018.



VII. Performance in Broad based Indices:

Stock Performance – Absolute Returns:

	1 Year
HB Portfolio	-22.75
BSE Sensex	2.84
BSE 200	0.75

VIII. Registrar and Share Transfer Agent:

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@rcmdltd.com

IX. Share Transfer System

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

X. The distribution of Shareholdings of the Company as on 31st March, 2019 is as under:

Shareholding of value of Rupees	Shareholders		Shareholding	
	Number	% to total	No. of Shares	% to total
Up to 5000	73486	99.29	2296314	21.33
5001-10000	275	0.37	193454	1.80
10001-20000	119	0.16	165667	1.54
20001-30000	46	0.06	110910	1.03
30001-40000	21	0.03	73639	0.68
40001-50000	15	0.02	68797	0.64
50001-100000	16	0.02	117636	1.09
100001 and above	32	0.04	7737813	71.88
TOTAL	74010	100.00	10764230	100.00

The category-wise distribution of Shareholders is as follows:

Category	No. of Shares held	% of Shareholding
A. Promoters Holding		
➤ Indian Promoter	6614245	61.45
➤ Foreign Promoters	Nil	0.00
B. Public Shareholding (Institutions)		
➤ Mutual Funds and UTI	1393	0.01
➤ Banks/Financial Institutions	44	0.00
➤ Foreign Portfolio Investors	3419	0.03
C. Public Shareholding (Non Institutions)		
➤ Indian Public	3151874	29.28
➤ Bodies Corporate	425289	3.95
➤ NRIs	103508	0.96
➤ Clearing Members	12620	0.12
➤ Trusts	15	0.00
➤ NBFCs	99	0.00
D. Investor Education & Protection Fund Account	451724	4.20
Total	10764230	100.00

XI. Dematerialization of Share and Liquidity:

Company's Shares are tradable 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 International Securities Identification Number (ISIN) allotted to the Company under the Depository system is INE638B01025. As on 31st March, 2019, 9593110 Equity Shares of the Company are held in Dematerialized form constituting 89.12% 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 the Bombay Stock Exchange (BSE Limited).

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 Portfolio Limited
Plot No. 31, Echelon Institutional Area,
Sector-32, Gurugram – 122 001, Haryana
Ph: 0124-4675500; Fax: 0124-4370985
E-mail: corporate@hbportfolio.com



MANAGING DIRECTOR'S DECLARATION ON CODE OF CONDUCT

The Members of
HB Portfolio Limited
Gurugram

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

For HB Portfolio Limited

Place: Gurugram
Date: 27th May, 2019

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

AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

TO THE MEMBERS OF
HB PORTFOLIO LTD.

- We have examined the compliance of conditions of Corporate Governance by HB PORTFOLIO LIMITED ("the Company"), for the financial year ended on March 31, 2019, as stipulated in Regulations 17 to 27, clause (b) to (i) of sub-regulation (2) of Regulation 46 and Paragraphs C, D and E of Schedule V of the Securities 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 Exchange.
- 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.
- 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.
- 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 except that the Company has appointed Chief Financial Officer (CFO) subsequent to the period under review.
- 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

Place: Gurugram
Date: 27th May, 2019

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

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS OF HB PORTFOLIO 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 Portfolio 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 PORTFOLIO LIMITED having CIN: L67120HR1994PLC034148 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 Sub clause 10(i) of the 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, 2019 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	27/07/2004
2	Mr. Anil Goyal	00001938	20/02/2002
3	Mr. Jag Mohan Lal Suri	00002373	18/08/1994
4	Mr. Raj Kumar Bhargava	00016949	25/07/2001
5	Mr. Ramesh Chandra Sharma	00023274	27/07/2004
6	Mrs. Anita Jain	00031612	31/03/2015

Ensuring the eligibility of for the appointment/continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an 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

Place: New Delhi
Date: 27th May, 2019

Sd/-
A.N. Kukreja
(Proprietor)
FCS 1070; CP 2318

INDEPENDENT AUDITORS' REPORT

**TO THE MEMBERS OF
HB PORTFOLIO LIMITED**

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the Standalone Financial Statement of **HB PORTFOLIO LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2019, the Statement of Profit and Loss and the Statement of Cash Flows for the year then ended and Notes to the Standalone Financial Statements, including a summary of significant Accounting Policies and other explanatory information.

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 ("the Act") in the manner so required and give a true and fair view in conformity with the Companies Accounting Standard prescribed under Section 133 of the Act read with the Companies (Accounts) Rules, 2014 as amended, and other Accounting Principles generally accepted in India of the state of affairs of the Company as at 31st March 2019, and its profit, and its cash flows for the year ended on that date.

Basis of Opinion

We conducted our Audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards 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 Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our Audit of the Standalone Financial Statements under the provisions of the Companies Act, 2013 and the Rule 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 of our opinion.

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's Board of Directors are 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. The other information is expected to be made available to us after the date of this Auditors' Report. 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.

Management's Responsibility for the Standalone Financial Statements

The Company's management and 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 and cash flows of the Company in accordance with Accounting Principles generally accepted in India including the Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is 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.

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, 2019 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, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the **Annexure 'A'** a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper Books of Account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the Books of Account;
 - (d) In our opinion, the aforesaid Standalone Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - (e) On the basis of the written representations received from the Directors as on 31st March, 2019 taken on record by the Board of Directors, none of the Directors is disqualified as on 31st March, 2019 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'**.
 - (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 does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts as at 31st March, 2019.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
 - (h) With respect to the other matters to be included in the Auditor's report in accordance with the requirements of Section 197(16) of the Act, as amended:
In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its Directors during the year is in accordance with the provision of Section 197 of the Act.

FOR G. C. AGARWAL & ASSOCIATES
Chartered Accountants
Firm Registration No.: 017851N

PLACE : GURUGRAM
DATED : 27/05/2019

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

ANNEXURE – A

The Annexure referred to in Independent Auditor's Report to the members of **HB PORTFOLIO LIMITED** on the Standalone Financial Statements for the year ended on 31st March, 2019, we report that:

1. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of available information.
- (b) As explained to us, the management during the year has physically verified the fixed assets in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.
- (c) The Company does not have any immovable property.
2. As explained to us, inventories (Investments) have been physically verified by the management at reasonable intervals during the year. As explained to us the discrepancies noticed on physical verification of inventory as compared to the book records were not material.
3. As explained to us, the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013.
4. In our opinion and according to the information and explanations given to us, the Company has complied with the provision of Section 185 and 186 of the Act, with respect to the loans and investment made and guarantee given and security provided to the extent applicable to the Company.
5. The Company has not accepted any deposits from the public.
6. The nature of the Company's business/activities is such that maintenance of Cost Records under Section 148(1) of the Act is not applicable to the Company.
7. (a) According to the records of the Company, undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales-Tax, Goods and Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and other statutory dues to the extent and as applicable to the Company have been generally regularly deposited by the Company during the year with the appropriate authorities. 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, 2019 for a period of more than six months from the date of becoming payable.
- (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. In our opinion and according to the information and explanation given to us, the Company has not defaulted in repayment of loans/borrowings from bank. There are no loans or borrowings taken by the Company from any financial institution, government or debenture holders during the year.
9. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments). The term loans (vehicle loan) were utilized for the purpose for which they were obtained.
10. In our opinion and according to the information and explanation given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our Audit.
11. According to the information and explanations given to us and based on our examination of the record of the Company, the Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V of the Act.
12. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, Paragraph 3(xii) of the Order is not applicable.
13. According to the information and explanations given to us and based on or examinations of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act where applicable and details of such transaction have been disclosed in the Financial Statements as required by the applicable Accounting Standards.
14. According to the information and explanations given to us and based on our examination of the record of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
15. According to the information and explanations given to us and based on our examination of the record of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, Paragraph 3(xv) of the Order is not applicable.
16. The Company has made application to Reserve Bank of India for registration under Section 45-IA of the Reserve Bank of India Act, 1934 and such registration is yet to be received (Refer Note No. 30).

FOR G. C. AGARWAL & ASSOCIATES
Chartered Accountants
Firm Registration No.: 017851N

PLACE : GURUGRAM
DATED : 27/05/2019

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

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 PORTFOLIO LIMITED** (“the Company”) as of 31st March, 2019 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, 2019, 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

PLACE : GURUGRAM
DATED : 27/05/2019

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



BALANCE SHEET AS AT 31ST MARCH, 2019

Particulars	Note(s)	As at 31st March, 2019 (In ₹)	As at 31st March, 2018 (In ₹)
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	2	110378599	110378599
Reserve & Surplus	3	1124872062	1108869877
		1235250661	1219248476
Non-Current Liabilities			
Long Term Borrowings	4	322753	1241105
Long Term Provisions	5	19940820	20029289
		20263573	21270394
Current Liabilities			
Other Current Liabilities	6	11192375	18640412
Short Term Provisions	7	5046273	27595326
		16238648	46235738
		1271752882	1286754608
ASSETS			
Non-Current Assets			
Property, Plant and Equipment			
Tangible Assets	8	3857643	4555343
Non-Current Investments	9	1173864573	979155353
Deferred Tax Assets (Net)	10	378443	427897
Long Term Loans and Advances	11	34508440	34508440
		1212609099	1018647033
Current Assets			
Cash and Bank Balances	12	11345428	14093411
Short-Term Loans and Advances	13	45015981	7719075
Other Current Assets	14	2782374	246295089
		59143783	268107575
		1271752882	1286754608

SIGNIFICANT ACCOUNTING POLICIES
AND NOTES ON ACCOUNTS 1 to 36

The accompanying notes form an integral part of the Standalone Financial Statements As per our Report attached on even date
FOR G. C. AGARWAL & ASSOCIATES
CHARTERED ACCOUNTANTS
 Firm Registration Number: 017851N
 Sd/- G C AGARWAL (PROPRIETOR) Membership No.: 083820
 Sd/- ANIL GOYAL (MANAGING DIRECTOR) DIN:00001938
 Sd/- J.M.L. SURI (DIRECTOR) DIN:00002373
 Sd/- HIMANSHU KANSAL (CHIEF FINANCIAL OFFICER)
 Sd/- DINESH KAPOOR (COMPANY SECRETARY) M. No.: FCS-6731
PLACE : GURUGRAM DATED : 27/05/2019

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2019

Particulars	Note(s)	Year ended 31st March, 2019 (In ₹)	Year ended 31st March, 2018 (In ₹)
Revenue:			
Revenue from Operations	15	41870599	144946417
Other Income	16	213465	150000
Total Revenue		42084064	145096417
Expenses:			
Employee Benefit Expense	17	12430413	11479260
Finance Costs	18	136489	127414
Depreciation	8	773220	664534
Other Expenses	19	12871458	8770453
Contingent Provision against Standard Assets		156000	17254
Total Expenses		26367580	21058915
Profit for the year before Tax		15716484	124037502
Tax expense:			
Current Tax		495000	23000000
Tax adjustments for earlier years		(830157)	-11630
Deferred Tax charge/(credit)		49455	390985
Profit for the year after Taxation		16002186	100658147
Earning per Equity Share:			
Equity Share of Par value ₹ 10/- each			
Basic and Diluted	28	1.49	9.35

SIGNIFICANT ACCOUNTING POLICIES
AND NOTES ON ACCOUNTS 1 to 36

The accompanying notes form an integral part of the Standalone Financial Statements As per our Report attached on even date
FOR G. C. AGARWAL & ASSOCIATES
CHARTERED ACCOUNTANTS
 Firm Registration Number: 017851N
 Sd/- G C AGARWAL (PROPRIETOR) Membership No.: 083820
 Sd/- ANIL GOYAL (MANAGING DIRECTOR) DIN:00001938
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 Sd/- DINESH KAPOOR (COMPANY SECRETARY) M. No.: FCS-6731
PLACE : GURUGRAM DATED : 27/05/2019

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019

Particulars	Year ended 31st March, 2019 (In ₹)	Year ended 31st March, 2018 (In ₹)
A) CASH FLOW FROM OPERATION ACTIVITIES		
Net Profit before tax and Extraordinary Items	15716483	124037502
Adjustment for:		
Depreciation	773220	664534
Contingent Provision against Standard Assets	156000	17254
Operating Profit before Working Capital Changes	16645703	124719290
Adjustment for:		
Loan and Advances and other Receivables	204930308	-123632531
Investments	(194709220)	63143405
Current and Non-Current Liabilities	(7736558)	-50782472
Cash Generated from Operation	19130233	13447692
Income Tax paid	19409287	-10638370
Net Cash from Operation Activities	(279054)	2809322
B) CASH FLOW FROM INVESTMENTS ACTIVITIES		
Purchase of Fixed Assets	(75520)	-3668823
Net Cash used in Investing Activities	(75520)	-3668823
C) CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds(-) repayment of Borrowings	(918352)	1241105
Net Cash used in Financing Activities	(918352)	1241105
Net Increase in Cash & Cash Equivalents	-1272928	381605
A+B+C	-1272928	381605

Particulars	Year ended 31st March, 2019 (In ₹)	Year ended 31st March, 2018 (In ₹)
Cash and Cash Equivalents	4226352	3844747
(Opening Balance)		
Cash and Cash Equivalents	2953424	4226352
(Closing Balance)		
Components of Cash and Cash Equivalents at the end of the year		
<u>Balances with Banks</u>		
- In Current Accounts	1108593	2896669
- Cheques / Drafts in hand	1000000	500000
- Cash-in-Hand	844831	829683
	2953424	4226352

The accompanying notes form an integral part of the Standalone Financial Statements As per our Report attached on even date
FOR G. C. AGARWAL & ASSOCIATES
CHARTERED ACCOUNTANTS
 Firm Registration Number: 017851N
 Sd/- G C AGARWAL (PROPRIETOR) Membership No.: 083820
 Sd/- ANIL GOYAL (MANAGING DIRECTOR) DIN:00001938
 Sd/- J.M.L. SURI (DIRECTOR) DIN:00002373
 Sd/- HIMANSHU KANSAL (CHIEF FINANCIAL OFFICER)
 Sd/- DINESH KAPOOR (COMPANY SECRETARY) M. No.: FCS-6731
PLACE : GURUGRAM DATED : 27/05/2019

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2019
1. SIGNIFICANT ACCOUNTING POLICIES
1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

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

1.2 USE OF ESTIMATES

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

1.3 REVENUE RECOGNITION

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

1.4 FIXED ASSETS (PROPERTY, PLANT AND EQUIPMENT)

Fixed Assets are stated at cost less depreciation.

1.5 DEPRECIATION

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

1.6 INVESTMENTS

- 1.6.1 Investments are classified into Current Investments and Non-Current / Long Term Investments.
- 1.6.2 Current Investments are valued at lower of cost or fair market value on category wise basis. Non-Current / Long Term Investments are valued at cost less other than temporary diminution, if any, on scrip wise basis. Provision for reduction / diminution in the value of Investments and reversal of such reduction / diminution are included in the Profit & Loss Account. For the purpose of disclosure and presentation in the Financial Statements, and in compliance with Non-Banking Financial Company - Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016:-
- on the Assets side, Investments are shown at cost;
 - the diminution / depreciation is shown correspondingly under the head "Provisions" (Short Term / Long Term) in the Liabilities side in the Balance Sheet without showing it as deduction from the value of Investments.
- 1.6.3 Cost of Investments is computed using the Weighted Average Method.

1.7 EMPLOYEE BENEFITS

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

- 1.7.1 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.
- 1.7.2 Employee Benefits under Defined Contribution Plans comprise of Contribution to Provident Fund and Superannuation. Contributions to Provident Fund are deposited with appropriate authorities and charged to Profit & Loss Account. Contribution to Superannuation are funded with Life Insurance Corporation of India.
- 1.7.3 Employee Benefits under Defined Benefit Plans comprise of Gratuity and Leave Encashment which are accounted for as at the year end based on actuarial valuation by following the Projected Unit Credit (PUC) method. Liability for Gratuity is funded with Life Insurance Corporation of India.
- 1.7.4 Termination Benefits are recognized as an Expense as and when incurred.
- 1.7.5 The Actuarial Gains and Losses arising during the year are recognized in the Profit & Loss Account of the year without resorting to any amortization.

1.8 TAXATION

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

1.9 IMPAIRMENT OF FIXED ASSETS

Consideration is given at each Balance Sheet Date to determine whether there is any indication of impairment of the carrying amount of the Company's Fixed Assets. If any indication exists, an Asset's recoverable amount is estimated. An impairment loss is recognized whenever the carrying amount of an Asset exceeds its recoverable amount. The recoverable amount is the greater of the net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value based on an appropriate discount factor. Reversal of impairment losses recognized in prior years is recorded when there is an indication that the impairment losses recognized for the asset no longer exist or have decreased. However, the increase in carrying amount of an asset due to reversal of an impairment loss is recognized to the extent it does not exceed the carrying amount that would have been determined (net of depreciation) had no impairment loss been recognized for the assets in prior years.

1.10 CONTINGENCIES

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

NOTES ON ACCOUNTS FOR THE PERIOD ENDED 31st MARCH, 2019
2. SHARE CAPITAL

Particulars	As at 31st March, 2019 (In ₹)	As at 31st March, 2018 (In ₹)
AUTHORIZED		
20000000 (20000000) Equity Shares of ₹ 10/- each	200000000	200000000
20000000 (20000000) Preference Shares of ₹ 10/- each	200000000	200000000
	400000000	400000000
ISSUED		
11593531 (11593531) Equity Shares of ₹ 10/- each.	115935310	115935310
	115935310	115935310
SUBSCRIBED & PAID UP		
10764230 (10764230) Equity Shares of ₹ 10/- each fully paid up.	107642300	107642300
	107642300	107642300
Add: Forfeited Shares- 829301 (829301) Equity Shares (Amount originally paid up)	2736299	2736299
	110378599	110378599

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

Reconciliation of the Number of Shares Outstanding and Amount of Share Capital as on 31st March, 2019 & 31st March, 2018 is as under:

Particulars	As at 31st March, 2019		As at 31st March, 2018	
	No of Shares	Amount (₹)	No of Shares	Amount (₹)
Number of Shares at the beginning	10764230	107642300	11992329	119923290
Less: Reorganisation of existing Share Capital	0	0	-11992329	-119923290
Add: Fresh Share issued pursuant to Scheme of Arrangement	0	0	10764230	107642300
Number of Shares at the end	10764230	107642300	10764230	107642300

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

Name of shareholder	As at 31st March, 2019		As at 31st March, 2018	
	Number of Shares held	% of holding	Number of Shares held	% of holding
Lalit Bhasin	6324671	58.76	6293927	58.47

- 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.

- During the previous year, the Company has allotted 5948055 (Fifty Nine Lakhs Forty Eight Thousand Fifty Five) Equity Shares of ₹ 10 (Rupees Ten) each fully paid-up to the Shareholders of HB Stockholdings Limited in the ratio of 25 (Twenty Five) Equity Shares of ₹ 10/- (Rupees Ten) each fully paid up of HB Portfolio Limited for every 100 (One Hundred) Equity Shares held by them in HB Stockholdings Limited. As a result of which, the Equity Share Capital increased from ₹ 11,99,23,290 comprising of 11992329 Equity Shares of ₹ 10/- (Rupees Ten) each fully paid up to ₹ 17,94,03,840 comprising of 17940384 Equity Shares of Rs. ₹ 10/- (Rupees Ten) each fully paid up. After the allotment of Equity Shares by the Company to the Shareholders of HB Stockholdings Limited, the Equity Share Capital of the Company has been reduced by reducing the face value of the Equity Shares from 1 (One) Equity Share of ₹ 10/- (Rupees Ten) fully paid up to 1 (One) Equity Share of ₹ 6/- (Rupees Six) each fully paid up. The Equity Share Capital of the Company so reduced has been further consolidated in such a manner that the Shareholders holding 5 (Five) Equity Shares of ₹ 6/- (Rupees Six) each fully paid up were allotted 3 (Three) Equity Shares of ₹ 10/- (Rupees Ten) each fully paid up in the Equity Share Capital of the Company. As a result of which, the Equity Share Capital reduced from ₹ 17,94,03,840 comprising of 17940384 Equity Shares of ₹ 10/- (Rupees Ten) each to ₹ 10,76,42,300 comprising of 10764230 Equity Shares of ₹ 10/- (Rupees Ten) each.

3. RESERVE & SURPLUS

Particulars	As at 31st March, 2019 (In ₹)	As at 31st March, 2018 (In ₹)
Securities Premium - Opening Balance	367610047	499736601
Less: Business Reorganisation Reserve**	0	-132126554
	367610047	367610047
Statutory Reserve - Opening Balance *	195894605	161915506
Add: Adjustment (From 01/04/2015 to 31/03/2017)**	0	13847469
Add: Transferred from Surplus	3200437	20131629
	199095042	195894605
General Reserve - Opening Balance	314252875	314252875
	314252875	314252875
Surplus - Opening Balance	231112350	107740618
Add: Adjustments (From 01.04.2015 to 31.03.2017**)	0	56692683
Add: Net Profit after tax transferred from Statement of Profit & Loss	16002185	100658147
	247114535	265091448
Add: Adjusted to Statutory Reserve (From 01.04.2015 to 31.03.2017**)	0	-13847469
Less: Transferred to Statutory Reserve for the year	3200437	20131629
Surplus - Closing Balance	243914098	231112350
	1124872062	1108869877

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

(**) Pursuant to the Scheme of Arrangement.

4. LONG TERM BORROWINGS

Particulars	As at 31st March, 2019 (In ₹)		As at 31st March, 2018 (In ₹)	
	Non-Current	Current	Non-Current	Current
Term Loan From Bank - Secured* (Secured against Hypothecation of Vehicle financed)	322753	918352	1241105	847967
	322753	918352	1241105	847967

(*) The Loan taken was at Interest rate of 8.35% P.A.

8. PROPERTY, PLANT AND EQUIPMENT (FIXED ASSETS)

(Amount In ₹)

Sr. No	Particulars	Gross Block				Depreciation			Net Block	
		As at 01st April, 2018	Addition during the year	Deduction during the year	At at 31st March, 2019	Upto 31st March, 2018	For the Year	Total up to 31st March, 2019	As on 31st March, 2019	As on 31st March, 2018
	Tangible Assets									
1	Furnitures & Fixtures	21643	75520	0	97163	20561	6034	26595	70568	1082
2	Vehicles	6489873	0	0	6489873	1962016	767186	2729202	3760671	4527857
3	Office Equipment	278276	0	0	278276	264362	0	264362	13914	13914
4	Data Processing Machine	249803	0	0	249803	237313	0	237313	12490	12490
	Total	7039595	75520	0	7115115	2484252	773220	3257472	3857643	4555343
	(Previous Year)	3370772	3668823	0	7039595	1819718	664534	2484252	4555343	1551054

- Maturity Profile of Secured Term Loan from Banks are as under:

	1-2 Years	2-3 Years
- Vehicle Loan from HDFC Bank	322753	0

5. LONG TERM PROVISIONS

Particulars	As at 31st March, 2019 (In ₹)	As at 31st March, 2018 (In ₹)
Provisions For Employees Benefit		
Leave Encashment	1323311	1411780
Gratuity	0	0
Others		
Diminution in value of Long Term / Non-Current Investments	18479475	18479475
Contingent Provision against Standard Assets	138034	138034
	19940820	20029289

6. OTHER CURRENT LIABILITIES

Particulars	As at 31st March, 2019 (In ₹)	As at 31st March, 2018 (In ₹)
Current Maturities of Long Term Debt (Refer Note No. 4)	918352	847967
Unclaimed Dividend *	8392004	9867059
Expenses Payable	1480740	1502796
TDS Payable	401279	489050
Payable to HB Estate Developers Ltd. pursuant to the Scheme of Arrangement	0	5933540
	11192375	18640412

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

7. SHORT TERM PROVISIONS

Particulars	As at 31st March, 2019 (In ₹)	As at 31st March, 2018 (In ₹)
Provisions For Employees Benefit		
Leave Encashment	49441	52483
Gratuity	0	197011
Others		
Income Tax	495000	23000000
Doubtful Debt and Advances	4345832	4345832
Contingent Provision against Standard Assets	156000	0
	5046273	27595326

9. INVESTMENTS

Name of the Company	Face Value	As at 31st March, 2019		As at 31st March, 2018	
	(In ₹)	Qty. (Nos.)	(Amount in ₹)	Qty. (Nos.)	(Amount in ₹)
NON CURRENT INVESTMENTS (AT COST)					
(LONG TERM INVESTMENTS)					
A. TRADE INVESTMENTS (QUOTED)					
<u>INVESTMENT IN EQUITY INSTRUMENTS</u>					
<u>-FULLY PAID UP EQUITY SHARES</u>					
DCM Shriram Industries Ltd.	10	2988173	335532515	3317170	372474550
HB Estate Developers Ltd.	10	2104317	94799904	2104317	94799904
Jaiprakash Associates Ltd.	2	6266024	110823521	6266024	110823521
Jaypee Infratech Ltd.	10	425353	17357328	425353	17357328
Tata Global Beverages Ltd.	1	950	64423	950	64423
TOTAL (A) (TRADE INVESTMENTS)		11784817	558577691	12113814	595519726
B. NON TRADE INVESTMENTS (UNQUOTED)					
B.1 INVESTMENT IN EQUITY INSTRUMENTS					
<u>-FULLY PAID UP EQUITY SHARES</u>					
<u>- IN SUBSIDIARY COMPANIES</u>					
HB Securities Ltd. (Wholly Owned Subsidiary)	10	7207570	89075700	7207570	89075700
HB Corporate Services Ltd. (Subsidiary) *	10	4257478	52490175	4251070	51010700
Taurus Asset Management Co. Ltd.	10	11872118	216808004	11872118	216808004
Taurus Investment Trust Co. Ltd.	10	78850	2305712	64470	654457
HB Insurance Advisors Ltd. *	10	0	0	35010	350100
<u>- IN ASSOCIATE COMPANIES</u>					
Har Sai Investments Ltd.	10	400000	4000000	400000	4000000
<u>- IN OTHER COMPANIES</u>					
QR Properties Pvt. Ltd.	10	4500	45000	4500	45000
HB Telecommunications Ltd.	10	0	0	100	1000
HB Prima Capital Ltd.	10	0	0	45000	1128375
RRB Securities Ltd.	10	200000	20000000	200000	20000000
Kesoram Textiles Ltd.	10	49699	357071	49699	357071
TOTAL (B.1)		24070215	385081662	24129537	383430407
B.2 INVESTMENT IN PREFERENCE SHARES					
<u>FULLY PAID-UP REDEEMABLE PREFERENCE SHARE</u>					
<u>In Wholly Owned Subsidiary Company</u>					
HB Securities Ltd. (6% Non-Cumulative Non-Convertible)	1000	30000	30000000	0	0
<u>In Other Companies</u>					
HB Estate Developers Ltd. (9% Non-Cumulative)	100	2000000	200000000	0	0
TOTAL (B.2)		2030000	230000000	0	0
B.3 INVESTMENT IN MUTUAL FUNDS					
<u>FULLY PAID UP UNITS</u>					
SBI Multipliers	10	500	5220	500	5220
Taurus Mutual Fund-Corpus		--	200000	--	200000
TOTAL (B.3)		500	205220	500	205220
TOTAL (B) (NON TRADE INVESTMENTS) (B.1+B.2+B.3)		26100715	615286882	24130037	383635627
TOTAL (A+B)-NON CURRENT/LONG TERM INVESTMENTS		37885532	1173864573	36243851	979155353

(*) HB Insurance Advisors Ltd. got amalgamated with HB Corporate Services Ltd. with effect from 14th May, 2018 pursuant to Scheme of Amalgamation sanctioned by Hon'ble NCLT, Principal Bench, New Delhi vide its order dated 13th April, 2018.

Further, the status of HB Corporate Services Ltd. also changed from Wholly Owned Subsidiary to Subsidiary of the Company during the year.

NOTES:

		Non Current / Long Term Investments	
		As at 31st March, 2019 (In ₹)	As at 31st March, 2018 (In ₹)
9.1	Aggregate Amount of Quoted Investments	558577691	595519726
9.2	Market Value of Quoted Investments	620495815	832085175
9.3	Aggregate Amount of Unquoted Investments	615286882	383635627
9.4	Investment Costing ₹ 88,38,418/- (Previous Year ₹ 88,38,418/-) were lying Pledged / given as Margin as at the year end.		
9.5	In the opinion of the Management, no provision is required for Diminution amounting to ₹ 14,59,27,781/- (Previous Year ₹ 1,37,92,870/-) in the value of some of the Long Term / Non-Current Investment, as the same is considered to be temporary.		
9.6	The Detail of Diminution in the value of Non-Current / Long Term Investments where the net Carrying Amount is other than at Cost (i.e at cost Less Provision for diminution other than temporary diminution) are as under:		

Name of Investment	As at 31st March, 2019 (In ₹)	As at 31st March, 2018 (In ₹)
Equity Shares		
RRB Securities Ltd.	17000000	17000000
HB Corporate Services Ltd.	1479475	0
HB Prima Capital Ltd.	0	1128375
HB Telecommunications Ltd.	0	1000
HB Insurance Advisors Ltd.	0	350100
Total	18479475	18479475

10. DEFERRED TAX ASSETS

Particulars	As at 31st March, 2019 (In ₹)	As at 31st March, 2018 (In ₹)
Deferred Tax Assets		
Leave Encashment / Gratuity	356916	427778
Fixed Assets	21527	119
	378443	427897

11. LONG TERM LOANS AND ADVANCES

Particulars	As at 31st March, 2019 (In ₹)	As at 31st March, 2018 (In ₹)
(Unsecured, Considered Good) - Standard		
Security Deposits *	34508440	34508440
	34508440	34508440

(*) Includes Deposits given to Related Party - Refer Note No. 22

12. CASH & BANK BALANCES

Particulars	As at 31st March, 2019 (In ₹)	As at 31st March, 2018 (In ₹)
Cash & Cash Equivalents		
Balances with Banks		
- In Current Accounts	1108593	2896669
- Cheques / Drafts in hand	1000000	500000
- Cash-in-hand	844831	829683
Other Bank Balances		
- In Earmarked Unpaid Dividend Account	8392004	9867059
	11345428	14093411

13. SHORT TERM LOANS AND ADVANCES

Particulars	As at 31st March, 2019 (In ₹)	As at 31st March, 2018 (In ₹)
Unsecured, Considered Good, Unless otherwise stated:		
Loans and Advances to Related Parties - Doubtful*	2600000	2600000
Others		
Inter Corporate Loans / Deposits - Standard	390000000	0
GST Recoverable	1788164	730702
Income Tax / Tax deducted at source	1627817	4388373
	45015981	7719075

(*) Refer Note No. 22

14. OTHER CURRENT ASSETS

Particulars	As at 31st March, 2019 (In ₹)	As at 31st March, 2018 (In ₹)
Interest accrued but not due on Loans	877313	0
Claim Recoverable - Doubtful	1745832	1745832
Other Recoverable*	159229	1140222
Receivable from HB Stockholdings Ltd. Pursuant to Scheme of Arrangement	0	243409035
	2782374	246295089

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

15. REVENUE FROM OPERATIONS

Particulars	For the Year ended 31st March, 2019 (In ₹)	For the Year ended 31st March, 2018 (In ₹)
Profit on Sale of Long Term / Non-Current Investments (Net)	23063783	106471714
Interest Income on Loans and Intercompany Deposits	5494523	0
Provision for Diminution in Value of Investments written back (Net)	0	14411120
Dividend on Long Term / Non-Current Investments (Gross)	13312293	24063583
	41870599	144946417

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

16. OTHER INCOME

Particulars	For the Year ended 31st March, 2019 (In ₹)	For the Year ended 31st March, 2018 (In ₹)
Other Income	197965	0
Provision no Longer required	15500	150000
	213465	150000

17. EMPLOYEE BENEFIT EXPENSES

Particulars	For the Year ended 31st March, 2019 (In ₹)	For the Year ended 31st March, 2018 (In ₹)
Salaries and Benefits	11590549	11302210
Contribution to Provident Fund and other Fund	766058	167540
Staff Welfare	73806	9510
	12430413	11479260

18. FINANCE COSTS

Particulars	For the Year ended 31st March, 2019 (In ₹)	For the Year ended 31st March, 2018 (In ₹)
Interest Expense on Vehicle Loan	136489	127414
	136489	127414

19. OTHER EXPENSES

Particulars	For the Year ended 31st March, 2019 (In ₹)	For the Year ended 31st March, 2019 (In ₹)
Rent / Facility Charges	861240	893538
Vehicle Running and Maintenance	398025	419763
Insurance	89688	51202
Travelling & Conveyance	367299	656099
Communication	3519482	689512
Printing & Stationery	1393994	1102096
Legal & Professional	3112409	3041259
Listing Fee	250000	250000
Advertisement	324616	203955
Director Sitting Fees	740000	725000
Depository and Custodial and CDSL and NSDL Fees	386774	177855
Corporate Social Responsibility Expenditure (Note No. 35)	650000	0
Miscellaneous	591931	348224
Auditors Remuneration		
-Audit Fees	115000	0
-Tax Audit Fees	15000	0
-Limited Review Reports	30000	0
-Certification and others	26000	66950
	12871458	8770453

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

Contingent Liabilities:

Guarantees given on behalf of Subsidiary Company, HB Securities Limited ₹ 1,93,00,000/- (Previous Year ₹ 1,93,00,000/-)

21. QUANTITATIVE DETAILS

Quantitative information in respect of Investments in Securities:

Non-Current / Long Term Investments

EQUITY INSTRUMENTS

Particulars	Current Year		Previous Year	
	Qty. (Nos.)	Amount (₹)	Qty. (Nos.)	Amount (₹)
Opening Balance	36243351	978950133	24790391	471288385
Purchases/Conversions/ Subscription *	21702	3172033	13836351	585216273
Sales/Conversions	410021	61526596	2383391	184026239
Closing Balance	35855032	943659353	36243351	978950133

PREFERENCE SHARES

Particulars	Current Year		Previous Year	
	Qty. (Nos.)	Amount (₹)	Qty. (Nos.)	Amount (₹)
Opening Balance	0	0	3540000	354000000
Purchases/Conversions/ Subscription	2030000	230000000	0	0
Sales/Redemption/Transfer	0	0	3540000	354000000
Closing Balance	2030000	230000000	0	0

MUTUAL FUNDS

Particulars	Current Year		Previous Year	
	Qty. (Nos.)	Amount (₹)	Qty. (Nos.)	Amount (₹)
Opening Balance	500	205220	500	205220
Purchases/Conversions/ Subscription	0	0	0	0
Sales/Conversions	0	0	0	0
Closing Balance	500	205220	500	205220

22. RELATED PARTY TRANSACTIONS

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

a) Subsidiaries

- HB Securities Ltd. (Wholly Owned)
- HB Corporate Services Ltd.
- Taurus Assets Management Company Ltd.
- HB Insurance Advisors Ltd.

b) Key Managerial Personnel (KMP)

- Mr. Anil Goyal, Managing Director
- Mr. Dinesh Kapoor, Company Secretary

c) Person having control / significant influence / major shareholders

- Mr. Lalit Bhasin

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

- RRB Master Securities Delhi Ltd.

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

- HB Stockholdings Ltd.
- HB Estate Developers Ltd.
- HB Leasing & Finance Co. Ltd.

f) Associates

- Merwanjee Securities Ltd.

22.2 Transactions during the financial year ended 31.03.2019 with Related Parties as under:

Sr. No.	Particulars	Nature of Transaction	For the Year ended 31st March, 2019 (In ₹)	For the Year ended 31st March, 2018 (In ₹)
1	HB Securities Ltd.	Depository Charges paid	8526	112435
		Subscription for Preference Shares	30000000	0
		Outstanding Guarantees given as at the year end	19300000	19300000
		Book Value of Shares given as Margin / Security as at the year end	8838418	8838418
2	HB Corporate Services Ltd.	Expenses incurred on their behalf	29006	214610
		Advance recoverable as at year end	2600000	0
		Receivable in respect of Expenses recoverable as at the year end	0	548033
3	Anil Goyal	Remuneration and other services	7360000	7360000
4	Dinesh Kapoor	Remuneration and other services	2590500	2353501
5	Lalit Bhasin	Sitting Fee	80000	80000
6	RRB Master Securities Delhi Ltd.	Sale of Investment / Securities through them	1503051	2728392
7	HB Stockholdings Ltd.	Receivable pursuant to Scheme of Arrangement as at the year end	0	243409035
		Received against amount receivable pursuant to Scheme of Arrangement	243409035	0
8	HB Estate Developers Ltd.	Rent paid	861240	893538
		Subscription for Preference Shares	20000000	0
		Security deposit outstanding for premises on Rent	34500000	34500000
		Payable pursuant to Scheme of Arrangement as at the year end	0	5933540
		Repayment against amount payable to HB Estate Developers Ltd. pursuant to Scheme of Arrangement	5933540	0
9	HB Leasing and Finance Co. Ltd.	Purchase of Investments	1651255	0
10	HB Insurance Advisors Ltd.	Advances receivable at the year end	0	2600000
		Receivable in respect of Expenses recoverable as at the year end	0	55000
11	Merwanjee Securities Ltd.	Sale of Investment / Securities through them	58523021	180897847

23. SEGMENT REPORTING

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

24. DISCLOSURE PURSUANT TO ACCOUNTING STANDARD - 15
Defined Contribution Plan

Amount recognized as expense for Defined Contribution Plans are as under:

Particulars	Current Year (In ₹)	Previous Year (In ₹)	Head under which shown in Profit & Loss Account
Contribution to Provident Fund	774252	794617	Contribution to Provident Fund and Other Fund
Contribution to Superannuation Fund	100000	100000	Contribution to Provident Fund and Other Fund

Defined Benefit Plan
Movement in Net Liability

Particulars	Gratuity (Funded) (In ₹)		Leave Encashment (Unfunded) (In ₹)	
	Current Year	Previous Year	Current Year	Previous Year
Present Value of Obligations as at beginning of the year (A)	6056417	6362139	1464263	1602404
Interest Cost (B)	469372	493066	113480	124186
Current Service Cost (C)	245028	241607	62176	67347
Benefits Paid (D)	0	0	339200	338150
Actuarial loss/(gain) on Obligation (E)	(396337)	(1040395)	72033	8476
Present Value of Obligations as at the end of the year (F=A+B+C-D+E)	6374480	6056417	1372752	1464263

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

Particulars	Gratuity (Funded) (In ₹)		Leave (Unfunded) (In ₹)	
	Current Year	Previous Year	Current Year	Previous Year
Present Value of Obligation (A)	6374480	6056417	1372752	1464263
Estimated Fair Value of Plan Assets (B)	6386515	5859406	0	0
Net Liability/(Asset) (C=A-B)	(12035)	197011	1372752	1464263
Amounts in the Balance Sheet				
Liabilities/(Asset)	(12035)	197011	1372752	1464263
Amount charged to Profit & Loss Account				
Current Service Cost	245028	241607	62176	67347
Interest Cost	469372	493066	113480	124186
Expected Return on Plan Asset	454104	422732	0	0
Past Service Cost	0	0	0	0
Actuarial(Gain)/Loss	(368490)	(1022458)	72033	8476
	(108194)	(710517)	247689	200009
Head under which shown in the Profit & Loss Account	Contribution to Provident Fund and Other Fund		Salaries and Benefits	

The Actual Return on Plan Assets is as follows:

Particulars	Gratuity	
	Current Year (In ₹)	Previous Year (In ₹)
Actual return on plan assets	426257	404795

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

Particulars	Gratuity	
	Current Year	Previous Year
Discount Rate	7.75%	7.75%
Expected Rate of Return on Plan Assets	7.75%	7.75%
Salary Escalation Rate	6.00%	6.00%

A Reconciliation of the Opening and Closing Balances of the Fair Value of Plan Assets:

Sl. No.	Particulars	Gratuity	
		Current Year (In ₹)	Previous Year (In ₹)
	Opening Fair Value of Plan Assets	5859406	5454611
i)	Expected Return on Plan Assets	454104	422732
ii)	Actuarial Gains / (Losses)	(27847)	17937
iii)	Contribution by the Employer	0	0
iv)	Benefits Paid	0	0
	Closing Fair Value of Plan Assets	6386515	5859406

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

- a) Particulars of the minimum lease payments under Operating Lease:
- Not Later than one year ₹ 8,61,240/- (Previous Year ₹ 8,61,240/-)
- Later than one year but not later than five years ₹ NIL (Previous Year ₹ NIL)
- Later than five years ₹ NIL (Previous Year ₹ NIL)
- b) Minimum lease payments recognised in the Statement of Profit & Loss Account during the year ended 31st March, 2019 is ₹ 8,61,240/- (Previous Year ₹ 8,93,538/-).
- 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.

26. DUE TO MICRO, SMALL AND MEDIUM ENTERPRISES

To the extent information available with the Company, it has no dues to the Micro, Small and Medium Enterprises as at 31st March, 2019 and 31st March, 2018.

27. DISCLOSURE OF LOANS / ADVANCES IN THE NATURE OF LOANS IN TERMS OF PROVISION OF REGULATION 34 OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS), REGULATIONS, 2015.

S. No.	Particulars	Outstanding Balance as on 31.03.2019	Max. Balance outstanding during the year	Out-standing Balance as on 31.03.2018	Max. Balance outstanding during the previous Year
i.	Loans & Advances in the nature of Loans to Subsidiaries.	Nil	Nil	Nil	Nil
ii.	Loans & Advances in the nature of loans to Associates.	Nil	Nil	Nil	Nil
iii.	Loans & Advances in the nature of loans where there is no repayment schedule, no interest or interest below Section 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.* HB Estate Developers Ltd. * Loan given at Market rate of Interest. The balance shown is inclusive of interest receivable.	Nil	Nil	Nil	92396713
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 in ₹)	No. of Shares	(Amount in ₹)
		Nil	Nil	Nil	Nil

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

Particulars	Current Year (In ₹)	Previous Year (In ₹)
Net Profit as Per Statement of Profit and Loss attributable to Equity Shareholders	16002185	100658147
Earning Per Share (Face Value of ₹10 each)		
Weighted Average Nos. of Equity Share Outstanding	10764230	10764230
Basic and Diluted Earning Per Share (₹)	1.49	9.35

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

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

The Company vide its letters dated 11th October, 2010 and 29th January, 2011 intimated the RBI about the disposal of pending proceeding by the SEBI and also furnished copy of SEBI orders. The RBI vide its letter dated 29th March, 2011 advised the Company to make a fresh application for issue of Certificate of Registration. As directed by RBI, the Company filed a fresh application on 20th June 2011. The necessary queries / information raised / sought by RBI from time to time were filed. Thereafter, the Company was advised by the RBI vide its letter dated 30th January, 2013 to file fresh application for registration as NBFC and accordingly, the Company submitted the fresh application along with required documents / information on 29th July, 2013. The RBI again returned the application for submission of additional documents / information vide its letter dated 16th August, 2013 and accordingly, the Company submitted the fresh application along with required documents / information on 19th March, 2014. The information / clarifications sought thereafter by RBI were also submitted by the Company.

Vide letter dated 19th January, 2016, the RBI advised the Company to make fresh application. Accordingly, the Company filed the fresh application on 08th March, 2016. Further information / clarification sought by RBI were also submitted. Vide letter dated 18th July, 2017, RBI returned the Company's application with the advice that, the existing financial business of the Company may be merged / amalgamated with any of the Registered Group NBFC. Accordingly, the Company vide its letter dated 19th February, 2018 has written to RBI for either transfer of license of one of the Group NBFC Company to the Company or for issue of fresh Certificate of Registration to the Company in lieu of surrender of NBFC Certificate by one of the Group NBFC Company. RBI has agreed to the Company's proposal for Issue of fresh license to HB Portfolio Limited on surrendering the NBFC license by the Group Company.

31. In view of the above facts, the provisions "Non-Banking Financial Company - Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016 are yet to be applicable to the Company. However, as a matter of prudent and proper practice, disclosure of details as required by Para 18 of aforesaid directions is being given. Similarly the transfer of profit to Reserve Fund as required by Reserve Bank of India (Amendment) Act, 1997 is also being made.

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

(₹ in Lacs)

Particulars			
LIABILITIES SIDE:			
(1)	Loans and Advances availed by the NBFCs inclusive of Interest accrued thereon but not paid:	Amount Outstanding	Amount Overdue
	(a) Debentures : Secured	Nil	Nil
		(Nil)	(Nil)
	: Unsecured	Nil	Nil
		(Nil)	(Nil)
	(other than falling within the meaning of Public Deposits)	Nil	Nil
	(b) Deferred Credits	(Nil)	(Nil)
	(c) Term Loans	Nil	Nil
	(d) Inter-Corporate Loans and Borrowing	(Nil)	(Nil)
	(e) Commercial Paper	Nil	Nil
	(f) Public Deposits	(Nil)	(Nil)
	(g) Other Loans (Vehicle Loan)	12.41	Nil
		(20.89)	(Nil)



(2)	Break-up of (1)(f) above (Outstanding Public Deposits inclusive of interest accrued thereon but not paid)		
	(a) In the form of Unsecured Debentures	Nil (Nil)	Nil (Nil)
	(b) In the form of Partly Secured Debentures i.e. Debentures where there is a shortfall in the value of Security	Nil (Nil)	Nil (Nil)
	(c) Other Public Deposits	Nil (Nil)	Nil (Nil)

ASSETS SIDE :

(3)	Break-up of Loans and Advances including Bills Receivables [other than those included in (4) below]:	Amount Outstanding *
	(a) Secured	Nil (Nil)
	(b) Unsecured	761.08 (371.08)
	*Net of Provisions Other than on Standard Assets; Also includes Security Deposits, Trade Receivables and Other Advances not strictly credit exposure.	
(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) Hypothecation Loans counting towards EL/HP activities	
	(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	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)
	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		5585.78 (5955.20)
(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		3850.82 (3834.30)
(b) Preference		2300.00 (Nil)
(ii) Debentures and Bonds		Nil (Nil)
(iii) Units of Mutual Funds		2.05 (2.05)
(iv) Government Securities		Nil (Nil)
(v) Others (SAM)		Nil (Nil)

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

Category	Amount Net of Provisions		
	Secured	Unsecured	Total
1. Related Parties			
(a) Subsidiaries	Nil (Nil)	Nil (Nil)	Nil (Nil)
(b) Companies in the same Group	Nil (Nil)	345.00 (345.00)	345.00 (345.00)
(c) Other Related Parties	Nil (Nil)	Nil (Nil)	Nil (Nil)
2. Other than Related Parties	Nil (Nil)	390.08 (0.08)	390.08 (0.08)
Total	Nil (Nil)	735.08 (345.08)	735.08 (345.08)

(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 made)
1. Related Parties		
(a) Subsidiaries	7185.65 (5064.60)	3892.00 (3575.49)
(b) Companies in the same Group	2354.60 (955.90)	2978.00 (978.00)
(c) Other Related Parties	365.57 (360.24)	40.00 (40.00)
2. Other than Related Parties	5795.64 (7775.38)	4643.85 (5013.27)
Total	15786.88 (13885.94)	11553.85 (9606.76)



(8) Other information

Particulars	Amount
(i) Gross Non-Performing Assets	Nil (Nil)
(a) Related Parties	Nil (Nil)
(b) Other than Related Parties	1.56 (Nil)
(ii) Net Non-Performing Assets	Nil (Nil)
(a) Related parties	Nil (Nil)
(b) Other than Related Parties	Nil (Nil)
(iii) Assets acquired in satisfaction of debt	Nil (Nil)

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

34. The Company does not have any pending litigation which would impact its financial position.

35. Information in respect of Corporate social Responsibility Expenditure required to be spent by the Company:

(Amount in ₹)

Particulars	As at 31st March, 2019	As at 31st March, 2018
a) Gross amount required to be spent by the Company	632613	-
b) Amount spent during the year on:		
(i) Construction / acquisition of any asset	-	-
(ii) On purposes other than (i) above	650000	-
c) Amount payable at the year end	-	-

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

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

As per our Report attached on even date

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

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

PLACE : GURUGRAM
DATED : 27/05/2019

FOR AND ON BEHALF OF THE BOARD

Sd/-
ANIL GOYAL
(MANAGING DIRECTOR)
DIN:00001938

Sd/-
HIMANSHU KANSAL
(CHIEF FINANCIAL OFFICER)

Sd/-
J.M.L. SURI
(DIRECTOR)
DIN:00002373

Sd/-
DINESH KAPOOR
(COMPANY SECRETARY)
M. No.: FCS-6731

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

TO THE MEMBERS
OF HB PORTFOLIO LIMITED

Report on the Audit of the Consolidated Financial Statements**Opinion**

We have audited the accompanying Consolidated Financial Statements of **HB PORTFOLIO LIMITED** (hereinafter referred to as "the Holding Company"), its Subsidiaries (the Holding Company and its Subsidiaries together referred to as 'the Group') and its Associates, which comprise of the Consolidated Balance Sheet as at 31st March, 2019, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and Notes to the Consolidated Financial Statements, including a summary of significant Accounting Policies (herein after 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 Act in the manner so required and giving a true and fair view in conformity with the Companies Accounting Standard prescribed under Section 133 of the Act read with the Companies (Accounts) Rules, 2014 as amended, and other Accounting Principles generally accepted in India, of the consolidated state of affairs of the Group as at 31st March, 2019, their consolidated profit, their consolidated cash flows for the year then ended.

Basis of Opinion

We conducted our Audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards 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 Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our Audit of the Consolidated Financial Statements under the provisions of the Companies Act, 2013 and the Rule thereunder, and we have fulfilled our 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 of our opinion.

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 respective Board of Directors of the Group are 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. The Annual Report is expected to be made available to us after the date of this Auditors' Report. 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.

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

In preparing the Consolidated Financial Statements, the respective Board of Directors of the Companies included in the Group and of its Associates are responsible for assessing the ability of the Group and of its Associates 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.

The respective Board of Directors of the Companies included in the Group and of its Associates are responsible for overseeing the financial reporting process of the Group and of its Associates.

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 and of its Associates 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 and of its Associates 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. For the other entities included in the Consolidated Financial Statements, which have been audited by other Auditors, such other Auditors remain responsible for the direction, supervision and performance of the Audits carried out by them. We remain solely responsible for our audit opinion.

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, 2019 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.

5. Other matters

- (a) We did not audit the Financial Statements / financial information of four Subsidiaries, whose Financial Statements / financial information reflect total assets of ₹ 75,25,33,187/- as at 31st March, 2019, total revenues of ₹ 16,45,09,492/- and net cash flows amounting to ₹ 1,76,198/- for the year ended on that date, as considered in the Consolidated Financial Statements. These Financial Statements/ financial information of four Subsidiaries have been audited by the other Auditor whose reports have been furnished to us by the management and our opinion, on the statement, in so far as it relates to the amounts and disclosures included in respect of the four Subsidiaries, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, insofar as it relates to the aforesaid Subsidiary, is based solely on the reports of the other Auditors.
- (b) The Consolidated Financial Statements also include the Group's share of net profit of ₹ 12,26,105/- for the year ended 31st March, 2019, as considered in the Consolidated Financial Statements, in respect of two Associates, whose Financial Statements / financial information have not been audited by us. In respect of two Associates, Financial Statements / financial information are unaudited and have been furnished to us by the Management and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these Associate, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act in so far as it relates to the aforesaid Associates, is based solely on such Un-Audited Financial Statements / financial information. (Also refer Note No. 25 of Consolidated Financial Statement).

Our opinion on the Consolidated Financial Statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other Auditors and the Financial Statements / financial information certified by the Management.



HB PORTFOLIO LIMITED (Consolidated Financial Statements)

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report, to the extent applicable, that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our Audit of the aforesaid Consolidated Financial Statements.
- (b) In our opinion, proper Books of Account as required by law relating to preparation of the aforesaid Consolidated Financial Statements have been kept so far as it appears from our examination of those books and the reports of the other Auditors.
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant Books of Account maintained for the purpose of preparation of the Consolidated Financial Statements.
- (d) In our opinion, the aforesaid Consolidated Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the Directors of the Holding Company as on 31st March, 2019 taken on record by the Board of Directors of the Holding Company and the reports of the Statutory Auditors of its Subsidiary Company, none of the Directors of the Group Companies is disqualified as on 31st March, 2019 from being appointed as a Director in terms of Section 164 (2) of the Act.
- (f) with respect to the adequacy of the Internal Financial Controls over Financial Reporting of the Group and the operating effectiveness of such controls, refer to our separate report in "Annexure A"; and
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. There were no pending litigations which would impact the consolidated financial position of the Group and its Associates;
 - ii. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Group Company.
- (h) The managerial remuneration for the year ended 31st March, 2019 has been paid/ provided for by the Company to its Directors in accordance with the provisions of Section 197 read with Schedule V to the Act

FOR G. C. AGARWAL & ASSOCIATES
CHARTERED ACCOUNTANTS
Firm Registration No.: 017851N

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

PLACE : GURUGRAM
DATED : 27/05/2019

ANNEXURE – A

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, 2019, we have Audited the Internal Financial Controls over Financial Reporting of HB Portfolio Limited ("the Holding Company") and its Subsidiary Companies which are Companies 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 Companies, 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, 2019, based on the Internal Control over Financial Reporting criteria established by the Company considering the essential components of Internal Control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

FOR G. C. AGARWAL & ASSOCIATES
CHARTERED ACCOUNTANTS
Firm Registration No.: 017851N

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

PLACE : GURUGRAM
DATED : 27/05/2019



HB PORTFOLIO LIMITED (Consolidated Financial Statements)

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2019

Particulars	Note(s)	As at 31st March, 2019 (In ₹)	As at 31st March, 2018 (In ₹)
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	2	110378599	130378599
Reserves and Surplus	3	1305888485	1280786101
		1416267084	1411164700
Minority Interests		164169844	157798117
Non-Current Liabilities			
Long Term Borrowings	4	322753	1241105
Long Term Provisions	5	42972787	26469129
		43295540	27710234
Current Liabilities			
Short Term Borrowings	6	863898	2387864
Trade Payables	7		
- Total Outstanding dues of Micro Enterprises and Small Enterprises; and		383368	0
- Total Outstanding dues of Creditors other than Micro Enterprises and Small Enterprises		4144888	7088419
Other Current Liabilities	8	53464192	55388893
Short Term Provisions	9	5190220	33117090
		64046566	97982266
		1687779034	1694655317
ASSETS			
Non-Current Assets			
Property, Plant & Equipment			
Tangible Assets	10	7880463	24521863
Intangible Assets		272406	389607
Non-Current Investments	11	933143316	770944876
Deferred Tax Assets (Net)	12	5137218	1260917
Long Term Loans and Advances	13	64715651	52617094
		1011149054	849734357
Current Assets			
Current Investments	14	135000000	89210217
Inventories	15	13411	13411
Trade Receivables	16	6952903	9413068
Cash and Bank Balances	17	88793089	95215594
Short-Term Loans and Advances	18	435598871	399175056
Other Current Assets	19	10271706	251893613
		676629980	844920959
		1687779034	1694655316

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS 1 to 41

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

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

Sd/-
ANIL GOYAL
(MANAGING DIRECTOR)
DIN:00001938

Sd/-
J.M.L. SURI
(DIRECTOR)
DIN:00002373

PLACE : GURUGRAM
DATED : 27/05/2019

Sd/-
HIMANSHU KANSAL
(CHIEF FINANCIAL OFFICER)

Sd/-
DINESH KAPOOR
(COMPANY SECRETARY)
M. No.: FCS-6731

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019

Particulars	Year ended 31st March, 2019 (In ₹)	Year ended 31st March, 2018 (In ₹)
A) CASH FLOW FROM OPERATION ACTIVITIES		
Net Profit before tax and Extraordinary Items	40615458	143060048
Adjustment for:		
Depreciation	2756910	2999244
Contingent Provision against Standard Assets	156000	17254
Provision for Diminution in value of Long Term Investment written back	(135831)	(4555792)
Profit / Loss on sale of Fixed Assets	(8348435)	65888
Interest Expense	139904	202892
Interest Income	(42251250)	(41385184)
Dividend Income	(14144740)	(211880)
Net gain on sale of Investment	(33314184)	(13669026)
Operating Profit before Working Capital Changes	(54526168)	86523444
Adjustment for:		
Loans and Advances and Other Receivables	194582166	(145014655)
Investments	(206267521)	109990165
Current and Non-Current Liabilities	(4276700)	(54583341)
Cash Generated from Operation	(70488223)	(3084386)
Income Tax Paid	31234963	26270491
Net Cash from Operation Activities	(101723186)	(29354878)
B) CASH FLOW FROM INVESTMENTS ACTIVITIES		
Purchase of Fixed Assets	(1147528)	(3889843)
Sale of Fixed Assets	23497654	77586
Deposit with Banks	39210228	(3817676)
Investment in Fixed Deposits	(35000000)	0
Interest Received	43142120	40104593
Dividend Received	14146182	211880
Net Cash used in Investing Activities	83848656	32686540

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2019

Particulars	Note(s)	Year ended 31st March, 2019 (In ₹)	Year ended 31st March, 2018 (In ₹)
Revenue from Operations	20	153934976	273794082
Other Income	21	52641511	44167466
Total Revenue		206576487	317961548
Expenses:			
Employee Benefit Expense	22	88812586	90563453
Finance Costs	23	338938	527362
Depreciation	10	2756910	2999244
Other Expenses	24	75122700	81460015
Contingent Provision against Standard Assets		156000	17254
Total Expenses		167187134	175567328
Profit for the year before Income Tax		39389353	142394220
Tax expense:			
Current Tax		5449740	26393420
Deferred Tax charge/(credit)		(3876300)	153729
Tax adjustment for earlier years		(821237)	(82496)
Profit for the year after Taxation (before adjustment for Minority Interest & Associates)		38637150	115929567
Add: Share of (Profit) transferred to Minority Interest		(8411130)	(4970302)
Add: Share of Profit in Associates		1226105	665828
Profit for the year after Taxation (after adjustment for Minority Interest & Associates)		31452126	111625093
Earning per Equity Share:			
Equity Share of Par value ₹ 10/- each	34		
Basic and Diluted		2.92	10.37

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS 1 to 41

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

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

Sd/-
ANIL GOYAL
(MANAGING DIRECTOR)
DIN:00001938

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DIN:00002373

PLACE : GURUGRAM
DATED : 27/05/2019

Sd/-
HIMANSHU KANSAL
(CHIEF FINANCIAL OFFICER)

Sd/-
DINESH KAPOOR
(COMPANY SECRETARY)
M. No.: FCS-6731

C) CASH FLOW FROM FINANCING ACTIVITIES

Proceeds/(-) Repayment of Borrowings	(2720998)	(867824)
Redemption of Preference Share Capital	20000000	0
Interest Paid on Borrowings	(141692)	(209939)
Net Cash used in Financing Activities	17137310	(1077763)
Net Increase in Cash & Cash Equivalents A+B+C	(737221)	2253900
Cash and Cash Equivalents (Opening Balance)	15028711	12774811
Cash and Cash Equivalents (Closing Balance)	14291490	15028711
Components of Cash and Cash Equivalents at the end of the year		
Cash in Hand	1185846	1100149
Balances with Scheduled Banks:		
- Cheques / Drafts in hand	1000000	500000
- In Current Accounts	10572831	12176602
- Term Deposits with Bank	1532812	1251960
	14291489	15028711

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

Sd/-
G C AGARWAL
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(CHIEF FINANCIAL OFFICER)

Sd/-
DINESH KAPOOR
(COMPANY SECRETARY)
M. No.: FCS-6731



SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

1. SIGNIFICANT ACCOUNTING POLICIES ON CONSOLIDATED ACCOUNTS

1.1 PRINCIPLES OF CONSOLIDATION

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

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

1.2 INVESTMENTS

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

1.3 OTHER SIGNIFICANT ACCOUNTING POLICIES

a) BASIS OF PREPARATION OF FINANCIAL STATEMENTS

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

b) USE OF ESTIMATES

The preparation of Financial Statements in conformity with generally accepted Accounting Principles (GAAP) requires management to make estimates and assumptions that affect the reported amounts of Assets and Liabilities and the disclosures of Contingent Liabilities on the date of Financial Statements and reported amounts of Revenue and Expenses for that year. Actual results could differ from these estimates. Any revision to accounting estimates is recognized prospectively in current and future periods.

c) REVENUE RECOGNITION

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

d) FIXED ASSETS (PROPERTY, PLANT & EQUIPMENT)

Fixed Assets are stated at cost less depreciation.

e) DEPRECIATION

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

f) INVESTMENTS

- i) Investments are classified into Current Investments and Non-Current / Long Term Investments.
- ii) Current Investments are valued at lower of cost or fair market value on category wise basis. Non-Current / Long Term Investments are valued at cost less other than temporary diminution, if any, on scrip wise basis. Provision for reduction / diminution in the value of Investments and reversal of such reduction / diminution are included in the Profit & Loss Account. For the purpose of disclosure and presentation in the Financial Statements, and in compliance with Non-Banking Financial Company - Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016:-
 - (a) on the Assets side, Investments are shown at cost;
 - (b) the diminution / depreciation is shown correspondingly under the head "Provisions" (Short Term / Long Term) in the Liabilities side in the Balance Sheet without showing it as deduction from the value of Investments.
- iii) Cost of Investments is computed using the Weighted Average Method.

g) INVENTORIES

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

h) 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 and Superannuation. Contributions to Provident Fund are deposited with appropriate authorities and charged to Profit & Loss Account. Contribution to Superannuation are funded with Life Insurance Corporation of India.
- 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.

i) TAXATION

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

j) IMPAIRMENT OF FIXED ASSETS (PROPERTY, PLANT & EQUIPMENT)

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

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

k) CONTINGENCIES

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



NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

2. SHARE CAPITAL

Particulars	As at 31st March, 2019 (In ₹)	As at 31st March, 2018 (In ₹)
AUTHORIZED		
20000000 (20000000) Equity Shares of ₹ 10/- each.	200000000	200000000
20000000 (20000000) Redeemable Preference Shares of ₹ 10/- each	200000000	200000000
20000 (40000) Redeemable Preference Shares of ₹ 1000/- each	20000000	40000000
	420000000	440000000
ISSUED		
11593531 (11593531) Equity Shares of ₹ 10/- each fully paid up	115935310	115935310
Nil (20000) Redeemable 6% Cumulative Preference Shares of ₹ 1000/- each fully paid up	0	20000000
	115935310	135935310
SUBSCRIBED & PAID UP		
10764230 (10764230) Equity Shares of ₹ 10/- each fully paid up	107642300	107642300
	107642300	107642300
Add: Forfeited Shares - 829301 (829301) Equity Shares (Amount originally paid up)	2736299	2736299
Nil (20000) Redeemable 6% Cumulative Preference Shares of ₹ 1000/- each fully paid up	0	20000000
	110378599	130378599

-- Issued Share Capital has two classes of Shares referred to as Equity Shares and Preference Shares having Par value of ₹ 10/- and ₹ 1000/- respectively. Each holder of Equity Shares is entitled to One vote per Share.

-- Preference Shares issued at par value of ₹ 1000/- each issued in Financial Year 2007-08 on 13.12.2007 for a term of 7 years which were redeemable at par in 3 annual installment of ₹ 330/-, ₹ 330/- and ₹ 340/- per share at the expiry of 5th, 6th and 7th year respectively from the date of allotment and thereafter the above redemption was extended to 12th, 13th and 14th year from the date of allotment. Thus ₹ 6600000/-, ₹ 6600000/- and ₹ 6800000/- would have been redeemable in FY 2019-20, FY 2020-21 and FY 2021-22 respectively, but all the said Preference Shares have been redeemed during the Financial Year 2018-19 out of fresh issue of Preference Share Capital.

Reconciliation of the Number of Shares outstanding and Amount of Share Capital as on 31st March, 2019 & 31st March, 2018 is as under:

Equity Shares:

Particulars	As at 31st March, 2019		As at 31st March, 2018	
	No. of Shares	Amount (₹)	No. of Shares	Amount (₹)
Number of Shares at the beginning	10764230	107642300	11992329	119923290
Less: Reorganisation of existing Share Capital	0	0	-11992329	-119923290
Add: Fresh Shares issued pursuant to Scheme of Arrangement	0	0	10764230	107642300
Number of Shares at the end	10764230	107642300	10764230	107642300

Preference Shares:

Particulars	As at 31st March, 2019		As at 31st March, 2018	
	No. of Shares	Amount (₹)	No. of Shares	Amount (₹)
Number of Shares at the beginning	20000	20000000	20000	20000000
Less: Redemption of Shares during the year	20000	20000000	0	0
Number of Shares at the end	0	0	20000	20000000

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

Name of Shareholder	As at 31st March, 2019		As at 31st March, 2018	
	Number of Shares held	% of holding	Number of Shares held	% of holding
Equity Shares:				
Lalit Bhasin	6324671	58.76	6293927	58.47
Preference Shares:				
HB Stockholdings Ltd.	0	-	10000	50.00
Gemini Portfolios Pvt. Ltd.	0	-	5000	25.00
RRB Securities Ltd.	0	-	5000	25.00

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

- During the previous year, the Company has allotted 5948055 (Fifty Nine Lakhs Forty Eight Thousand Fifty Five) Equity Shares of ₹ 10 (Rupees Ten) each fully paid-up to the Shareholders of HB Stockholdings Limited in the ratio of 25 (Twenty Five) Equity Shares of ₹ 10/- (Rupees Ten) each fully paid up of HB Portfolio Limited for every 100 (One Hundred) Equity Shares held by them in HB Stockholdings Limited. As a result of which, the Equity Share Capital increased from ₹ 11,99,23,290 comprising of 11992329 Equity Shares of ₹ 10/- (Rupees Ten) each fully paid up to ₹ 17,94,03,840 comprising of 17940384 Equity Shares of ₹ 10/- (Rupees Ten) each fully paid up. After the allotment of Equity Shares by the Company to the Shareholders of HB Stockholdings Limited, the Equity Share Capital of the Company has been reduced by reducing the face value of the Equity Shares from 1 (One) Equity Share of ₹ 10/- (Rupees Ten) fully paid up to 1 (One) Equity Share of ₹ 6/- (Rupees Six) each fully paid up. The Equity Share Capital of the Company so reduced has been further consolidated in such a manner that the Shareholders holding 5 (Five) Equity Shares of ₹ 6/- (Rupees Six) each fully paid up were allotted 3 (Three) Equity Shares of ₹ 10/- (Rupees Ten) each fully paid up in the Equity Share Capital of the Company. As a result of which, the Equity Share Capital reduced from ₹ 17,94,03,840 comprising of 17940384 Equity Shares of ₹ 10/- (Rupees Ten) each to ₹ 10,76,42,300 comprising of 10764230 Equity Shares of ₹ 10/- (Rupees Ten) each.

3. RESERVES AND SURPLUS

Particulars	As at 31st March, 2019 (In ₹)	As at 31st March, 2018 (In ₹)
Capital Reserve on Consolidation - Opening Balance	171187215	171187215
Add / (Less): During the year	-6349741	0
	164837474	171187215
Securities Premium - Opening Balance	367610047	499736601
Less: Business Reorganisation Reserve**	0	-132126554
	367610047	367610047
Statutory Reserve - Opening Balance *	195894604	161915506
Add: Adjustment (From 01/04/2015 to 31/03/2017)**	0	13847469
Add: Transferred from Surplus	3200437	20131629
	199095041	195894604
General Reserve - Opening Balance	313644543	313644543
	313644543	313644543
Surplus - Opening Balance	232449691	198163145
Add: Adjustments (From 01.04.2015 to 31.03.2017**)	0	56692683
Less: Adjusted Group Share of Profit / Losses upto 31.03.2017 **	0	-100052132
Add: Net Profit / (Loss) after tax transferred from Statement of Profit & Loss	31452126	111625093
	263901817	266428789
Add: Adjusted to Statutory Reserve (From 01.04.2015 to 31.03.2017**)	0	-13847469
Less: Transferred to Statutory Reserve	3200437	20131629
Surplus - Closing balance	260701380	232449691
	1305888485	1280786101

(*) Created by way of transfer of specified percentage of profits as per Section 45(1C) of Reserve Bank of India (Amendment) Act, 1997. Appropriation from Reserves shall be for the purposes as may be specified by Reserve Bank of India.

(**) Pursuant to the Scheme of Arrangement

4. LONG TERM BORROWINGS

Particulars	As at 31st March, 2019 (In ₹)		As at 31st March, 2018 (In ₹)	
	Non-Current	Current	Non-Current	Current
Term Loan From Bank - Secured* (Secured against Hypothecation of Vehicle financed)	322753	918352	1241105	847967
	322753	918352	1241105	847967

(*) The Loan taken was at Interest rate of 8.35%

- Maturity Profile of Secured Term Loan from Banks are as under:

	1-2 Years	2-3 Years
- Vehicle Loan from HDFC Bank	322753	0


5. LONG TERM PROVISIONS

Particulars	As at 31st March, 2019 (In ₹)	As at 31st March, 2018 (In ₹)
Provision for Employees Benefit		
Leave Encashment	8467611	6349772
Gratuity	5193438	4451948
Others		
Provision for diminution in value of Long Term / Non-Current Investment	29173704	15529375
Contingent provision against Standard Assets	138034	138034
	42972787	26469129

6. SHORT TERM BORROWINGS

Particulars	As at 31st March, 2019 (In ₹)	As at 31st March, 2018 (In ₹)
From Banks:		
Overdraft Facility - Secured *	863898	2387864
	863898	2387864

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

7. TRADE PAYABLES

Particulars	As at 31st March, 2019 (In ₹)	As at 31st March, 2018 (In ₹)
Trade Payables		
- Total Outstanding dues of Micro Enterprises and Small Enterprises; and	383368	0
- Total Outstanding dues of Creditors other than Micro Enterprises and Small Enterprises	4144888	7088419
	4528256	7088419

8. OTHER CURRENT LIABILITIES

Particulars	As at 31st March, 2019 (In ₹)	As at 31st March, 2018 (In ₹)
Current Maturities of Long term Debt (Refer Note No. 4)	918352	1126647
Interest accrued but not due on Long Term Borrowings	0	1787
Unclaimed Dividend *	8392004	9867059
Advance from Customers / Margin Money etc.	36009392	28903213
Expenses Payable	4657005	5147047
Statutory Dues Payable	3487439	4409600
Payable to HB Estate Developers Ltd. pursuant to the Scheme of Arrangement	0	5933540
	53464192	55388893

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

9. SHORT TERM PROVISIONS

Particulars	As at 31st March, 2019 (In ₹)	As at 31st March, 2018 (In ₹)
Provisions For Employees Benefit		
Leave Encashment	113232	100704
Gratuity	80156	2277134
Others		
Income Tax	495000	26393420
Doubtful Debt and Advances	4345832	4345832
Contingent Provision against Standard Assets	156000	0
	5190220	33117090

10. FIXED ASSETS

(Amount In ₹)

Sr. No	Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		As at 01st April, 2018	Addition during the year	Deduction during the year	At at 31st March, 2019	Upto 31st March, 2018	For the Year	Adjustments during the year	Total upto 31st March, 2019	As on 31st March, 2019	As on 31st March, 2018
	Tangible Assets										
1	Buildings	21853270	0	21853270	0	7526605	126412	7653017	0	0	14326665
2	Computers	7069424	733057	1007209	6795272	6175625	614247	960116	5829756	965516	893799
3	Furnitures & Fixtures	1529459	75520	619864	985115	1271434	95020	619864	746590	238525	258025
4	Vehicles	18227055	0	2332187	15894868	10237036	1583207	1528293	10291950	5602918	7990019
5	Office Equipment	4297586	240151	793874	3743863	3769683	146543	695895	3220331	523532	527903
6	Leasehold Improvements	1634801	0	0	1634801	1553060	0	0	1553060	81741	81741
7	Data Processing Machine	5145512	98800	0	5244312	5110310	7348	0	5117658	126654	35202
8	Generator	1885482	0	0	1885482	1476973	66932	0	1543905	341577	408509
	Total	61642589	1147528	26606404	36183713	37120726	2639709	11457185	28303250	7880463	24521863
	(Previous Year)	59381211	3889843	1628465	61642589	35738201	2877459	1494934	37120726	24521863	2299301
	Intangible Assets										
1	Computer Software	4118749	0	0	4118749	3729142	117201	0	3846343	272406	389607
	Total	4118749	0	0	4118749	3729142	117201	0	3846343	272406	389607
	(Previous Year)	4130500	0	11751	4118749	3609166	121785	1809	3729142	389607	0


11. INVESTMENTS

Name of the Company	Face Value	As at 31st March, 2019		As at 31st March, 2018	
	(₹)	Qty. (Nos.)	Amount (In ₹)	Qty. (Nos.)	Amount (In ₹)
NON CURRENT INVESTMENTS (AT COST)					
(LONG TERM INVESTMENTS)					
1. IN ASSOCIATES					
UNQUOTED FULLY PAID UP EQUITY SHARES, NON TRADE					
Merwanjee Securities Ltd.	10	1200000		1200000	
Cost of acquisition			12000000		12000000
Add / (Less) : Group Share of Profits/(Losses) upto year end			10938734		10247002
			22938734		22247002
Har Sai Investments Ltd.	10	400000	4000000	400000	4000000
Cost of acquisition			603965		69592
Add / (Less) : Group Share of Profits/(Losses) upto year end			31952613		31952613
Add: Amount of Goodwill / Capital Reserve			36556578		36022205
		1600000	59495312	1600000	58269207
2. INVESTMENTS (IN OTHERS)					
A. TRADE INVESTMENTS					
INVESTMENT IN EQUITY INSTRUMENTS					
- FULLY PAID UP EQUITY SHARES (QUOTED)					
DCM Shriram Industries Ltd.	10	2988173	335532515	3317170	372474550
HB Estate Developers Ltd.	10	2104317	94799904	2104317	94799904
Jaiprakash Associates Ltd.	2	6266024	110823521	6266024	110823521
Jaypee Infratech Ltd.	10	425353	17357328	425353	17357328
Tata Global Beverages Ltd.	1	950	64423	950	64423
Oswal Agro Mills Ltd.	10	12800	184501	12800	184501
Nahar Spinning Mills Ltd	5	607	42490	607	42490
Pasupati Spinning & Wvg. Mills Ltd.	10	1520	282335	1520	282335
Nahar Capital and Financial Services Ltd.	5	258	36120	258	36120
TATA Steel Ltd.	10	0	0	560	285600
Ahluwalia Contracts (India) Ltd.	2	222309	266771	270553	324664
Partly paid up Equity Shares					
TATA Steel Ltd.	10	300	46200	300	46200
TOTAL (A) (TRADE INVESTMENTS)		12022611	559436108	12400412	596721636
B. NON TRADE INVESTMENTS					
B.1 INVESTMENT IN EQUITY INSTRUMENTS					
-FULLY PAID UP EQUITY SHARES (LISTED BUT NOT QUOTED)					
ADS Diagnostic Ltd.	10	25000	110825	25000	110825
Aditya Aquaculture Ltd.	10	350100	3501	350100	3501
Agr -Marine Exports Ltd.	10	73300	733	73300	733
Asian Vegpro Industries Ltd.	10	100000	1000	100000	1000
Auroma Coke Ltd.	10	250000	2500	250000	2500
Consolidated Containers Ltd.	10	12500	125	12500	125
Deep Diamond India Ltd.	10	100000	3500	100000	3500
Flora Textiles Ltd.	10	300100	3001	300100	3001
Gujarat Chemical Plasto Ltd.	10	25000	250	25000	250
Gummadi Industries Ltd.	10	100100	1001	100100	1001
Hindustan Domestic Oil Ltd.	10	42400	424	42400	424
Hytasun Magnetics Ltd.	10	35500	355	35500	355
Jaswal Granites Ltd.	10	150000	1500	150000	1500
Kumars Kotex Ltd.	10	300100	3001	300100	3001
LD Textiles Ltd.	10	225	2	225	2
Manav Pharma Ltd.	10	24900	249	24900	249
Maya Agro Ltd.	10	99000	990	99000	990
Montana International Ltd.	10	148800	1488	148800	1488
M S Securities Ltd.	10	100000	1000	100000	1000
Naraingarh Sugar Mills Ltd.	10	250000	2500	250000	2500
Noel Agritech Ltd.	10	165200	1652	165200	1652
Nortech India Ltd.	10	200000	2000	200000	2000
Nutech Organic Chemicals Ltd.	10	200000	2000	200000	2000
Omtex Ltd.	10	50000	500	50000	500
Pan Asia Global Ltd.	10	3100	31	3100	31
P G Industries Ltd.	10	50000	500	50000	500
Premier Aqua Ltd.	10	175000	1750	175000	1750
Premier Polyfilm Ltd.	10	170800	1708	170800	1708
Premier Vinyl Flooring Ltd.	10	50	0	50	0
Presidency Shoes Ltd.	10	87100	871	87100	871
Prime Solvent Extractions Ltd.	10	14400	144	14400	144
Punjab Wireless Ltd.	10	10500	0	10500	0
Raghuvendra Spinners Ltd.	10	30000	300	30000	300
Rajendra Mining Spares Ltd.	10	250000	2500	250000	2500
Ravi Spinning Ltd.	10	180000	1800	180000	1800
Sandur Laminates Ltd.	10	100000	1000	100000	1000



Name of the Company	Face Value	As at 31st March, 2019		As at 31st March, 2018	
	(₹)	Qty. (Nos.)	Amount (In ₹)	Qty. (Nos.)	Amount (In ₹)
Sangam Healthcare Products Ltd.	10	97700	977	97700	977
Shoppers Investments Ltd.	10	50	1	50	1
Shree Karthik Papers Ltd.	10	95100	951	95100	951
SKR Chemicals Ltd.	10	199800	1998	199800	1998
Sonal Cosmetics Ltd.	10	7500	75	7500	75
Southern Fuel Ltd.	10	162000	1620	162000	1620
Sudev Industries Ltd.	10	124900	1249	124900	1249
Superior Sox Ltd.	10	100000	1000	100000	1000
Suppliment Foods Ltd.	10	20000	200	20000	200
Suryo Foods and Industries Ltd.	10	77700	777	77700	777
Usha Ispat Ltd.	10	23000	230	23000	230
Viral Filaments Ltd.	10	107100	1071	107100	1071
Viral Syntex Ltd.	10	115900	1159	115900	1159
Wellwin Industries Ltd.	10	0	0	189983	0
Western Foods Ltd.	10	84800	848	84800	848
Western Orissa Sugar Ltd.	10	2950	30	2950	30
Biochem Synergy Ltd.	10	2100	175850	0	0
HB Stockholdings Ltd.	10	20496	3894240	0	0
HB Estate Developers Ltd.	10	48473	1947120	0	0
Magnum Polymers Ltd.	10	4600	147150	0	0
Shetkari Solvant Ltd.	10	500	36400	0	0
Elcot Power Control Ltd.	10	500	37500	0	0
RRB Securities Ltd.	10	115584	7917540	0	0
Merrygold Investments Ltd.	10	52000	122490	0	0
Pronto Steerings Ltd.	10	3900	59903	0	0
-FULLY PAID UP EQUITY SHARES (UNQUOTED)					
RRB Securities Ltd.	10	200000	20000000	200000	20000000
QR Properties Pvt. Ltd.	10	4500	45000	4500	45000
HB Telecommunications Ltd.	10	0	0	100	1000
HB Prima Capital Ltd.	10	0	0	45000	1128375
Kesoram Textiles Ltd.	10	49699	357071	49699	357071
Delhi Stock Exchange Ltd.	1	47044	1457921	47044	1457921
Akshay Software Technologies Ltd.	10	90117	1267045	300000	4218000
Associated Infotech Ltd.	10	400000	4000	400000	4000
MF Utilities	1	500000	500000	500000	500000
Sovika Airline Services Ltd.	10	350000	1780560	350000	1780560
Teamasia Semiconductors Ltd.	10	250000	2500	250000	2500
TOTAL (B.1)		7531188	39919176	7728001	29661313
B.2 INVESTMENT IN PREFERENCE SHARES					
FULLY PAID UP REDEEMABLE PREFERENCE SHARE					
HB Estate Developers Ltd. (9% Non-Cumulative)	100	2000000	200000000	0	0
Gemini Portfolios Pvt. Ltd. (9% Non-Cumulative)	100	400000	40000000	400000	40000000
TOTAL (B.2)		2400000	240000000	400000	40000000
B.3 INVESTMENT IN BONDS (Unquoted)					
NON-TRADE, FULLY PAID UP					
10.75% Shriram Transport Finance Company Ltd. (Bonds of Face Value ₹ 100,000 each)		35	3500000	35	3500000
10.90% Tata Motors Finance Ltd. (Bonds of Face Value ₹ 500,000 each)		5	2627500	5	2627500
9.65% IDBI Bank Ltd. (Bonds of Face Value ₹ 1,000,000 each)		2	2060000	2	2060000
9.75% IFCI Ltd. (Bonds of Face Value ₹ 1,000,000 each)		3	3000000	3	3000000
TOTAL (B.3)		45	11187500	45	11187500
B.4 INVESTMENT IN MUTUAL FUNDS					
FULLY PAID UP UNITS					
SBI Multipliers	10	500	5220	500	5220
Taurus Mutual Fund - Corpus		0	200000	0	200000
Taurus Starshare (Multi Cap) Fund - Direct Plan - Growth	10	55078	5000000	55078	5000000
Taurus Discovery (Mid Cap) Fund - Direct Plan - Growth	10	76033	2300000	76033	2300000
Taurus Large Cap Equity Fund - Direct Plan - Growth	10	35093	2200000	35093	2200000
Taurus Infrastructure Fund - Direct Plan - Growth	10	38335	700000	38335	700000
Taurus Tax Shield - Direct Plan - Growth	10	93075	5000000	93075	5000000
Taurus Ethical Fund - Direct Plan - Growth	10	45971	1900000	45971	1900000
Taurus Nifty Index Fund - Direct Plan - Growth	10	3224	50000	3224	50000
Taurus Banking and Financial Services Fund - Direct Plan - Growth	10	42445	750000	42445	750000
Taurus Short Term Income Fund - Direct Plan - Growth	10	0	0	2019	5000000
Taurus Ultra Short Term Bond Fund - Direct Plan - Super Institutional Growth	10	0	0	2942	5000000
Taurus Liquid Fund - Direct Plan - Super Institutional Growth	1000	3280	5000000	3280	5000000
Taurus Dynamic Income Fund - Direct Plan - Growth	10	0	0	142722	2000000
TOTAL (B.4)		393035	23105220	540719	35105220
TOTAL B (B.1+B.2+B.3+B.4) (NON TRADE INVESTMENTS)		10324223	314211896	8668720	115954033
TOTAL (2) (A+B)-NON-CURRENT / LONG TERM INVESTMENTS- OTHER THAN ASSOCIATES		22346834	873648004	21069132	712675669
TOTAL (1+2) NON-CURRENT / LONG TERM INVESTMENTS		23946834	933143316	22669132	770944876


NOTES:

		Non Current / Long Term Investments	
		As at 31st March, 2019	As at 31st March, 2018
11.1	Aggregate Amount of Quoted Investments	559436108	616721636
11.2	Market Value of Quoted Investments	692980162	935543088
11.3	Aggregate Amount of Unquoted Investments	373707208	154223240
11.4	Investment costing ₹ 88,38,418/- (Previous Year ₹ 88,38,418/-) were lying Pledged/given as Margin as at the year end.		
11.5	In the opinion of the management, no provision is required for Diminution amounting to ₹ 14,62,98,616/- (Previous Year ₹ 1,40,66,463/-) in the value of some of the Long Term / Non-Current Investment, as the same is considered to be temporary.		
11.6	The Detail of Diminution in the value of Non-Current / Long Term Investments where the net Carrying Amount is other than at Cost (i.e at cost Less Provision for Diminution other than temporary diminution) are as under:		

Name of Investment	As at 31st March, 2019 (In ₹)	As at 31st March, 2018 (In ₹)
Equity Shares		
RRB Securities Ltd.	17000000	17000000
HB Prima Capital Ltd.	0	1128375
HB Telecommunications Ltd.	0	1000
Total	17000000	18129375

12. DEFERRED TAX ASSETS (NET)

Particulars	As at 31st March, 2019 (In ₹)	As at 31st March, 2018 (In ₹)
Deferred Tax Assets		
Leave Encashment / Gratuity	3826499	3606130
Others	617273	76545
Fixed Assets	693446	0
Deferred Tax Liability		
Fixed Assets	0	2421758
	5137218	1260917

15. INVENTORIES

Particulars	As at 31st March, 2019 (In ₹)	As at 31st March, 2018 (In ₹)
Stock In Trade *	13411	13411
(Shares / Securities)		
	13411	13411

(*) Valued at lower of Cost or Market Price

13. LONG TERM LOANS AND ADVANCES

Particulars	As at 31st March, 2019 (In ₹)	As at 31st March, 2018 (In ₹)
(Unsecured, Considered Good) - Standard		
Security Deposits *	63731008	51337582
Other Loans and Advances		
Prepaid Expenses	695643	869512
Other Advances	289000	410000
	64715651	52617094

(*) Includes Deposits given to Related Party - Refer Note No. 28

16. TRADE RECEIVABLE

Particulars	As at 31st March, 2019 (In ₹)	As at 31st March, 2018 (In ₹)
Unsecured, Considered Good:		
More than six months	46845	55008
Others	6906058	9358060
	6952903	9413068

14. CURRENT INVESTMENTS

Particulars	As at 31st March, 2019		As at 31st March, 2018	
	No. of Shares/ Units	Amount in ₹	No of Shares/ Units	Amount in ₹
(Non-Trade Investments)				
Investments in Mutual Funds - Unquoted (valued at lower of net realisable value and cost)				
Units Face Value of ₹ 1000 each unless stated otherwise				
Reliance Liquid Fund - Treasury Plan - Direct Plan - Growth Option	0	0	17318	69956102
Taurus Ultra Short Term Bond Fund - Direct Plan - Super Institutional Growth*	0	0	2624	5039672
Taurus Liquid Fund - Direct Plan - Super Institutional Growth	29423	55000000	8127	14100000
Taurus Dynamic Income Fund - Direct Plan - Growth (₹ 10 each)*	0	0	7638	114443
ABSL Money Manager Fund - Direct Plan - Growth Option	159306	40000000	0	0
ICICI Money Market Fund - Direct Plan - Growth Option	77042	20000000	0	0
Reliance Gilt Securities Fund - Direct Plan - Growth Option	756461	20000000	0	0
	1022232	135000000	35707	89210217
Aggregate amount of				
Book value of Unquoted Investments in Mutual Funds		135000000		89338175
Net Asset Value of Investments in Mutual Funds		135189128		92935553

(*) The Schemes - Taurus Ultra Short Term Bond Fund & Taurus Dynamic Income Fund have been merged with Taurus Liquid Fund w.e.f. 2nd May, 2018.

17. CASH AND BANK BALANCE

Particulars	As at 31st March, 2019 (In ₹)	As at 31st March, 2018 (In ₹)
Cash and Cash Equivalents		
Balances with Banks		
- In Current Accounts	10572831	12176602
- Cheques/ Drafts in hand	1000000	500000
Term Deposits with Bank (less than 3 months maturity)	1532812	1251960
Cash-in-hand	1185846	1100149
Other Bank Balances		
Term Deposits with Bank (more than 3 months but less than 3 months maturity)	49084596	48294824
Deposit with Bank *	17025000	22025000
Earmarked Unpaid Dividend Account	8392004	9867059
	88793089	95215594

(*) Includes ₹ 87,500/- (Previous year ₹ 87,500/-) lien marked with Delhi Stock Exchange, ₹ 1,00,00,000/- (Previous Year ₹ 1,50,00,000/-) lien marked with NSE/ NSCCL, ₹ 70,25,000/- (Previous Year ₹ 70,25,000/-) lien marked for Bank Guarantee with NSE.



HB PORTFOLIO LIMITED (Consolidated Financial Statements)

18. SHORT TERM LOANS AND ADVANCES

Particulars	As at 31st March, 2019 (In ₹)	As at 31st March, 2018 (In ₹)
Unsecured, Considered Good, Unless otherwise stated:		
Others		
Inter Corporate Loans / Deposits - Standard	339000000	300000000
Amount Recoverable from employees	0	548826
GST Recoverable	2094446	2390712
Prepaid Expenses	3806605	4428538
Security Deposits	10000	0
Income Tax / Tax deducted at source (Net of provision)	2834870	7992916
Other Advances	481124	857051
Prepaid Taxes	19941826	11177013
Advance against Share Application Money / Securities / Property - Standard	67430000	71780000
	435598871	399175056

19. OTHER CURRENT ASSETS

Particulars	As at 31st March, 2019 (In ₹)	As at 31st March, 2018 (In ₹)
Interest accrued but not due on Bank Deposits	0	291734
Interest accrued but not due on Loans	877313	0
Interest accrued on Non-Current Invest- ments	367374	367374
Interest accrued on Fixed deposits with Bank / Inter Corporate Deposits	4911429	5542449
Claim Recoverable - Doubtful	1745832	1745832
Other Recoverable *	159229	537189
Receivable against Sale of Investments	2210529	
Receivable from HB Stockholdings Ltd. Pursuant to Scheme of Arrangement	0	243409035
	10271706	251893613

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

20. REVENUE FROM OPERATIONS

Particulars	For the Year ended 31st March, 2019 (In ₹)	For the Year ended 31st March, 2018 (In ₹)
Profit on Sale of Long Term / Non Current Investments (Net)	55148719	120140740
Interest Income on Loans and Intercompany Deposits	5494523	0
Dividend Income (Gross)		
- On Long Term / Non-Current Investments	14144049	24064881
- On Stock in Trade / Equity Instruments	691	210582
Income from Services rendered / Commis- sion (Net)	72510	130520
Provision for diminution in value of Long Term Investments written back	135831	21917012
Revenue from Management Fee	78203083	106474095
Domestic Trusteeship Fees	735570	856252
Less: GST / Service Tax		
	153934976	273794082

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

21. OTHER INCOME

Particulars	For the Year ended 31st March, 2019 (In ₹)	For the Year ended 31st March, 2018 (In ₹)
Interest Income on:		
- Non-Current Investments in Bonds	1134294	1134352
- Inter-Corporate Deposits	36000000	35940813
- Fixed Deposits with Banks	5115117	4308148
- Others	1839	1871
Profit on Sale / Disposal of Fixed Assets	8348435	0
Miscellaneous Income	1380162	2622004
Interest on Income Tax refund	0	10278
Prior period Income	646164	0
Provision no longer required	15500	150000
	52641511	44167466

22. EMPLOYEE BENEFIT EXPENSES

Particulars	For the Year ended 31st March, 2019 (In ₹)	For the Year ended 31st March, 2018 (In ₹)
Salaries and Benefits	79383931	81581297
Contribution to Provident Fund and Other Fund	8111710	7810693
Staff Welfare	1316945	1171463
	88812586	90563453

23. FINANCE COSTS

Particulars	For the Year ended 31st March, 2019 (In ₹)	For the Year ended 31st March, 2018 (In ₹)
Interest Expense on Vehicle Loan	139904	202892
Interest Expense on Overdraft Facility	199034	324470
	338938	527362

24. OTHER EXPENSES

Particulars	For the Year ended 31st March, 2019 (In ₹)	For the Year ended 31st March, 2018 (In ₹)
Rent / Facility Charges	12401922	12658442
Vehicle Running and Maintenance	398025	419763
Electricity Charges	2714207	2873708
Repair and Maintenance-		
- Buildings	460051	154524
- Others	3804971	4075744
Office Expenses	918538	980789
Outsourced professional service costs	2917042	4032477
Insurance	1009780	747391
Travelling & Conveyance	3676566	3859029
Communication	5225858	2892346
Printing & Stationery	2364801	1481745
Subscription and Membership	6315760	6763321
Legal & Professional	4775718	10232572
Recruitment Charges	630000	300000
Listing Fee	250000	250000
Advertisement and Business Promotion	6435545	5363503
Director Sitting Fees	3250000	3276600
VSAT Charges	36000	37080
Depository and Custodial	369705	62472
Corporate Social Responsibility Expenditure (Note No. 40)	1110000	800000
Loss on Disposal of Assets	0	65888
Rates and Taxes	0	446856
Mutual Fund Expenses	13639354	17846717
Miscellaneous Expenses	1383067	786798
Auditors Remuneration		
-Audit Fees	885790	881950
-Tax Audit Fees	15000	0
-Limited Review Reports	30000	30000
-Certification and others	105000	140300
	75122700	81460015


25. THE ACCOMPANYING CONSOLIDATED FINANCIAL STATEMENTS INCLUDES THE ACCOUNTS OF HB PORTFOLIO LTD. AND ITS FOLLOWING SUBSIDIARIES:

Name of Company	Country of Incorporation	Proportion of ownership interest and relationship	Financial Year end
HB Securities Ltd.	India	100% Subsidiary of HB Portfolio Ltd.	31.03.2019
HB Corporate Services Ltd. (*)	India	97.40% (Previous Year 100%) Subsidiary of HB Portfolio Ltd.	31.03.2019
Taurus Assets Management Company Ltd.	India	70.12% Subsidiary of HB Portfolio Ltd.	31.03.2019
Taurus Investment Trust Co. Ltd.	India	80.39% (Previous Year 65.73%) Subsidiary of HB Portfolio Ltd.	31.03.2019

(*) HB Insurance Advisors Ltd. considered as Subsidiary in consolidation in the previous year which got amalgamated with HB Corporate Services Ltd. with effect from 14th May, 2018 pursuant to the Scheme of Amalgamation sanctioned by Hon'ble NCLT, Principal Bench, New Delhi vide its order dated 13th April, 2018.

26. THE ACCOMPANYING CONSOLIDATED FINANCIAL STATEMENTS CONSIDER THE FOLLOWING ASSOCIATE COMPANIES:

Name of Associates Company	Country of Incorporation	Proportion of ownership interest	Financial Year end
Marwanjee Securities Ltd. *	India	48.00% (48.00%)	31.03.2019
Har Sai Investment Ltd. *	India	39.96% (39.96%)	31.03.2019

(*) Valuation done on the basis of available Un-Audited, Management Certified Financial Statements for year ended 31.03.2019

27. CONTINGENT LIABILITIES AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR)
a) Contingent Liabilities

₹ 1,06,800/- (Previous Year ₹ 1,06,800/-) on account of uncalled call money in respect of Partly Paid up Shares.

28. RELATED PARTY TRANSACTIONS
28.1 List of Related Parties with whom transactions have taken place and relationship:
a) Key Managerial Personnel (KMP):

Current Year	Previous Year
HB PORTFOLIO LTD.	
1. Mr. Anil Goyal (Managing Director)	1. Mr. Anil Goyal (Managing Director)
2. Mr. Dinesh Kapoor (Company Secretary)	2. Mr. Dinesh Kapoor (Company Secretary)
TAURUS ASSET MANAGEMENT COMPANY LTD. (SUBSIDIARY)	
1. Mr. R.K. Gupta (Managing Director)	1. Mr. R.K. Gupta (Managing Director)
2. Mr. Waqar Naqvi (Chief Executive Officer)	2. Mr. Waqar Naqvi (Chief Executive Officer)
3. Mr. Amarjeet Singh (Chief Financial Officer) (till 15th May, 2018)	3. Mr. Amarjeet Singh (Chief Financial Officer)
4. Mr. Anish Shah (Chief Financial Officer) (w.e.f. 1st October, 2018)	4. Mrs. Anu Suri (Company Secretary)
5. Mrs. Anu Suri (Company Secretary)	

b) Associates:

Current Year	Previous Year
Merwanjee Securities Ltd.	Merwanjee Securities Ltd.

c) Person having control/significant influence/major shareholders

1. Mr. Lalit Bhasin

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

1. RRB Master Securities Delhi Ltd.

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

- HB Stockholdings Ltd.
- HB Estate Developers Ltd.
- HB Leasing and Finance Co. Ltd.
- RRB Securities Ltd.

28.2 Transactions during the financial year ended 31.03.2019 with Related Parties as under:

Amount (In ₹)

Sr. No.	Particulars	Nature of Transaction	For the year ended 31.03.2019	For the year ended 31.03.2018
1	Anil Goyal	Remuneration and other services	7360000	7360000
2	Dinesh Kapoor	Remuneration and other services	2590500	2353501
3	R.K. Gupta	Remuneration and other services	4592870	4589140
4	Waqar Naqvi	Remuneration and other services	15581880	15656500
5	Amarjeet Singh	Remuneration and other services	643667	3706560
6	Anish Shah	Remuneration and other services	2668750	0
7	Anu Suri	Remuneration and other services	947100	986990
		Advance given / recovered (net)	100000	0
		Advance recoverable at year end	100000	0
8	Lalit Bhasin	Sitting Fee	80000	80000
9	RRB Master Securities Delhi Ltd.	Sale of Investment / Securities through them	1503051	2728392
		Depository Charges received	13994	46592
		Margin / Advance Received / (Paid) (Net)	(6900000)	(1550000)
		Advances receivable at year end	35860694	27871203
10	HB Stockholdings Ltd.	Depository Charges received	9639	36301
		Receivable pursuant to scheme of arrangement as at the year end	0	243409035
		Received against amount receivable pursuant to Scheme of Arrangement	243409035	0
11	HB Estate Developers Ltd.	Subscription for Preference Shares	200000000	0
		Rent paid	861240	893538
		Depository Charges received	1180	1150
		Security deposit outstanding for premises on Rent	34500000	34500000
		Redemption of Preference Shares	10000000	0
		Payable pursuant to Scheme of Arrangement as at the year end	0	5933540
		Repayable against amount payable pursuant to Scheme of Arrangement	5933540	0
12	HB Leasing & Finance Co. Ltd.	Depository Charges received	1358	1150
		Purchase of Investment	1651255	0
		Depository Charges receivable at year end	178	0
13	RRB Securities Ltd.	Depository Charges received	4955	3710
		Redemption of Preference Shares	5000000	0
14	Merwanjee Securities Ltd.	Sale of Investment / Securities through them	58523021	180897847


29. SEGMENT REPORTING

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

30. DISCLOSURE PURSUANT TO ACCOUNTING STANDARD - 15
Defined Contribution Plan

Amount recognized as expense for Defined Contribution Plans are as under:

Particulars	Current Year (In ₹)	Previous Year (In ₹)	Head under which shown in Profit & Loss Account
Contribution to Provident Fund	5585118	4569219	Contribution to Provident Fund and other fund
Contribution to Superannuation Fund	100000	100000	Contribution to Provident Fund and other fund
Contribution to National Pension Scheme	1940733	791333	Contribution to Provident Fund and other fund
Contribution to ESIC	51937	73385	Contribution to Provident Fund and other fund

Defined Benefit Plan
Movement in Net Liability

Particulars	Gratuity (Funded) (In ₹)		Leave Encashment (Unfunded) (In ₹)	
	Current Year	Previous Year	Current Year	Previous Year
Present Value of Obligations as at beginning of the year (A)	13762040	12495314	6450476	7149180
Interest cost (B)	1065244	956642	407005	540482
Past Service cost (C)	0	1798932	0	0
Current Service cost (D)	1272744	1080695	1008131	1052891
Benefits paid (E)	0	1318655	(692515)	1024920
Provision for sick leave adjusted	0	0	(1198787)	0
Actuarial loss / (gain) on obligation (F)	(1390971)	(1250888)	806012	(1267157)
Present value of obligations as at the end of the year (A+B+C+D-E+F)	14709057	13762040	6780322	6450476

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

Particulars	Gratuity (Funded) (In ₹)		Leave (Unfunded) (In ₹)	
	Current Year	Previous Year	Current Year	Previous Year
Present Value of Obligation (A)	14709057	13762040	6780322	6450476
Estimated Fair Value of Plan Assets (B)	7738488	7114458	0	0
Net Liability / (Asset) (C=A-B)	6970569	6647582	6780322	6450476
Amounts in the Balance Sheet				
Liabilities / (Asset)	6970569	6647582	6780322	6450476
Amount charged to Profit & Loss Account				
Current Service Cost	1272744	1080695	1008131	1052891
Interest Cost	1065244	956642	407005	540482
Expected Return on Plan Asset	(551025)	(513847)	0	0
Past Service Cost	0	1798611	0	0
Actuarial (Gain) / Loss	(1363124)	(1232951)	806012	(1267157)
	423839	2089150	2221148	326216
Head under which shown in the Profit & Loss account	Contribution to Provident Fund and other fund		Salaries and Benefits	

The Actual Return on Plan Assets is as follows:

Particulars	Gratuity (In ₹)	
	Current Year	Previous Year
Actual return on plan assets	473587	447890

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

Particulars	Gratuity	
	Current Year	Previous Year
Discount Rate	7.75%	7.75%
Expected Rate of Return on Plan Assets	7.75%	7.75%
Salary Escalation Rate	6.00%	6.00%

A Reconciliation of the Opening and Closing Balances of the Fair Value of Plan Assets:

Sl. No.	Particulars	Gratuity	
		Current Year (In ₹)	Previous Year (In ₹)
	Opening Fair Value of Plan Assets	7114458	6615784
i)	Expected Return on Plan Assets	514168	514168
ii)	Actuarial Gains / (Losses)	(17937)	(17937)
iii)	Contribution by the Employer	0	2443
iv)	Benefits Paid	0	0
	Closing Fair Value of Plan Assets	7738488	7114458

31. TRANSACTIONS IN FOREIGN CURRENCY

Particulars	For the year 31st March, 2019		For the year 31st March, 2018	
	Amount in ₹	UAE Dirham	Amount in ₹	Foreign Currency
Earnings	0	0	0	0
Outgo:				
Brokerage Expense	10267	543	43093	2462

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

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

Not Later than One year ₹ 8,61,240/- (Previous Year ₹ 8,61,240/-)

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

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

b) Minimum lease payments recognised in the Statement of Profit & Loss Account during the year ended 31st March, 2019 is ₹ 8,61,240/- (Previous Year ₹ 9,89,714/-).

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.

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

Particulars	Current Year	Previous Year
	(In ₹)	(In ₹)
Net Profit/(Loss) as Per Statement of Profit and Loss.	38637150	115929567
Add: Share of (Profit) transferred to Minority Interest	(8411130)	-4970302
Add: Share of Profit/(Loss) in Associates/Erstwhile Associates	1226105	665828
Less: Preference Share Dividend	0	0
Net Profit/-Loss available for Equity Shareholders	31452126	111625093
Earning Per Share (Face Value of ₹ 10/- each)		
Weighted Average Nos. of Equity Share Outstanding	10764230	10764230
Basic and Diluted Earning per Share (₹)	2.92	10.37

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

The Company vide its letters dated 11th October, 2010 and 29th January, 2011 intimated the RBI about the disposal of pending proceeding by the SEBI and also furnished copy of SEBI orders. The RBI vide its letter dated 29th March, 2011 advised the Company to make a fresh application for issue of Certificate of Registration. As directed by RBI, the Company filed a fresh application on 20th June 2011. The necessary queries / information raised / sought by RBI from time to time were filed. Thereafter, the Company was advised by the RBI vide its letter dated 30th January, 2013 to file fresh application



for registration as NBFC and accordingly, the Company submitted the fresh application along with required documents / information on 29th July, 2013. The RBI again returned the application for submission of additional documents / information vide its letter dated 16th August, 2013 and accordingly, the Company submitted the fresh application along with required documents / information on 19th March, 2014. The information / clarifications sought thereafter by RBI were also submitted by the Company.

Vide letter dated 19th January, 2016, the RBI advised the Company to make fresh application. Accordingly, the Company filed the fresh application on 08th March, 2016. Further information / clarification sought by RBI were also submitted. Vide letter dated 18th July, 2017, RBI returned the Company's application with the advice that, the existing

financial business of the Company may be merged / amalgamated with any of the Registered Group NBFC. Accordingly, the Company vide its letter dated 19th February, 2018 has written to RBI for either transfer of license of one of the Group NBFC Company to the Company or for issue of fresh Certificate of Registration to the Company in lieu of surrender of NBFC Certificate by one of the Group NBFC Company. RBI has agreed to the Company's proposal for Issue of fresh license to HB Portfolio Limited on surrendering the NBFC license by the Group Company.

35. The Group did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
36. Dividend paid to Non-Resident Shareholders: NIL (Previous Year - NIL)

37. ADDITIONAL INFORMATION AS PER SCHEDULE III OF THE COMPANIES ACT, 2013

Name of the Entity in the Group	Net Assets i.e Total Assets minus Total Liabilities		Share in Profit/ Loss	
	As % of Consolidated Net Assets	Amount (In ₹)	As % of Consolidated Profit/Loss	Amount (In ₹)
1	2	3	4	5
Parent				
HB Portfolio Ltd.	58.50 (59.92)	828571069 (845634264)	50.88 (92.82)	16002185 (103606742)
Subsidiary (Indian)				
HB Securites Ltd	6.44 (6.07)	91232326 (85622214)	-13.96 (-3.72)	-4389889 (-4152148)
HB Corporate Services Ltd. (*)	3.08 (3.57)	43655308 (50308574)	-4.23 (-0.10)	-1329503 (-114760)
Taurus Investment Trust Co. Ltd.	0.81 (0.80)	11522289 (11262836)	0.82 (0.28)	259453 (311759)
Taurus Asset Management Co. Ltd.	38.55 (36.70)	545960625 (517865722)	89.33 (14.58)	28094904 (16277974)
Minority Interest in all Subsidiary	-11.59 (-11.18)	-164169844 (-157798117)	-26.74 (-4.45)	-8411130 (-4970302)
Associates (Investments as per Equity method)				
Merwanjee Securities Ltd.	1.62 (1.58)	22938734 (22247002)	2.20 (0.53)	691732 (596236)
Har Sai Investment Ltd.	2.58 (2.55)	36556578 (36022205)	1.70 (0.06)	534373 (69592)
Total	100.00 (100.00)	1416267084 (1411164700)	100.00 (100.00)	31452126 (111625093)

(*) Figure in bracket relates to previous year.

38. The Group does not have any pending litigation which would impact its financial position.
39. As identified, there were no outstanding dues during the accounting year towards the enterprises as defined in the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006. Further, the details of amounts outstanding to Micro, Small & Medium Enterprises based on information available with the Company is as under:

Amount in ₹

Particulars	As at 31st March, 2019	As at 31st March, 2018
Principal amount due and remaining unpaid	383368	Nil
Interest due on above and unpaid interest	Nil	Nil
Interest paid	Nil	Nil
Payment made beyond the appointed day during the year	Nil	Nil
Interest due and payable for the period of delay	Nil	Nil
Interest accrued and remaining unpaid	Nil	Nil
Amount of further interest remaining due and payable in succeeding year	Nil	Nil
Interest due and payable for the period of delay	Nil	Nil

40. Information in respect of Corporate social Responsibility Expenditure required to be spent by the Company:

Amount in ₹

Particulars	As at 31st March, 2019	As at 31st March, 2018
a) Gross amount required to be spent by the Company	1089391	795095
b) Amount spent during the year on:		
(i) Construction/acquisition of any asset	-	-
(ii) On purposes other than (i) above	1110000	800000
c) Amount payable at the Year End	-	-

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

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

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

PLACE : GURUGRAM
DATED : 27/05/2019

FOR AND ON BEHALF OF THE BOARD

Sd/-
ANIL GOYAL
(MANAGING DIRECTOR)
DIN:00001938

Sd/-
J.M.L. SURI
(DIRECTOR)
DIN:00002373

Sd/-
HIMANSHU KANSAL
(CHIEF FINANCIAL OFFICER)

Sd/-
DINESH KAPOOR
(COMPANY SECRETARY)
M. No.: FCS-6731


FORM AOC-1

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

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

Part "A": Subsidiaries

(Amount in ₹)

Sl. No.	Particulars	(1)	(2)	(3)	(4)
1.	Name of the Subsidiary	HB Securities Ltd.	HB Corporate Services Ltd.	Taurus Asset Management Company Ltd.	Taurus Investment Trust Company Ltd.
2.	Reporting period for the Subsidiary concerned, if different from the Holding Company's reporting period	N.A	N.A	N.A	N.A
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	N.A	N.A	N.A	N.A
4.	Share Capital	102075700	44312850	169312360	980800
5.	Reserves & Surplus	(10843374)	(657542)	376648266	10541489
6.	Total Assets	128521380	43756699	568682819	11562289
7.	Total Liabilities	128521380	43756699	568682819	11562289
8.	Investments	54049567	3643964	173075263	NIL
9.	Turnover	1442681	(1221376)	162743647	1544540
10.	Profit before taxation	(4259492)	(1329503)	28911252	350613
11.	Provision for taxation / Deferred tax	130397	NIL	816348	91160
12.	Profit after taxation	(4389889)	(1329503)	28094904	259453
13.	Proposed Dividend	NIL	NIL	NIL	NIL
14.	% of Shareholding (Equity)	100.00%	97.40%	70.12%	80.39%

Notes:

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

FOR AND ON BEHALF OF THE BOARD

Sd/-
ANIL GOYAL
(MANAGING DIRECTOR)
DIN:00001938

Sd/-
J.M.L. SURI
(DIRECTOR)
DIN:00002373

Sd/-
HIMANSHU KANSAL
(CHIEF FINANCIAL OFFICER)

Sd/-
DINESH KAPOOR
(COMPANY SECRETARY)
M. No.: FCS-6731

Part "B": Associates and Joint Ventures

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

(Amount in ₹)

Sl. No.	Name of Associates	Merwanjee Securities Ltd. *	Har Sai Investment Ltd.
1.	Latest Audited Balance Sheet Date **	31st March, 2018	31st March, 2018
2.	Shares of Associate held by the Company on the year end		
	No.	1200000	400000
	Amount of Investment in Associates	12000000	4000000
	Extend of Holding%	48.00	39.96
3.	Description of how there is significant influence	Shareholding / Voting Power	
4.	Reason why the Associate / Joint Venture is not consolidated	Not Applicable	
5.	Net worth attributable to Shareholding as per latest Audited Balance Sheet **	22938734	36556578
6.	Profit / Loss for the year	1798614	1541776
	i. Considered in Consolidation **	691732	534373
	ii. Not Considered in Consolidation	1106882	1007403

(*) Associate through Company's Subsidiary namely, HB Securities Ltd.

(**) Refer Note No. 26 of the Consolidated Financial Statements.

Notes:

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

FOR AND ON BEHALF OF THE BOARD

Sd/-
ANIL GOYAL
(MANAGING DIRECTOR)
DIN:00001938

Sd/-
J.M.L. SURI
(DIRECTOR)
DIN:00002373

Sd/-
HIMANSHU KANSAL
(CHIEF FINANCIAL OFFICER)

Sd/-
DINESH KAPOOR
(COMPANY SECRETARY)
M. No.: FCS-6731



HB PORTFOLIO LIMITED

FORM NO. MGT-11

PROXY FORM

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

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

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

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

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the **24TH ANNUAL GENERAL MEETING (AGM)** of the Company to be held on **Tuesday, 17th September, 2019** at 11.00 A.M. at GIA HOUSE, I.D.C. Mehrauli Road, Opp. Sector 14, Gurugram – 122001, Haryana and at any adjournment(s) thereof in respect of such resolutions as are indicated below:

Ordinary Business:

1. Adoption of Audited Financial Statements including Consolidated Financial Statements for the Financial Year ended 31st March, 2019 together with the reports of the Directors' and Auditors' thereon.
2. Appointment of Mr. Lalit Bhasin (DIN: 00002114), who retires by rotation and being eligible offers himself for re-appointment.
3. Continuation of the Appointment of 'G C Agarwal & Associates', Chartered Accountants (FRN 017851N), Statutory Auditors of the Company.

Special Business:

4. Appointment of Mr. Harbans Lal (DIN: 00076405) as an Independent Director of the Company (Special Resolution).
5. Re-appointment of Mr. Raj Kumar Bhargava (DIN: 00016949) as an Independent Director of the Company (Special Resolution).
6. Re-appointment of Mr. Ramesh Chandra Sharma (DIN: 00023274) as an Independent Director of the Company (Special Resolution).
7. Continuation of Directorship of Mr. Jag Mohan Lal Suri (DIN: 00002373) Non-Executive Director of the Company (Special Resolution).

Affix
Rupee 1/-
Revenue
Stamp

Signed this _____ day of _____, 2019

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

Notes:

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



HB PORTFOLIO LIMITED

ATTENDANCE SLIP

24TH ANNUAL GENERAL MEETING

Date : 17th day of September, 2019
 Time : 11.00 A.M.
 Place : GIA House, I.D.C. Mehrauli Road, Opp. Sector - 14, Gurugram - 122 001 (Haryana)

FULL NAME OF THE FIRST SHAREHOLDER.....

Joint Shareholders, if any.....

Father's/Husband's Name

Address in full.....

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

I/We hereby record my/our presence at the 24th Annual General Meeting held on Tuesday, 17th day of September, 2019 at 11.00 A.M. at GIA House, I.D.C. Mehrauli Road, Opp. Sector - 14, Gurugram - 122 001, Haryana

Folio No. / DP-ID :

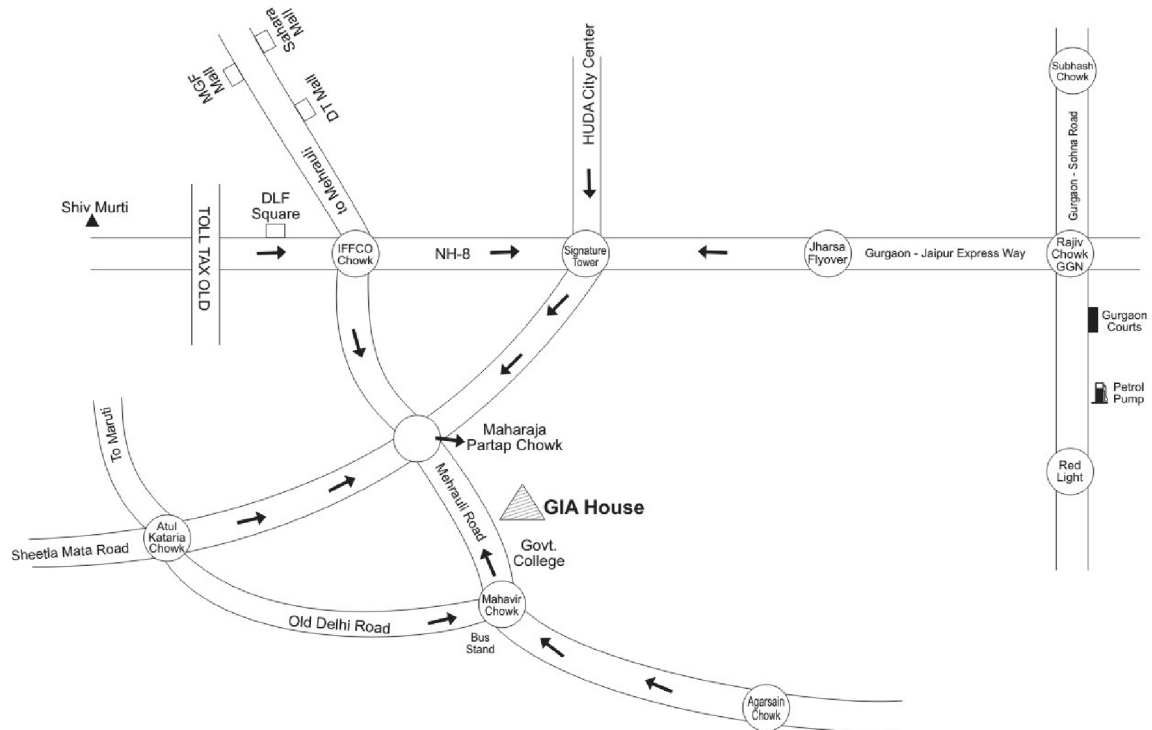
Client-ID :

No. of Shares :

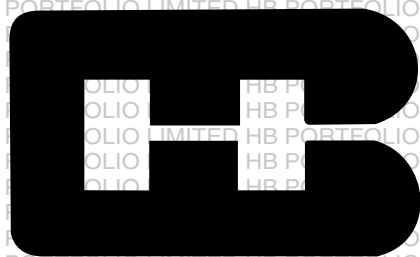
Signature(s).....

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

ROUTE MAP OF GIA HOUSE



**24th
Annual Report
2018 - 19
(Abridged)**



HB PORTFOLIO LIMITED

**BOARD OF DIRECTORS**

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

COMPANY SECRETARY

Mr. Dinesh Kapoor

CHIEF FINANCIAL OFFICER

Mr. Himanshu Kansal

STATUTORY AUDITORS

G. C. Agarwal & Associates

Firm Registration No.: 017851N

Chartered Accountants

240, Ghalib Appartments

Parwana Road, Pitampura,

Delhi - 110 034

REGISTERED OFFICE

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

Ph : 0124-4675500, Fax : 0124-4370985

Email : corporate@hbportfolio.com

CIN: L67120HR1994PLC034148

WEBSITE

<http://www.hbportfolio.com>

REGISTRAR & SHARE TRANSFER AGENT

RCMC Share Registry Pvt. Ltd.

CIN: U67120DL1950PTC601854

B-25/1, First Floor

Okhla Industrial Area Phase-II

New Delhi - 110020

Ph : 011-26387320, 26387321

Fax : 011-26387322

E-mail: investor.services@rcmcdelhi.com

Website: www.rcmcdelhi.com

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NOTICE

NOTICE IS HEREBY GIVEN THAT THE 24TH ANNUAL GENERAL MEETING OF HB PORTFOLIO LIMITED WILL BE HELD AS FOLLOWS:

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

Day : Tuesday
Date : 17th September, 2019
Time : 11.00 A.M
Place : GIA House, I.D.C., Mehrauli Road, Opp. Sector 14, Gurugram - 122 001 (Haryana)

to transact the following business/(s):

ORDINARY BUSINESS:

1. ADOPTION OF AUDITED FINANCIAL STATEMENTS INCLUDING CONSOLIDATED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2019 TOGETHER WITH THE REPORTS OF THE DIRECTORS' AND AUDITORS' THEREON.

To receive, consider and adopt the Audited Financial Statements including Consolidated Financial Statements of the Company for the Financial Year ended 31st March, 2019, including the Audited Balance Sheet as at 31st March, 2019, 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.

2. APPOINTMENT OF MR. LALIT BHASIN (DIN: 00002114), 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. Lalit Bhasin (DIN: 00002114), who retires by rotation and being eligible offers himself for re-appointment, be and is hereby re-appointed as the Director of the Company.”

3. CONTINUATION OF THE APPOINTMENT OF 'G.C. AGARWAL & ASSOCIATES' CHARTERED ACCOUNTANTS (FRN 017851N), STATUTORY AUDITORS OF THE COMPANY.

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

“RESOLVED THAT pursuant to the amended provisions of Section 139(1) and all other applicable provisions of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and the Companies (Amendment) Act, 2017 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and in partial modification of the resolution passed by the Members of the Company at the 22nd Annual General Meeting of the Company held on 26th September, 2017, the Company hereby dispenses with the requirement of annual ratification of appointment of 'G.C. Agarwal & Associates', Chartered Accountants, Delhi (FRN 017851N) for its remaining tenure as the Statutory Auditors of the Company.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all acts, deeds and things, necessary and expedient to give effect to this resolution.”

SPECIAL BUSINESS:

4. APPOINTMENT OF MR. HARBANS LAL (DIN: 00076405) AS AN INDEPENDENT DIRECTOR OF THE COMPANY.

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

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions, if any, of the Companies Act, 2013 ('the Act') and the rules made there-under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Act, Regulation 17(1A) and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, Mr. Harbans Lal (DIN: 00076405) who has already attained the age of seventy five years and in respect of whom the Company has received a notice in writing under Section 160(1) of the Act from a member proposing his candidature for the office of Director, be and is hereby appointed as Non-Executive Independent Director of the Company to hold office for a term of five (5) consecutive years with effect from 17th September, 2019 to 16th September, 2024 and he shall not be liable to retire by rotation.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all acts, deeds and things, necessary and expedient to give effect to this resolution.”

5. RE-APPOINTMENT OF MR. RAJ KUMAR BHARGAVA (DIN: 00016949) AS AN INDEPENDENT DIRECTOR OF THE COMPANY.

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

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions, if any, of the Companies Act, 2013 ('the Act') and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Act, Regulation 17(1A) and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, Mr. Raj Kumar Bhargava (DIN: 00016949) who has already attained the age of seventy five years and in respect of whom the Company has received a notice in writing under Section 160(1) of the Act from a member proposing his candidature for the office of Director, be and is hereby re-appointed as Non-Executive Independent Director of the Company to hold office for second term of five (5) consecutive years with effect from 16th September, 2019 to 15th September, 2024 and he shall not be liable to retire by rotation.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all acts, deeds and things, necessary and expedient to give effect to this resolution.”

6. RE-APPOINTMENT OF MR. RAMESH CHANDRA SHARMA (DIN: 00023274) AS AN INDEPENDENT DIRECTOR OF THE COMPANY.

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

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions, if any, of the Companies Act, 2013 ('the Act') and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Act, Regulation 17(1A) and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, Mr. Ramesh Chandra Sharma (DIN: 00023274) who has already attained the age of seventy five years and in respect of whom the Company has received a notice in writing under Section 160(1) of the Act from a member proposing his candidature for the office of Director, be and is hereby re-appointed as Non-Executive Independent Director of the Company for second term of five (5) consecutive years with effect from 16th September, 2019 to 15th September, 2024 and he shall not be liable to retire by rotation.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all acts, deeds and things, necessary and expedient to give effect to this resolution.”

7. CONTINUATION OF DIRECTORSHIP OF MR. JAG MOHAN LAL SURI (DIN: 00002373) NON-EXECUTIVE DIRECTOR OF THE COMPANY.

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

“RESOLVED THAT pursuant to Regulation 17(1A) and other applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, applicable provisions of the Companies Act, 2013 and rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), approval of the members be and is hereby accorded for continuation of Directorship of Mr. Jag Mohan Lal Suri (DIN: 00002373), who has already attained the age of seventy five years, as Non-Executive Director of the Company.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all acts, deeds and things, necessary and expedient to give effect to this resolution.”

BY ORDER OF THE BOARD
FOR HB PORTFOLIO LIMITED

Sd/-
DINESH KAPOOR

(Company Secretary)

Membership No.: FCS-6731

Place: Gurugram
Date : 27th May, 2019

NOTES:

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

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



2. **SHAREHOLDERS OF THE COMPANY HOLDING SHARES IN PHYSICAL FORM ARE REQUESTED TO CONVERT THEIR HOLDING INTO DEMAT FORM.**
3. **SHAREHOLDERS OF THE COMPANY ARE REQUESTED TO PROVIDE / UPDATE THEIR E-MAIL ID WITH THEIR DEPOSITORY PARTICIPANT (DP) / COMPANY'S REGISTRAR & SHARE TRANSFER AGENT (RTA), RCMC SHARE REGISTRY PRIVATE LIMITED FOR COMMUNICATION PURPOSES.**
4. An Explanatory Statement(s) pursuant to Section 102 of the Companies Act, 2013 in respect of the Special Business herein is annexed hereto and forms part of this Notice.
5. The Register of Members and Share Transfer Books of the Company shall remain closed from **11th September, 2019 to 17th September, 2019** (Both days inclusive).
6. 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 years from the due date is required to be transferred to the Investor Education and Protection Fund (IEPF), constituted by the Central Government. The Company had, accordingly, transferred ₹ 16,55,822/- (**Rupees Sixteen Lacs Fifty Five Thousand Eight Hundred Twenty Two Only**) to IEPF on 10th October, 2018 being the Unpaid and Unclaimed Dividend amount pertaining to Final Dividend for the Financial Year ended 31st March, 2011. The detail of Unpaid / Unclaimed Dividend lying with the Company as on the date of the last Annual General Meeting in respect of the financial years from 2012 to 2016 is available on the website of the IEPF viz. www.iepf.gov.in and also on the website of the Company; http://www.hbportfolio.com/Unpaid_Dividend/index_2018.html

The Company strongly recommends Shareholders to encash / claim their respective dividends within the period given below from the Company's Registrar and Share Transfer Agent:

Financial Year	Last Date for claiming Dividend	Unclaimed Dividend in ₹ (As on 31.03.2019)
2011-12	08 th October, 2019	17,23,989.50
2012-13	12 th October, 2020	22,30,163.00
2013-14	20 th October, 2021	26,20,893.50
2014-15	07 th October, 2022	8,98,860.00
2015-16	01 st October, 2023	9,18,096.50
2016-17	No Dividend was declared	-
2017-18	No Dividend was declared	-

Pursuant to the provisions of Section 124 of the Companies Act, 2013 read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 and Amendment Rules thereto, the Company has duly transferred all Equity Shares in respect of which Dividend has not been paid or claimed for seven consecutive years or more to the specified DEMAT Account of the Investor Education and Protection Fund (IEPF) Authority, Ministry of Corporate Affairs after giving individual notice to all such Equity Shareholders and publication of newspaper advertisement thereto. The complete details of such Equity Shares transferred to IEPF Account is available on the website of the Company; <http://www.hbportfolio.com/IEPF/index.html>

Any further Dividend on such Equity Shares shall be credited to the IEPF Account. The Equity Shareholders may claim back their Shares along with the Unclaimed Dividend amount from the IEPF Authority by following the refund procedure as detailed on the website of IEPF Authority; <http://iepf.gov.in/IEPFA/refund.html>. The refund procedure is also available on the Company's website, <http://www.hbportfolio.com/IEPF/index.html>

Mr. Dinesh Kapoor, Company Secretary 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; <http://www.hbportfolio.com/IEPF/index.html>

7. **THE SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) VIDE ITS CIRCULAR NO. SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 DATED 20TH APRIL, 2018 HAS DIRECTED ALL LISTED COMPANIES TO ENSURE THAT ANY PAYMENT OF DIVIDEND TO THE SHAREHOLDERS IS MADE THROUGH ELECTRONIC CHANNELS SUCH AS NECS/NEFT/RTGS. THE COMPANIES THROUGH THEIR REGISTRAR AND SHARE TRANSFER AGENT (RTA) ARE FURTHER DIRECTED TO COLLECT COPY OF PAN AND BANK ACCOUNT DETAILS OF ALL SHAREHOLDERS HOLDING SHARES IN PHYSICAL FORM. IN VIEW OF THE SAME.**

(A) Members who hold shares in physical form are requested to:

- (i) Furnish their PAN and Bank Account details to the Company or Company's Registrar and Share Transfer Agent namely, RCMC Share Registry Pvt. Ltd. along with self-attested copy of PAN Card and cancelled "Name printed Cheque" in original or copy of Bank Passbook / Bank Statement duly attested by the Bank.

- (ii) Convert their holding into Demat Form.
- (iii) Provide / update their E-mail ID for communication purpose.

(B) Members who hold shares in demat form are requested to:

- (i) Update their Bank Account details with the Depository Participant (DP) to avoid any kind of rejection by the banker; and
- (ii) Provide / update their E-mail ID with the Depository Participant (DP) for communication purpose.

We wish to highlight the following benefits of receiving payments through the Electronic mode rather than receiving drafts / warrants in physical mode.

- ✓ Ensures timely credit of funds to the specified accounts.
- ✓ Ensures credits are done seamlessly without manual intervention.
- ✓ Eliminates postal / mailing delays.
- ✓ Saves your effort of safekeeping and depositing of physical drafts / warrants at a bank.
- ✓ Helps track receipt of payments from the bank statements.

In compliance with the requirement of the said Circular, members holding securities in physical form were separately communicated by the Company's Registrar and Share Transfer Agent vide three letters at their registered address. 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 with effect 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. Members can contact the Company's RTA for assistance in this regard.

8. Members/Proxies should bring Attendance Slips duly filled in for attending the meeting.
9. Corporate Members are requested to send a duly Certified Copy of the Board Resolution authorizing their representative(s) to attend and vote on their behalf at the Meeting.
10. Shareholders seeking any information with regard to Financial Statements are requested to write to the Company at least seven (7) days before the date of the meeting so as to enable the management to keep the information ready.
11. Route map showing directions to reach the venue of the AGM is given at the end of the Annual Report as per the requirement of the Secretarial Standard-2 (SS-2) on "General Meeting".
12. **Members are requested to:**
 - (a) Notify any change in their address including PIN CODE to the Registrar and Share Transfer Agent of the Company namely,

RCMC Share Registry Pvt. Ltd.
B-25/1, First Floor,
Okhla Industrial Area, Phase-II,
New Delhi – 110 020
Phone: 011 – 26387320, 26387321
Fax: 011 – 26387322
E-mail: investor.services@rcmcldelhi.com
 - (b) Bring their copies of Annual Report with them at the meeting as the same will not be supplied again as a measure of economy.
13. The Company is implementing the "Green Initiative" to enable electronic delivery of Notices / Documents and Annual Reports to the Shareholders. Henceforth, the e-mail addresses indicated in your respective Depository Participant (DP) accounts which will be periodically downloaded from NSDL / CDSL will be deemed to be your registered email address for serving Notices / Documents including those covered under Section 136 of the Companies Act, 2013.

Electronic copies of the Annual Report, Notice along with Attendance Slip and Proxy Form are being sent by e-mail to those members whose e-mail addresses are registered with the Company / Depository Participant(s) unless any member has requested for a hard copy of the same.

In other cases, hard copy of the Abridged Annual Report i.e. Statement containing salient features of Balance Sheet and Profit & Loss Account including Notice, Attendance Slip and Proxy Form is being sent to the Members by the permitted mode. The members who are desirous of receiving the Full Annual Report may write to the Company's RTA for a copy of the same.

Members may note that Notice of the Annual General Meeting, Abridged Annual Report, Full Annual Report, Attendance Slip and Proxy Form are also available on the website of the Company, <http://www.hbportfolio.com>

14. Voting through electronic means:

- (i) In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Members are provided with the facility to cast their votes by electronic means on all the resolutions proposed to be considered in this Annual General Meeting from a remote location ("Remote e-voting").
- (ii) The Company has engaged the services of Karvy Fintech Pvt. Ltd. ("Karvy") to provide the facility of Remote e-voting.
- (iii) The facility for voting through Physical Ballot Papers shall be made available at the meeting and members attending the meeting, who have not already cast their vote by Remote e-voting shall be able to exercise their right to vote at the meeting through Ballot Papers.
- (iv) The e-voting rights of the Members shall be in proportion to the paid-up value of their Shares in the Equity Share Capital of the Company. Members of the Company holding Shares either in physical form or in dematerialized form, as on the **cut-off date i.e. 10th September, 2019**, may cast their vote by remote e-voting / at the meeting.
- (v) Any person who acquires Shares of the Company and becomes member of the Company after dispatch of the Notice and holding Shares as on the **cut-off date i.e. 10th September, 2019** may obtain the login Id and password by sending a request at evoting@karvy.com. However, if you are already registered with Karvy for remote e-voting then you can use your exiting user ID and password for casting your vote.
- (vi) **The Remote e-voting period commences on 14th September, 2019 (09.00 A.M) and ends on 16th September, 2019 (05.00 P.M).** The Remote e-voting module shall be disabled by Karvy for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently.
- (vii) Once the vote on a resolution is cast by a Member, the Member shall not be allowed to change it subsequently. The Members who have cast their vote by Remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.
- (viii) **Ms. Jyoti Sharma, Company Secretary in Whole-time Practice (Membership No.: 8843, C.P. No.: 10196) failing her Ms. Purni Singhal, Company Secretary in Whole-time Practice (Membership No.: 40565, C.P. No.: 19493) have been appointed as the Scrutinizer(s) for conducting the remote e-voting & polling process in a fair and transparent manner.**
- (ix) The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast at the meeting, thereafter unblock the votes cast through Remote e-voting in the presence of at least two witnesses not in the employment of the Company, and make, not later than three days of conclusion of the meeting, a Consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing who shall countersign the same. The Chairman or a person authorized by him in writing shall declare the result of the voting forthwith upon submission of the Scrutinizer's Report.
- (x) The Company shall submit to the Bombay Stock Exchange Limited (BSE Limited), within forty eight hours of the conclusion of the meeting, details regarding the voting results in the prescribed format. The results declared along with the Scrutinizer's Report(s) shall also be placed on the website of the Company, <http://www.hbportfolio.com> and on Karvy's website, <https://evoting.karvy.com> immediately after the declaration of results.
- (xi) In case of any queries pertaining to e-voting, please visit Help & FAQ's section available at Karvy's website, <https://evoting.karvy.com> or call their Toll Free No. 1800-345-4001 for any further clarification.
- (xii) The instructions for availing the Remote e-voting facility indicating the process and manner of e-voting are given as hereunder.
 - **In case a Member receives notice through e-mail from Karvy [for Members whose e-mail IDs are registered with the Company / Depository Participants]:**
 - (a) Launch internet browser by typing the URL: <https://evoting.karvy.com>

- (b) Enter the login credentials (i.e. User ID and Initial Password provided by Karvy in e-mail). Your Folio No. / DP ID-Client ID will be your User ID. However, if you are already registered with Karvy for e-voting, you can use your existing User ID and password for casting your vote.
- (c) After entering these details appropriately, click on "LOGIN".
- (d) You will now reach password change Menu wherein you are required to mandatorily change your password. The new password shall comprise minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric (0-9) and a special character (@, #, \$, etc.). The system will prompt you to change your password and update your contact details like mobile number, email ID, etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.
- (e) You need to login again with the new credentials.
- (f) On successful login, the system will prompt you to select the E-Voting Event Number for **HB Portfolio Limited**.
- (g) On the voting page enter the number of shares (which represents the number of votes) as on the cut-off date under "FOR / AGAINST" or alternatively, you may partially enter any number in "FOR" and partially in "AGAINST" but the total number in "FOR / AGAINST" taken together should not exceed your total shareholding. You may also choose the option "ABSTAIN" and the shares held will not be counted under either head.
- (h) Members holding multiple folios / demat accounts shall choose the voting process separately for each of the folios / demat accounts.
- (i) Voting has to be done for each item of the Notice separately. In case you do not desire to cast your vote on any specific item it will be treated as abstained.
- (j) You may then cast your vote by selecting an appropriate option and click on "Submit".
- (k) A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you confirm, you will not be allowed to modify your vote. During the voting period, Members can login any number of times till they have voted on the Resolution(s).
- (l) Corporate / Institutional Members (i.e. other than Individuals, HUF, NRI etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution / Authority Letter etc., together with attested specimen signature(s) of the duly authorized representative(s), to the **Scrutinizer at e-mail ID: legal2015js@gmail.com with a copy to Karvy at e-mail ID: evoting@karvy.com**. They may also upload the same in the e-voting module in their login. The scanned image of the above mentioned documents should be in the naming format "Corporate Name_EVENT NO."

➤ **In case a Member receives Notice in physical form [for Members whose e-mail IDs are not registered with the Company / Depository Participants]:**

- (a) User ID and Initial Password as given in the e-voting notice sent along with the Annual Report.
- (b) Please follow all steps given hereinabove, to cast your vote.

- 15. All documents referred to in this Notice shall be open for inspection at the Registered Office of the Company during normal business hours (9.00 A.M to 5.00 P.M) on all working days up to and including the date of the Annual General Meeting of the Company.
- 16. 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 maintained under Section 189 of the Companies Act, 2013 shall be made available for inspection at the Annual General Meeting.
- 17. 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] are as under:

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

Name of the Director	(1) MR. LALIT BHASIN	(2) MR. HARBANS LAL
Directors Identification Number (DIN)	00002114	00076405
Date of Birth	14 th August, 1968	28 th February, 1942
Date of First Appointment on the Board	27 th July, 2004	N.A
Profile / Expertise in Specific functional Areas.	Mr. Lalit Bhasin, Director (Chairman) is a commerce graduate from Shri Ram College of Commerce, Delhi University. He brings with him nearly three decades of expertise in the field of management, hospitality, investments and capital market.	Mr. Harbans Lal is a seasoned banking professional with more than 37 years of extensive experience in the field of corporate lending and industrial rehabilitation. He retired from the State Bank of India (SBI) as Chief General Manager (Delhi Circle). He had also held position of nominee director on the Board of Delhi Stock Exchange, Petronet LNG Ltd. and Gujarat Biotech Ltd. Presently, he is serving on the Arbitration Panel of Multi Commodity Exchange of India Ltd. (MCX), NCDEX and Indian Council of Arbitration.
Qualifications	B.Com	M.A (Public Administration) & C.A.I.I.B. (Associate of Institute of Bankers)
List of Directorship in other Companies	Listed Companies: 1. HB Stockholdings Ltd. 2. HB Estate Developers Ltd. 3. HB Leasing & Finance Co. Ltd. 4. CHL Ltd. Other Companies: 5. Taurus Asset Management Co. Ltd. 6. RRB Master Securities Delhi Ltd. 7. RRB House Finance Pvt. Ltd. 8. Pal Properties (India) Pvt. Ltd. 9. HB Financial Consultants Pvt. Ltd. 10. ALMR Gems & Trading Pvt. Ltd.	Listed Companies: 1. HB Stockholdings Ltd. Other Companies: 2. Taurus Asset Management Co. Ltd.
Membership of Committee of the Board in other Companies.	Audit Committee 1. HB Leasing & Finance Co. Ltd. (Member) 2. CHL Ltd. (Member) Stakeholders Relationship Committee 3. HB Leasing & Finance Co. Ltd. (Chairman) 4. CHL Limited (Member) Nomination and Remuneration Committee 5. HB Leasing & Finance Co. Ltd. (Member) 6. CHL Ltd. (Member) CSR Committee 7. HB Stockholdings Ltd. (Chairman) 8. Taurus Asset Management Co. Ltd. (Chairman)	Audit Committee 1. HB Stockholdings Ltd. (Member) 2. Taurus Asset Management Co. Ltd. (Chairman) Stakeholders Relationship Committee 3. HB Stockholdings Ltd. (Chairman) Nomination and Remuneration Committee 4. HB Stockholdings Ltd. (Chairman)
No. of Equity Shares held	6324671	Nil
No. of Board Meetings attended/entitled to attend during the year	4/4	N.A
Whether related to any Board Members, Manager or KMP of the Company	No	No

Name of the Director	(3) MR. RAJ KUMAR BHARGAVA	(4) MR. RAMESH CHANDRA SHARMA
Directors Identification Number (DIN)	00016949	00023274
Date of Birth	26 th October, 1935	24 th January, 1939
Date of First Appointment on the Board	25 th July, 2001	27 th July, 2004
Profile / Expertise in Specific functional Areas.	Mr. Raj Kumar Bhargava is a retired I.A.S officer and has held various high level positions with the Government of India and State Governments including Chief Secretary, U.P Government, Home Secretary, Government of India and Information & Broadcasting Secretary, Government of India.	Mr. Ramesh Chandra Sharma brings with him in-depth understanding and multi faceted experience in administration in Government, Business and Industry in addition to his expertise in security and investigation methodologies. He has held highly responsible and sensitive positions with Central Bureau of Investigation (CBI), premiere investigating agency in India and Haryana State Police requiring top level administrative ability. Besides he has also been Joint Secretary, Ministry of Home Affairs.
Qualifications	M.A. & B.A. (Hons.), I.A.S	M.A. (Econ.) & B.A. (Econ. & Geography)
List of Directorship in other Companies	Listed Companies: 1. Kajaria Ceramics Ltd. 2. Asian Hotels (West) Ltd. Other Companies: 3. Nada Vibronics Pvt. Ltd. 4. Aria Hotels & Consultancy Services Pvt. Ltd.	Listed Companies: 1. Sir Shadi Lal Enterprises Ltd. 2. CHL Ltd. Other Companies: 3. PCI Ltd. 4. Indec Securities and Finance Ltd.
Membership of Committee of the Board in other Companies.	Audit Committee 1. Kajaria Ceramics Ltd. (Chairman) 2. Asian Hotels (West) Ltd. (Chairman) Stakeholders Relationship Committee 3. Asian Hotels (West) Ltd. (Member) Nomination and Remuneration Committee 4. Asian Hotels (West) Ltd. (Member) CSR Committee 5. Asian Hotels (West) Ltd. (Member)	Audit Committee 1. Sir Shadi Lal Enterprises Ltd. (Member) 2. PCI Ltd. (Member) Nomination and Remuneration Committee 3. Sir Shadi Lal Enterprises Ltd. (Member) 4. PCI Ltd. (Member) Investment Committee 5. PCI Ltd. (Member)
No. of Equity Shares held	4270	NIL
No. of Board Meetings attended/entitled to attend during the year	4/4	4/4
Whether related to any Board Members, Manager or KMP of the Company	No	No



Name of the Director	(5) MR. JAG MOHAN LAL SURI
Directors Identification Number (DIN)	00002373
Date of Birth	27 th April, 1938
Date of First Appointment on the Board	18 th August, 1994
Profile / Expertise in Specific functional Areas.	Mr. Jag Mohan Lal Suri is an Engineer by profession. He headed the operations of a Swedish Multinational before his association with the HB Group. He brings with him decades of long experience in Corporate Administration.
Qualifications	B.E
List of Directorship in other Companies	Listed Companies: 1. HB Estate Developers Ltd. Other Companies: 2. HB Corporate Services Ltd. 3. RRB Securities Ltd. 4. Mount Finance Ltd. 5. AHL Hotels Limited 6. Bhasin Share & Stock Brokers Ltd. 7. Raja Ram Bhasin Share & Stock Brokers Ltd. 8. Pal Properties (India) Pvt. Ltd.
Membership of Committee of the Board in other Companies.	Audit Committee 1. HB Estate Developers Ltd. (Member) 2. RRB Securities Ltd. (Member) Stakeholders Relationship Committee 3. HB Estate Developers Ltd. (Chairman) 4. RRB Securities Ltd. (Chairman) Nomination and Remuneration Committee 5. HB Estate Developers Ltd. (Member)
No. of Equity Shares held	450 (Jointly held with his wife)
No. of Board Meetings attended/entitled to attend during the year	4/4
Whether related to any Board Members, Manager or KMP of the Company	No

BY ORDER OF THE BOARD
FOR HB PORTFOLIO LIMITED

Place: Gurugram
Date: 27th May, 2019

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



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

ITEM NO. 4:

The Board of Directors on the recommendation of the Nomination and Remuneration Committee in their meeting held on 27th May, 2019 considered and recommended the appointment of Mr. Harbans Lal (DIN: 00076405) aged 77 years as a Non-Executive Independent Director of the Company pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions, if any of the Companies Act, 2013 ('the Act') and the rules made there-under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Act, Regulation 17(1A) and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') as amended.

The Company has received requisite consent from Mr. Harbans Lal to act as Director of the Company and a declaration to the effect that he is not disqualified under sub-section (2) of Section 164 of the Companies Act, 2013 and is not debarred from holding the office of director by virtue of any SEBI Order or any other such authority. The Company has, in terms of Section 160(1) of the Act, received in writing a notice from Member, proposing his candidature for the office of Director.

In the opinion of the Board, Mr. Harbans Lal fulfill the conditions specified in the Act and the criteria of Independent Director in terms of the provisions of Section 149 of the Companies Act, 2013 and Regulation 16(1)(b) of SEBI Listing Obligations and Disclosure Requirements Regulations, 2015 and he is independent of the management. He is not related to any of the Directors or Key Managerial Personnel (including relatives of Directors or Key Managerial Personnel) of the Company in terms of Section 2(77) of the Companies Act, 2013.

Copy of Draft letter for his appointment as Non-Executive Independent Director setting out the terms and conditions is available for inspection without any fee by the members at the Company's registered office during normal business hours on working days up to the date of the AGM.

As per the requirements of Regulation 36(3) of Listing Regulations and Secretarial Standard – 2, issued by the Institute of Company Secretaries of India, the required details of Mr. Harbans Lal are given in Notes forming part of the Notice.

As per the provisions of Regulation 17(1A) of the SEBI Listing Obligations and Disclosure Requirements Regulations, 2015 as amended, no listed entity shall appoint a person or continue the directorship of any person as a Non-Executive Director who has attained the age of seventy five years unless a special resolution is passed to that effect.

The Board recommends to the Shareholders that the appointment of Mr. Harbans Lal would be of immense benefit to the Company considering his knowledge, background and extensive experience in the banking sector. Mr. Harbans Lal is a person of high repute, integrity and has rich and varied experience which will be an invaluable input to the Company's strategic direction and decision making. The Board recommends the Special Resolution at Item No. 4 of the Notice for the approval of the Members.

Except Mr. Harbans Lal and / or his 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.

ITEM NO. 5 & 6:

Mr. Raj Kumar Bhargava (DIN: 00016949) and Mr. Ramesh Chandra Sharma (DIN: 00023274) were appointed as Non-Executive Independent Directors of the Company for a term of five (5) consecutive years by the Shareholders in their Annual General Meeting held on 16th September, 2014 pursuant to the provisions of Section 149, 150, 152 of the Companies Act, 2013 and rules made thereunder ('the Act') read with Schedule IV to the Act and Clause 49 of the erstwhile Listing Agreement entered into with the Stock Exchange.

In terms of the said provisions, an Independent Director shall hold office for a term upto five consecutive years on the Board of a Company, but shall be eligible for re-appointment on passing of a Special Resolution by the Company and disclosure of such appointment in the Board's report. No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after the expiration of three years of ceasing to become an Independent Director. Pursuant to Regulation 17(1A) of the SEBI Listing Obligations and Disclosure Requirements Regulations, 2015, as amended, no listed entity shall appoint a person or continue the directorship of any person as a Non-Executive Director who has attained the age of seventy five years unless a Special resolution is passed to that effect.

The Board of Directors on the recommendation of the Nomination and Remuneration Committee in their meeting(s) held on 12th February, 2019 and 27th May, 2019 considered and recommended the re-appointment of Mr. Raj Kumar Bhargava (DIN: 00016949) aged 83 years and Mr. Ramesh Chandra Sharma (DIN: 00023274) aged 80 years as Non-Executive Independent Directors of the Company for second term of five consecutive years pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions, if any of the Companies Act, 2013 ('the Act') and the rules made there-under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Act, Regulation 17(1A) and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended.

The Company has received a declaration to the effect that they are not disqualified under sub-section (2) of Section 164 of the Companies Act, 2013 and are not debarred from holding the office of director by virtue of any SEBI Order or any other such authority. The Company has, in terms of Section 160(1) of the Act, received in writing a notice from Member, proposing their candidature for the office of Director.

In the opinion of the Board, Mr. Raj Kumar Bhargava and Mr. Ramesh Chandra Sharma fulfill the conditions specified in the Act and the criteria of Independent Director in terms of the provisions of Section 149 of the Companies Act, 2013 and Regulation 16(1)(b) of SEBI Listing Obligations and Disclosure Requirements Regulations, 2015 and they are independent of the management. They are not related to any of the Directors or Key Managerial Personnel (including relatives of Directors or Key Managerial Personnel) of the Company in terms of Section 2(77) of the Companies Act, 2013.

Copy of Draft letter for their re-appointment as Non-Executive Independent Directors setting out the terms and conditions is available for inspection without any fee by the members at the Company's registered office during normal business hours on working days up to the date of the AGM.

As per the requirements of Regulation 36(3) of Listing Regulations and Secretarial Standard – 2, issued by the Institute of Company Secretaries of India, the required details of Mr. Raj Kumar Bhargava and Mr. Ramesh Chandra are given in Notes forming part of the Notice.

The Board recommends to the Shareholders that the association of Mr. Raj Kumar Bhargava and Mr. Ramesh Chandra Sharma would be beneficial to the Company based on their performance evaluation, knowledge, background, extensive experience and contributions made by them during their tenure, it is desirable to re-appoint them as Non-Executive Independent Directors of the Company for second term of five consecutive years. The Board recommends the Special Resolution(s) at Item No. 5 & 6 of the Notice for the approval of the Members.

Except Mr. Raj Kumar Bhargava and Mr. Ramesh Chandra Sharma 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).

ITEM NO. 7:

Mr. Jag Mohan Lal Suri (DIN: 00002373), Non-Executive Director is 81 years old and is associated with the Company since 1994. Mr. Jag Mohan Lal Suri is highly experienced in Corporate Administration and has successfully contributed towards the growth of the Company.

The Board of Directors on the recommendation of the Nomination and Remuneration Committee in their meeting held on 12th February, 2019 considered and recommended for the continuation of directorship of Mr. Jag Mohan Lal Suri as Non-Executive Director of the Company pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any of the Companies Act, 2013 ('the Act') and the rules made there-under (including any statutory modification(s) or re-enactment thereof for the time being in force), Regulation 17(1A) and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended.

The Company has received a declaration to the effect that he is not disqualified under sub-section (2) of Section 164 of the Companies Act, 2013 and is not debarred from holding the office of director by virtue of any SEBI Order or any other such authority.

As per the requirements of Regulation 36(3) of Listing Regulations and Secretarial Standard – 2, issued by the Institute of Company Secretaries of India, the required details of Mr. Jag Mohan Lal Suri are given in Notes forming part of the Notice.

In terms of Regulation 17(1A) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, no listed entity shall appoint a person or continue the directorship of any person as a non-executive director who has attained the age of seventy five years unless a special resolution is passed to that effect.

The Board recommends to the Shareholders that the association of Mr. Jag Mohan Lal Suri would be beneficial to the Company considering his knowledge, background, extensive experience and contributions made by him during his tenure and it is desirable to continue his Directorship as Non-Executive Director of the Company. The Board recommends the Special Resolution at Item No. 7 of the Notice for the approval of the Members.

Except Mr. Jag Mohan Lal Suri and / or his 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.

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

**Sd/-
DINESH KAPOOR**

(Company Secretary)

Membership No.: FCS-6731

**Place: Gurugram
Date : 27th May, 2019**

DIRECTORS' REPORT

To the Members

Your Directors are pleased to present the 24th Abridged Annual Report together with Abridged Audited Financial Statements including Consolidated Financial Statements for the Financial Year ended 31st March, 2019

Salient Features of the Directors Report are as follows:

STATE OF AFFAIRS AND FINANCIAL PERFORMANCE:

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

(₹ In Lacs)

PARTICULARS	Standalone		Consolidated	
	Year Ended 31.03.2019	Year Ended 31.03.2018	Year Ended 31.03.2019	Year Ended 31.03.2018
Total Revenue	420.84	1450.96	2065.76	3179.61
Expenditure	254.59	202.68	1640.93	1720.41
Finance Cost	1.36	1.27	3.38	5.27
Depreciation	7.73	6.64	27.56	29.99
Profit for the year before Tax	157.16	1240.37	393.89	1423.94
Tax Expense	(2.86)	233.79	7.52	264.65
Add: Share of (Profit) transferred to Minority Interest	NA	NA	(84.11)	(49.70)
Add: Share of Profit in Associates	NA	NA	12.26	6.66
Profit for the year after Tax	160.02	1006.58	314.52	1116.25

The financial figures for the current year are not comparable with previous year due to accounting effect given in the Financial Statements for the Financial Year ended 31st March, 2018 from the Appointed Date(s) i.e. 01st April, 2015 & 03rd April, 2015 pursuant to the sanction of the Scheme of Arrangement ('the Scheme') between HB Stockholdings Limited (HBSL), HB Portfolio Limited (HBPL) and HB Estate Developers Limited (HBEDL) and their respective Shareholders and Creditors under Sections 391 to 394 read with Section 100 to 104 of the Companies Act, 1956.

DIVIDEND

The Board of Directors, after considering holistically the relevant circumstances and keeping in view the current market conditions, has decided that it would be prudent, not to recommend any Dividend for the Financial Year 2018-2019.

TRANSFER TO GENERAL RESERVE

The Board of Directors of your Company has decided not to transfer any amount to the General Reserve for the year under review.

SCHEME OF ARRANGEMENT

The Hon'ble National Company Law Tribunal (NCLT), Chandigarh Bench at Chandigarh vide its Order Dated 22nd December, 2017 sanctioned the Scheme of Arrangement between HB Stockholdings Limited (HBSL), HB Portfolio Limited (HBPL) and HB Estate Developers Limited (HBEDL) and their respective Shareholders and Creditors under Sections 391 to 394 read with Section 100 to 104 of the Companies Act, 1956. The Scheme came into effect on 30th January, 2018 from the Appointed Date(s) i.e. 01st April, 2015 & 03rd April, 2015 in a manner more particularly defined in the Scheme. The Copy of Scheme of Arrangement along with all other documents are available on the Company's website having following web link, http://www.hbportfolio.com/Scheme_of_Arrangement.html

NBFC REGISTRATION WITH THE RESERVE BANK OF INDIA

The Company had filed fresh application for registration on 08th March, 2016 with the Reserve Bank of India (RBI). The information / clarifications sought thereafter by RBI from time to time have been duly submitted by the Company. RBI vide its letter dated 18th July, 2017 has returned the Company's application with the advice that, the existing financial business of the Company may be merged / amalgamated with any of the Registered Group NBFC. Accordingly, the Company vide its letter dated 19th February, 2018 has written to RBI for either transfer of license of one of the Group NBFC to the Company or for issue of fresh Certificate of Registration to the Company in lieu of surrender of NBFC Certificate by one of the Group NBFC Company.

SHARE CAPITAL

The Paid up Equity Share Capital as on 31st March, 2019 stood at ₹ 10,76,42,300/- comprising of 10764230 Equity Shares of ₹ 10/- each.

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.

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.

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

The Company has following Subsidiaries as on 31st March, 2019:

Name of the Company	As on 31.03.2019	
	No. of Shares	% of holding
1. HB Securities Limited	7207570	100.00%
2. HB Corporate Services Limited	4257478	97.40%
3. Taurus Asset Management Company Limited*	11872118	70.12%
4. Taurus Investment Trust Company Limited	78850	80.39%

(*) Unlisted Material Subsidiary Company

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

In terms of Sec 2(6) of the Companies Act, 2013, Merwanjee Securities Limited and Har Sai Investments Limited are the Associate Companies. A separate statement containing the salient features of the Financial Statement of the Company's Subsidiaries & Associates is being provided in **Form AOC-1** along with Financial Statements.

**AUDITORS****(i) Statutory Auditors**

The Shareholders in the 22nd Annual General Meeting held on 26th September, 2017 had appointed 'G. C. Agarwal & Associates', Chartered Accountants, Delhi (FRN 017851N) as the Statutory Auditors for a term of five (5) consecutive years i.e. from the conclusion of the 22nd Annual General Meeting to the conclusion of 27th Annual General Meeting to be held in the year 2022.

As per the amended provisions of Sec 139(1) of the Companies Act, 2013, the requirement of ratification of the appointment of Statutory Auditors by members at every general meeting has been omitted. Accordingly, the resolution is proposed for the approval of members at the ensuing Annual General Meeting to dispense with the requirement of annual ratification of appointment of 'G.C. Agarwal & Associates', Chartered Accountants, Delhi (FRN 017851N) for its remaining tenure as the Statutory Auditors of the Company.

Observations of the Statutory Auditors are explained, wherever necessary, by way of Notes to the Financial Statements. No fraud has been noticed or reported by the Statutory Auditor's during the course of their Audit.

(ii) Internal Auditors

'Marv & Associates LLP', Chartered Accountants, New Delhi 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

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 detailed Directors report as "**ANNEXURE – I**".

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

- (a) *The Company did not have Chief Financial Officer (CFO) during the year under review. In order to comply with the said requirement, the Company has appointed CFO effective from 27.05.2019 being its Key Managerial Personnel (KMP) as per the provisions of Section 203 of the Companies Act, 2013.*

Director's Comment: No comments required as the Auditors observation is self explanatory in itself.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

As a part of the CSR initiatives, your Company has undertaken CSR activity towards eradicating hunger, poverty, malnutrition and promotion of education in accordance with Schedule VII of the Companies Act, 2013 during the financial year 2018-2019. The report on CSR activities is attached as "**ANNEXURE – II**" forming part of the detailed Director's report.

DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP)

- (i) Mr. Lalit Bhasin (DIN: 00002114), Director (Chairman) 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.
- (ii) Mr. Harbans Lal (DIN: 00076405) aged 77 years is proposed to be appointed as Non-Executive Independent Director of the Company for a term of five (5) consecutive years w.e.f. 17th September, 2019 to 16th September, 2024. The Board of Directors recommends his appointment.
- (iii) Mr. Raj Kumar Bhargava (DIN: 00016949) aged 83 years and Mr. Ramesh Chandra Sharma (DIN: 00023274) aged 80 years are proposed to be re-appointed as Non-Executive Independent Directors for second term of five (5) consecutive years w.e.f. 16th September, 2019 to 15th September, 2024. The Board of Directors recommends their re-appointment.
- (iv) The Board of Directors recommend to continue the Directorship of Mr. Jag Mohan Lal Suri (DIN: 00002373) aged 81 years, as a Non-Executive Director of the Company.
- (v) Mr. Bhuneshwar Lal Chadha (DIN: 00242990), Non-Executive Independent Director resigned from the Board on 21st August, 2018 due to his old age and ill health and there were no other material reasons other than those provided. After three months of his resignation, he left for his heavenly abode on 08th December, 2018.

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 Auditor's confirming compliance(s) forms an integral part of the detailed Directors report.

EXTRACT OF ANNUAL RETURN

The extract of Annual Return as provided under sub-section (3) of Section 92 in **Form MGT-9** is enclosed as a part of the detailed Director's report as "**ANNEXURE – III**".

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

Place: Gurugram
Date: 27th May, 2019

Sd/-
LALIT BHASIN
(Chairman)
DIN: 00002114

Note: Detailed Director's Report is given in the full Annual Report available on the website of the Company having following weblink, http://www.hbportfolio.com/investor_information.htm

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF
HB PORTFOLIO LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the Standalone Financial Statement of **HB PORTFOLIO LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2019, the Statement of Profit and Loss and the Statement of Cash Flows for the year then ended and Notes to the Standalone Financial Statements, including a summary of significant Accounting Policies and other explanatory information.

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 ("the Act") in the manner so required and give a true and fair view in conformity with the Companies Accounting Standard prescribed under Section 133 of the Act read with the Companies (Accounts) Rules, 2014 as amended, and other Accounting Principles generally accepted in India of the state of affairs of the Company as at 31st March 2019, and its profit, and its cash flows for the year ended on that date.

Basis of Opinion

We conducted our Audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards 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 Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our Audit of the Standalone Financial Statements under the provisions of the Companies Act, 2013 and the Rule 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 of our opinion.

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's Board of Directors are 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. The other information is expected to be made available to us after the date of this Auditors' Report. 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.

Management's Responsibility for the Standalone Financial Statements

The Company's management and 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 and cash flows of the Company in accordance with Accounting Principles generally accepted in India including the Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is 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.

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, 2019 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, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the **Annexure 'A'** a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper Books of Account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the Books of Account;
 - (d) In our opinion, the aforesaid Standalone Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - (e) On the basis of the written representations received from the Directors as on 31st March, 2019 taken on record by the Board of Directors, none of the Directors is disqualified as on 31st March, 2019 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'**.
 - (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 does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts as at 31st March, 2019.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
 - (h) With respect to the other matters to be included in the Auditor's report in accordance with the requirements of Section 197(16) of the Act, as amended:
In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its Directors during the year is in accordance with the provision of Section 197 of the Act.

FOR G. C. AGARWAL & ASSOCIATES
Chartered Accountants
Firm Registration No.: 017851N

PLACE : GURUGRAM
DATED : 27/05/2019

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

ANNEXURE – A

The Annexure referred to in Independent Auditor's Report to the members of **HB PORTFOLIO LIMITED** on the Standalone Financial Statements for the year ended on 31st March, 2019, we report that:

1. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of available information.
- (b) As explained to us, the management during the year has physically verified the fixed assets in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.
- (c) The Company does not have any immovable property.
2. As explained to us, inventories (Investments) have been physically verified by the management at reasonable intervals during the year. As explained to us the discrepancies noticed on physical verification of inventory as compared to the book records were not material.
3. As explained to us, the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013.
4. In our opinion and according to the information and explanations given to us, the Company has complied with the provision of Section 185 and 186 of the Act, with respect to the loans and investment made and guarantee given and security provided to the extent applicable to the Company.
5. The Company has not accepted any deposits from the public.
6. The nature of the Company's business/activities is such that maintenance of Cost Records under Section 148(1) of the Act is not applicable to the Company.
7. (a) According to the records of the Company, undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales-Tax, Goods and Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and other statutory dues to the extent and as applicable to the Company have been generally regularly deposited by the Company during the year with the appropriate authorities. 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, 2019 for a period of more than six months from the date of becoming payable.
- (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. In our opinion and according to the information and explanation given to us, the Company has not defaulted in repayment of loans/borrowings from bank. There are no loans or borrowings taken by the Company from any financial institution, government or debenture holders during the year.
9. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments). The term loans (vehicle loan) were utilized for the purpose for which they were obtained.
10. In our opinion and according to the information and explanation given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our Audit.
11. According to the information and explanations given to us and based on our examination of the record of the Company, the Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V of the Act.
12. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, Paragraph 3(xii) of the Order is not applicable.
13. According to the information and explanations given to us and based on or examinations of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act where applicable and details of such transaction have been disclosed in the Financial Statements as required by the applicable Accounting Standards.
14. According to the information and explanations given to us and based on our examination of the record of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
15. According to the information and explanations given to us and based on our examination of the record of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, Paragraph 3(xv) of the Order is not applicable.
16. The Company has made application to Reserve Bank of India for registration under Section 45-IA of the Reserve Bank of India Act, 1934 and such registration is yet to be received (Refer Note No. 30).

FOR G. C. AGARWAL & ASSOCIATES
Chartered Accountants
Firm Registration No.: 017851N

PLACE : GURUGRAM
DATED : 27/05/2019

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

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 PORTFOLIO LIMITED** (“the Company”) as of 31st March, 2019 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, 2019, 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

PLACE : GURUGRAM
DATED : 27/05/2019

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

INDEPENDENT AUDITOR’S REPORT ON **ABRIDGED STANDALONE FINANCIAL STATEMENTS**

TO
THE MEMBERS
HB PORTFOLIO LIMITED

Report on the Abridged Standalone Financial Statements

The accompanying Abridged Standalone Financial Statements, which comprise the Abridged Balance Sheet as at March 31st, 2019, the Abridged Statement of Profit and Loss and Abridged Cash Flow Statement for the year then ended, and related notes are derived from the Audited Standalone Financial Statements of HB Portfolio Limited (hereinafter referred to as “the Company”) for the year ended 31st March, 2019. We expressed an unmodified audit opinion on those Standalone Financial Statements vide our report dated 27th May 2019.

The Abridged Standalone Financial Statements do not contain all the disclosures required by the Accounting Standards specified under Section 133 of the Act read with relevant rules of the Companies (Accounts) Rules, 2014 and Accounting Principles generally accepted in India, applied in the preparation of the Audited Standalone Financial Statements of the Company. Reading the Abridged Standalone Financial Statements, therefore, is not a substitute for reading the Audited Standalone Financial Statements of the Company.

Management’s Responsibility for the Abridged Standalone Financial Statements

The Company’s Management is responsible for the preparation of the Abridged Standalone Financial Statements in accordance with Rule 10 of the Companies (Accounts) Rules, 2014 (the “Rules”). The Company’s Management (including Directors) are ultimately responsible for the designing, implementing and maintaining Internal control relevant to the preparation and presentation of the Abridged Standalone Financial Statements that are consistent with the Audited Standalone Financial Statements and are free from material misstatement, whether due to fraud or error; and also includes appropriate interpretation and application of the relevant provisions of the Rules and the Act.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Abridged Standalone Financial Statements based on our procedures, which were conducted in accordance with Standard on Auditing (SA) 810, ‘Engagements to Report on Summary Financial Statements’, issued by the Institute of Chartered Accountants of India.

Opinion

In our opinion, the Abridged Standalone Financial Statements, prepared in accordance with first proviso to Section 136(1) of the Act read with Rule 10 of the Companies (Accounts) Rules, 2014 are derived from the Audited Financial Statements of the Company for the year ended 31st March, 2019 and are a fair summary of those Financial Statements.

FOR G. C. AGARWAL & ASSOCIATES
Chartered Accountants
Firm Registration No.: 017851N

PLACE: GURUGRAM
DATED: 27/05/2019

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

**FORM AOC-3**

Statement containing the salient features of Financial Statements as per first proviso to sub-section (1) of Section 136 of the Companies Act, 2013 and Rule 10 of Companies (Accounts) Rules, 2014

ABRIDGED STANDALONE BALANCE SHEET AS AT 31ST MARCH, 2019

Sr. No.	Particulars	As at 31st March, 2019 (In ₹)	As at 31st March, 2018 (In ₹)
I	EQUITY AND LIABILITIES		
(1)	Shareholder's funds		
	(a) Paid-up Share Capital		
	(i) Equity	110378599	110378599
	(b) Reserves and Surplus		
	(i) Securities Premium	367610047	367610047
	(ii) Statutory Reserve	199095042	195894605
	(iii) General Reserve	314252875	314252875
	(iv) Surplus	243914098	231112350
		1235250661	1219248476
(2)	Non-Current Liabilities		
	(a) Long-Term Borrowings	322753	1241105
	(b) Long-Term Provisions	19940820	20029289
		20263573	21270394
(3)	Current Liabilities		
	(a) Other Current Liabilities	11192375	18640412
	(b) Short-Term Provisions	5046273	27595326
		16238648	46235738
	Total of (1) to (3)	1271752882	1286754608
II	ASSETS		
(4)	Non-Current Assets		
	(a) Property, Plant & Equipment		
	(i) Tangible Assets	3857643	4555343
	(b) Non-Current Investments		
	(i) Quoted	558577691	595519726
	Market Value Rs. 620495815 (Previous year Rs. 832085175)		
	(ii) Unquoted	615286882	383635627
	(c) Deferred Tax Assets (Net)	378443	427897
	(d) Long-Term Loans and Advances	34508440	34508440
		1212609099	1018647033
(5)	Current Assets		
	(a) Cash and Cash Equivalents	11345428	14093411
	(b) Short-Term Loans and Advances	45015981	7719075
	(c) Other Current Assets	2782374	246295089
		59143783	268107575
	Total of (4) to (5)	1271752882	1286754608

As per our Report on even date
FOR G. C. AGARWAL & ASSOCIATES
CHARTERED ACCOUNTANTS
Firm Registration Number: 017851N

FOR AND ON BEHALF OF THE BOARD

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

Sd/-
ANIL GOYAL
(MANAGING DIRECTOR)
DIN:00001938

Sd/-
J.M.L. SURI
(DIRECTOR)
DIN:00002373

PLACE : GURUGRAM
DATED : 27/05/2019

Sd/-
HIMANSHU KANSAL
(CHIEF FINANCIAL OFFICER)

Sd/-
DINESH KAPOOR
(COMPANY SECRETARY)
M. No.: FCS-6731

Note: Complete Balance Sheet, Statement of Profit and Loss, other statements and notes thereto prepared as per the requirements of Schedule III to the Act are available at the Company's website at link http://www.hbportfolio.com/investor_information.htm Copy of Financial Statements is also available for inspection at the registered office of the Company during working hours for a period of 21 days before the date of AGM.



ABRIDGED STANDALONE STATEMENT OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED ON 31ST MARCH, 2019

Sr. No.	Particulars	Year ended 31st March, 2019 (In ₹)	Year ended 31st March, 2018 (In ₹)
I	Income		
	Revenue from operations		
	a) Interest & Finance Income	5494523	0
	b) Other Financial Services	36376076	144946417
II	Other Income	213465	150000
III	Total Income (I+II)	42084064	145096417
IV	Expenditure		
	(a) Employee Benefit Expense	12430413	11479260
	(b) Finance Cost	136489	127414
	(c) Depreciation and amortisation expenses	773220	664534
	(d) Other expenses	12871458	8770453
	(e) Contingent Provision against Standard Assets	156000	17254
	Total Expenditure (a to e)	26367580	21058915
V	Profit/(Loss) before tax (III-IV)	15716484	124037502
VI	Tax Expense		
	1. Tax Expense	495000	23000000
	2. Tax adjustment for earlier years	(830157)	(11630)
	3. Deferred Tax	49455	390985
VII	Profit/(Loss) after tax (V-VI)	16002186	100658147
VIII	Earnings per Equity Share:		
	(a) Basic	1.49	9.35
	(b) Diluted	1.49	9.35

As per our Report on even date
FOR G. C. AGARWAL & ASSOCIATES
CHARTERED ACCOUNTANTS
Firm Registration Number: 017851N

FOR AND ON BEHALF OF THE BOARD

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

Sd/-
ANIL GOYAL
(MANAGING DIRECTOR)
DIN:00001938

Sd/-
J.M.L. SURI
(DIRECTOR)
DIN:00002373

PLACE : GURUGRAM
DATED : 27/05/2019

Sd/-
HIMANSHU KANSAL
(CHIEF FINANCIAL OFFICER)

Sd/-
DINESH KAPOOR
(COMPANY SECRETARY)
M. No.: FCS-6731

ABRIDGED STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019

Sr. No.	Particulars	Year ended 31st March, 2019 (In ₹)	Year ended 31st March, 2018 (In ₹)
1	Net Cash used in Operating Activities	(279054)	2809322
2	Net Cash from Investing Activities	(75520)	(3668823)
3	Net Cash from Financing Activities	(918352)	1241105
4	Net Increase / (Decrease) in Cash & Cash Equivalents	(1272928)	381605
5	Cash and Cash Equivalents at the beginning of year	4226352	3844747
6	Cash and Cash Equivalents at the end of year	2953424	4226352

Note: Cash and Cash Equivalents include Cash in hand and Bank Balances.

As per our Report on even date
FOR G. C. AGARWAL & ASSOCIATES
CHARTERED ACCOUNTANTS
Firm Registration Number: 017851N

FOR AND ON BEHALF OF THE BOARD

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

Sd/-
ANIL GOYAL
(MANAGING DIRECTOR)
DIN:00001938

Sd/-
J.M.L. SURI
(DIRECTOR)
DIN:00002373

PLACE : GURUGRAM
DATED : 27/05/2019

Sd/-
HIMANSHU KANSAL
(CHIEF FINANCIAL OFFICER)

Sd/-
DINESH KAPOOR
(COMPANY SECRETARY)
M. No.: FCS-6731

Note: Complete Balance Sheet, Statement of Profit and Loss, other statements and notes thereto prepared as per the requirements of Schedule III to the Act are available at the Company's website at link http://www.hbportfolio.com/investor_information.htm Copy of Financial Statements is also available for inspection at the registered office of the Company during working hours for a period of 21 days before the date of AGM.

NOTES TO THE ABRIDGED STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019
(1) RELATED PARTY TRANSACTIONS
(Refer Note No. 22 of Standalone Financial Statements)
1.1 List of Related Parties with whom transactions have taken place and relationship:
a) Subsidiaries

1. HB Securities Ltd. (Wholly Owned)
2. HB Corporate Services Ltd.
3. Taurus Assets Management Company Ltd.
4. HB Insurance Advisors Ltd.

b) Key Managerial Personnel

1. Mr. Anil Goyal, Managing Director
2. Mr. Dinesh Kapoor, Company Secretary

c) Person having control/significant influence/major shareholders

1. Mr. Lalit Bhasin

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

1. RRB Master Securities Delhi Ltd.

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

1. HB Stockholdings Ltd.
2. HB Estate Developers Ltd.
3. HB Leasing & Finance Co. Ltd.

f) Associates

1. Merwanjee Securities Ltd.

1.2 Transactions during the Financial Year ended 31.03.2019 with related Parties as under.

Sr. No.	Particulars	Nature of Transaction	For the year ended 31.03.2019 (In ₹)	For the year ended 31.03.2018 (In ₹)
1	HB Securities Ltd.	Depository Charges paid	8526	112435
		Subscription for Preference Shares	30000000	0
		Outstanding Guarantees given as at the year end	19300000	19300000
		Book Value of Shares given as Margin/ Security as at the year end	8838418	8838418
2	HB Corporate Services Ltd.	Expenses incurred on their behalf	29006	214610
		Advance recoverable as at year end	2600000	0
		Receivable in respect of Expenses recoverable as at the year end	0	548033
3	Anil Goyal	Remuneration and other services	7360000	7360000
4	Dinesh Kapoor	Remuneration and other services	2590500	2353501
5	Lalit Bhasin	Sitting Fee	80000	80000
6	RRB Master Securities Delhi Ltd.	Sale of Investment/Securities through them	1503051	2728392
7	HB Stockholdings Ltd.	Receivable pursuant to scheme of arrangement as at the year end	0	243409035
		Received against amount receivable pursuant to Scheme of Arrangement	243409035	0
8	HB Estate Developers Ltd.	Rent paid	861240	893538
		Subscription for Preference Shares	200000000	0
		Security Deposit outstanding for premises on Rent	34500000	34500000
		Payable pursuant to Scheme of Arrangement as at the year end	0	5933540
		Repayment against amount payable to HB Estate Developers Ltd. pursuant to Scheme of Arrangement	5933540	0
9	HB Leasing and Finance Co. Ltd.	Purchase of Investments	1651255	0
10	HB Insurance Advisors Ltd.	Advances receivable at the year end	0	2600000
		Receivable in respect of Expenses recoverable as at the year end	0	55000
11	Merwanjee Securities Ltd.	Sale of Investment/Securities through them	58523021	180897847



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

(Refer Note No. 20 of Standalone Financial Statements)

Guarantees given on behalf of Subsidiary Company, HB Securities Limited ₹ 1,93,00,000/- (Previous Year ₹ 1,93,00,000/-)

(3) DETAILS OF CASH AND CASH EQUIVALENTS ARE AS FOLLOWS

Particulars	31st March, 2019 (In ₹)	31st March, 2018 (In ₹)
(a) Balances with Banks	1108593	2896669
(b) Cheques, Drafts in hand	1000000	500000
(c) Cash in hand	844831	829683
(d) Others, if any,	Nil	Nil

(4) ITEMS WHICH CONSTITUTE 20% OR MORE OF THE TOTAL INCOME OR EXPENDITURE (INCLUDING PROVISIONS) ARE GIVEN BELOW

Sr. No.	Particulars	31st March, 2019 (In ₹)	31st March, 2018 (In ₹)
(i)	Income:		
	(a) Revenue from Operations:		
	(i) Profit on Sale of Long Term/Non-Current Investments (Net)	23063783	0
		(54.80%)	(0.00%)
	(ii) Dividend on Long Term/Non Current Investments (Gross)	13312293	144946417
		(31.63%)	(99.90%)
(ii)	Expenditure:		
	(a) Employee Benefit Expenses	12430413	11479260
		(47.14%)	(54.51%)

Note: % in bracket is % of the income/expenditure with total income/expenditure.

(5) SEGMENT REPORTING:

(Refer Note No. 23 of the Standalone Financial Statements)

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

(6) INFORMATION IN RESPECT OF CORPORATE SOCIAL RESPONSIBILITY EXPENDITURE REQUIRED TO BE SPENT BY THE COMPANY:

(Refer Note No. 35 of the Standalone Financial Statements)

Particulars	As at 31 March 2019 (In ₹)	As at 31 March 2018 (In ₹)
a) Gross amount required to be spent by the Company	632613	-
b) Amount spent during the year on:		
(i) Construction/acquisition of any asset	-	-
(ii) On purposes other than (i) above	650000	-
c) Amount payable at the Year End	-	-

As per our Report on even date
FOR G. C. AGARWAL & ASSOCIATES
CHARTERED ACCOUNTANTS
Firm Registration Number: 017851N

FOR AND ON BEHALF OF THE BOARD

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

Sd/-
ANIL GOYAL
(MANAGING DIRECTOR)
DIN:00001938

Sd/-
J.M.L. SURI
(DIRECTOR)
DIN:00002373

PLACE : GURUGRAM
DATED : 27/05/2019

Sd/-
HIMANSHU KANSAL
(CHIEF FINANCIAL OFFICER)

Sd/-
DINESH KAPOOR
(COMPANY SECRETARY)
M. No.: FCS-6731

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

**TO THE MEMBERS
OF HB PORTFOLIO LIMITED**

Report on the Audit of the Consolidated Financial Statements**Opinion**

We have audited the accompanying Consolidated Financial Statements of **HB PORTFOLIO LIMITED** (hereinafter referred to as "the Holding Company"), its Subsidiaries (the Holding Company and its Subsidiaries together referred to as 'the Group') and its Associates, which comprise of the Consolidated Balance Sheet as at 31st March, 2019, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and Notes to the Consolidated Financial Statements, including a summary of significant Accounting Policies (herein after 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 Act in the manner so required and give a true and fair view in conformity with the Companies Accounting Standard prescribed under Section 133 of the Act read with the Companies (Accounts) Rules, 2014 as amended, and other Accounting Principles generally accepted in India, of the consolidated state of affairs of the Group as at 31st March, 2019, their consolidated profit, their consolidated cash flows for the year then ended.

Basis of Opinion

We conducted our Audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards 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 Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our Audit of the Consolidated Financial Statements under the provisions of the Companies Act, 2013 and the Rule thereunder, and we have fulfilled our 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 of our opinion.

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 respective Board of Directors of the Group are 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. The Annual Report is expected to be made available to us after the date of this Auditors' Report. 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.

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

In preparing the Consolidated Financial Statements, the respective Board of Directors of the Companies included in the Group and of its Associates are responsible for assessing the ability of the Group and of its Associates 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.

The respective Board of Directors of the Companies included in the Group and of its Associates are responsible for overseeing the financial reporting process of the Group and of its Associates.

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 and of its Associates 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 and of its Associates 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. For the other entities included in the Consolidated Financial Statements, which have been audited by other Auditors, such other Auditors remain responsible for the direction, supervision and performance of the Audits carried out by them. We remain solely responsible for our audit opinion.

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, 2019 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.

5. Other matters

- (a) We did not audit the Financial Statements / financial information of four Subsidiaries, whose Financial Statements / financial information reflect total assets of ₹ 75,25,33,187/- as at 31st March, 2019, total revenues of ₹ 16,45,09,492/- and net cash flows amounting to ₹ 1,76,198/- for the year ended on that date, as considered in the Consolidated Financial Statements. These Financial Statements/ financial information of four Subsidiaries have been audited by the other Auditor whose reports have been furnished to us by the management and our opinion, on the statement, in so far as it relates to the amounts and disclosures included in respect of the four Subsidiaries, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, insofar as it relates to the aforesaid Subsidiary, is based solely on the reports of the other Auditors.
- (b) The Consolidated Financial Statements also include the Group's share of net profit of ₹ 12,26,105/- for the year ended 31st March, 2019, as considered in the Consolidated Financial Statements, in respect of two Associates, whose Financial Statements / financial information have not been audited by us. In respect of two Associates, Financial Statements / financial information are unaudited and have been furnished to us by the Management and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these Associate, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act in so far as it relates to the aforesaid Associates, is based solely on such Un-Audited Financial Statements / financial information. (Also refer Note No. 25 of Consolidated Financial Statement).

Our opinion on the Consolidated Financial Statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other Auditors and the Financial Statements / financial information certified by the Management.



HB PORTFOLIO LIMITED (Consolidated Financial Statements)

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report, to the extent applicable, that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our Audit of the aforesaid Consolidated Financial Statements.
- (b) In our opinion, proper Books of Account as required by law relating to preparation of the aforesaid Consolidated Financial Statements have been kept so far as it appears from our examination of those books and the reports of the other Auditors.
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant Books of Account maintained for the purpose of preparation of the Consolidated Financial Statements.
- (d) In our opinion, the aforesaid Consolidated Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the Directors of the Holding Company as on 31st March, 2019 taken on record by the Board of Directors of the Holding Company and the reports of the Statutory Auditors of its Subsidiary Company, none of the Directors of the Group Companies is disqualified as on 31st March, 2019 from being appointed as a Director in terms of Section 164 (2) of the Act.
- (f) with respect to the adequacy of the Internal Financial Controls over Financial Reporting of the Group and the operating effectiveness of such controls, refer to our separate report in "Annexure A"; and
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. There were no pending litigations which would impact the consolidated financial position of the Group and its Associates;
 - ii. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Group Company.
- (h) The managerial remuneration for the year ended 31st March, 2019 has been paid/ provided for by the Company to its Directors in accordance with the provisions of Section 197 read with Schedule V to the Act

FOR G. C. AGARWAL & ASSOCIATES
CHARTERED ACCOUNTANTS
Firm Registration No.: 017851N

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

PLACE : GURUGRAM
DATED : 27/05/2019

ANNEXURE – A

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, 2019, we have Audited the Internal Financial Controls over Financial Reporting of HB Portfolio Limited ("the Holding Company") and its Subsidiary Companies which are Companies 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 Companies, 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, 2019, based on the Internal Control over Financial Reporting criteria established by the Company considering the essential components of Internal Control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

FOR G. C. AGARWAL & ASSOCIATES
CHARTERED ACCOUNTANTS
Firm Registration No.: 017851N

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

PLACE : GURUGRAM
DATED : 27/05/2019



INDEPENDENT AUDITOR'S REPORT ON
ABRIDGED CONSOLIDATED FINANCIAL STATEMENTS

TO
THE MEMBERS
HB PORTFOLIO LIMITED

Report on the Abridged Consolidated Financial Statements

The accompanying Abridged Consolidated Financial Statements, which comprise the Abridged Consolidated Balance Sheet as at 31st March, 2019, the Abridged Consolidated Statement of Profit and Loss and Abridged Consolidated Cash Flow Statement for the year then ended, and related notes are derived from the Audited Consolidated Financial Statements of HB Portfolio Limited (hereinafter referred to as "the Holding Company") and its Subsidiary (the Holding Company and its Subsidiary together referred to as "the Group") and its Associates for the year ended 31st March, 2019. We expressed an unmodified audit opinion on those Consolidated Financial Statements vide our report dated 27th May, 2019.

The Abridged Consolidated Financial Statements do not contain all the disclosures required by the Accounting Standards specified under Section 133 of the Act read with relevant rules of the Companies (Accounts) Rules, 2014 and Accounting Principles generally accepted in India, applied in the preparation of the Audited Consolidated Financial Statements of the Company. Reading the Abridged Consolidated Financial Statements, therefore, is not a substitute for reading the Audited Consolidated Financial Statements of the Company.

Management's Responsibility for the Abridged Consolidated Financial Statements

The Company's Management is responsible for the preparation of the Abridged Consolidated Financial Statements in accordance with Rule 10 of the Companies (Accounts) Rules, 2014 (the "Rules"). The Company's Management (including Directors) are ultimately responsible for the designing, implementing and maintaining Internal control relevant to the preparation and presentation of the Abridged Consolidated Financial Statements that are consistent with the Audited Consolidated Financial Statements and are free from material misstatement, whether due to fraud or error; and also includes appropriate interpretation and application of the relevant provisions of the Rules and the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Abridged Consolidated Financial Statements based on our procedures, which were conducted in accordance with Standard on Auditing (SA) 810, 'Engagements to Report on Summary Financial Statements', issued by the Institute of Chartered Accountants of India.

Opinion

In our opinion, the Abridged Consolidated Financial Statements, prepared in accordance with first proviso to Section 136(1) of the Act read with Rule 10 of the Companies (Accounts) Rules, 2014 are derived from the Audited Financial Statements of the Company for the year ended 31st March, 2019 and are a fair summary of those Financial Statements.

Other Matters

- (a) We did not audit the Financial Statements / financial information of four Subsidiaries, whose Financial Statements / financial information reflect total assets of ₹ 75,25,33,187/- as at 31st March, 2019, total revenues of ₹ 16,45,09,492/- and net cash flows amounting to ₹ 1,76,198/- for the year ended on that date, as considered in the Consolidated Financial Statements. These Financial Statements/ financial information of four Subsidiaries have been audited by the other Auditor whose reports have been furnished to us by the management and our opinion, on the statement, in so far as it relates to the amounts and disclosures included in respect of the four Subsidiaries, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, insofar as it relates to the aforesaid Subsidiary, is based solely on the reports of the other Auditors.
- (b) The Consolidated Financial Statements also include the Group's share of net profit of ₹ 12,26,105/- for the year ended 31st March, 2019, as considered in the Consolidated Financial Statements, in respect of two Associates, whose Financial Statements / financial information have not been audited by us. In respect of two Associates, Financial Statements / financial information are unaudited and have been furnished to us by the Management and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these Associate, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act in so far as it relates to the aforesaid Associates, is based solely on such Un-Audited Financial Statements / financial information. (Also refer Note No. 25 of Consolidated Financial Statement).

FOR G. C. AGARWAL & ASSOCIATES
Chartered Accountants
Firm Registration No.: 017851N

PLACE: GURUGRAM
DATED: 27/05/2019

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



FORM AOC-3

Statement containing the salient features of Financial Statements as per first proviso to sub-section (1) of Section 136 of the Companies Act, 2013 and Rule 10 of Companies (Accounts) Rules, 2014

ABRIDGED CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2019

Sr. No.	Particulars	As at 31st March 2019 (In ₹)	As at 31st March 2018 (In ₹)
I	EQUITY AND LIABILITIES		
(1)	Shareholder's Funds		
	(a) Paid-up Share Capital		
	(i) Equity	110378599	110378599
	(ii) Preference	0	20000000
	(b) Reserves and Surplus		
	(i) Securities Premium	367610047	367610047
	(ii) Statutory Reserve	199095041	195894604
	(iii) Capital Reserve	164837474	171187215
	(iv) General Reserve	313644543	313644543
	(v) Surplus	260701380	232449691
	(c) Minority Interests	164169844	157798117
		1580436928	1568962817
(2)	Non-Current Liabilities		
	(a) Long-Term Borrowings	322753	1241105
	(b) Long-Term Provisions	42972787	26469129
		43295540	27710234
(3)	Current Liabilities		
	(a) Short Term Borrowings	863898	2387864
	(b) Trade Payables		
	- Total outstanding dues of Micro, Small and Medium Enterprises ; and	383368	0
	- Total outstanding dues of Creditors other than Micro Enterprises and Small Enterprises	4144888	7088419
	(c) Other Current Liabilities	53464192	55388893
	(d) Short-Term Provisions	5190220	33117090
		64046566	97982266
	Total of (1) to (3)	1687779034	1694655317
II.	ASSETS		
(4)	Non-current assets		
	(a) Fixed assets		
	(i) Tangible assets	7880463	24521863
	(ii) Intangible assets	272406	389607
	(b) Non-Current Investments		
	(i) Quoted	559436108	616721636
	Market Value Rs. 692980162 (Previous Year Rs. 935543088)		
	(ii) Unquoted	373707208	154223240
	(c) Deferred Tax Assets (Net)	5137218	1260918
	(d) Long-Term Loans and Advances	64715651	52617094
		1011149054	849734358
(5)	Current Assets		
	(a) Current Investments		
	(i) Unquoted	135000000	89210217
	(b) Inventories	13411	13411
	(c) Trade Receivables	6952903	9413068
	(d) Cash and Cash Equivalents	88793089	95215594
	(e) Short-Term Loans and Advances	435598871	399175056
	(f) Other Current Assets	10271706	251893613
		676629980	844920959
	Total of (4) to (5)	1687779034	1694655317

As per our Report on even date
FOR G. C. AGARWAL & ASSOCIATES
CHARTERED ACCOUNTANTS
Firm Registration Number: 017851N

FOR AND ON BEHALF OF THE BOARD

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

Sd/-
ANIL GOYAL
(MANAGING DIRECTOR)
DIN:00001938

Sd/-
J.M.L. SURI
(DIRECTOR)
DIN:00002373

PLACE : GURUGRAM
DATED : 27/05/2019

Sd/-
HIMANSHU KANSAL
(CHIEF FINANCIAL OFFICER)

Sd/-
DINESH KAPOOR
(COMPANY SECRETARY)
M. No.: FCS-6731

Note: Complete Balance Sheet, Statement of Profit and Loss, other statements and notes thereto prepared as per the requirements of Schedule III to the Act are available at the Company's website at link http://www.hbportfolio.com/investor_information.htm Copy of Financial Statements is also available for inspection at the registered office of the Company during working hours for a period of 21 days before the date of AGM.


ABRIDGED CONSOLIDATED STATEMENT OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED ON 31ST MARCH, 2019

Sr. No.	Particulars	Year ended 31st March, 2019 (In ₹)	Year ended 31st March, 2018 (In ₹)
I	Income		
	Revenue from Operations		
	a) Interest & Finance Income	5494523	0
	b) Other Financial Services	148440453	273794082
II	Other Income	52641511	44167466
III	Total Income (I+II)	206576487	317961548
IV	Expenditure		
	(a) Employee Benefit Expense	88812586	90563453
	(b) Finance costs	338938	527362
	(c) Depreciation and amortisation expenses	2756910	2999244
	(d) Other expenses	75122700	81460015
	(e) Contingent Provision against Standard Assets	156000	17254
	Total Expenditure (a to e)	167187134	175567328
V	Profit/(loss) before tax (III-IV)	39389354	142394220
VI	1. Tax Expense	4628503	26310924
	2. Deferred Tax	(3876300)	153729
VII	Profit/(loss) after tax (before adjustment for Minority Interest & Associates) (V-VI)	38637151	115929567
VIII	Share of (Profit) Transferred to Minority Interest	(8411130)	(4970302)
IX	Share of Profit in Associates	1226105	665828
X	Profit/(loss) after tax (after adjustment for Minority Interest & Associates) (VII-VIII+IX)	31452126	111625093
XI	Earnings per Equity Share:		
	(a) Basic	2.92	10.37
	(b) Diluted	2.92	10.37

As per our Report on even date
FOR G. C. AGARWAL & ASSOCIATES
CHARTERED ACCOUNTANTS
Firm Registration Number: 017851N

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

PLACE : GURUGRAM
DATED : 27/05/2019

FOR AND ON BEHALF OF THE BOARD

Sd/-
ANIL GOYAL
(MANAGING DIRECTOR)
DIN:00001938

Sd/-
HIMANSHU KANSAL
(CHIEF FINANCIAL OFFICER)

Sd/-
J.M.L. SURI
(DIRECTOR)
DIN:00002373

Sd/-
DINESH KAPOOR
(COMPANY SECRETARY)
M. No.: FCS-6731

ABRIDGED CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019

Sr. No.	Particulars	Year ended 31st March, 2019 (In ₹)	Year ended 31st March, 2018 (In ₹)
1	Net Cash used in Operating Activities	(101723186)	(29354878)
2	Net Cash from Investing Activities	83848656	32686540
3	Net Cash from Financing Activities	17137310	(1077763)
4	Net Increase / (Decrease) in Cash & Cash Equivalents	(737221)	2253900
5	Cash and Cash Equivalents at the beginning of year	15028711	12774811
6	Cash and Cash Equivalents at the end of year	14291490	15028711

Note: Cash and Cash Equivalents include Cash in hand and Bank Balances.

As per our Report on even date
FOR G. C. AGARWAL & ASSOCIATES
CHARTERED ACCOUNTANTS
Firm Registration Number: 017851N

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

PLACE : GURUGRAM
DATED : 27/05/2019

FOR AND ON BEHALF OF THE BOARD

Sd/-
ANIL GOYAL
(MANAGING DIRECTOR)
DIN:00001938

Sd/-
HIMANSHU KANSAL
(CHIEF FINANCIAL OFFICER)

Sd/-
J.M.L. SURI
(DIRECTOR)
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Sd/-
DINESH KAPOOR
(COMPANY SECRETARY)
M. No.: FCS-6731

Note: Complete Balance Sheet, Statement of Profit and Loss, other statements and notes thereto prepared as per the requirements of Schedule III to the Act are available at the Company's website at link http://www.hbportfolio.com/investor_information.htm Copy of Financial Statements is also available for inspection at the registered office of the Company during working hours for a period of 21 days before the date of AGM.

NOTES TO THE ABRIDGED CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

1. THE ACCOMPANYING CONSOLIDATED FINANCIAL STATEMENTS INCLUDES THE ACCOUNTS OF HB PORTFOLIO LTD. AND ITS FOLLOWING SUBSIDIARIES
(Refer Note No. 25 of Consolidated Financial Statements)

Name of Company	Country of Incorporation	Proportion of ownership interest and relationship	Financial Year end
HB Securities Ltd.	India	100% Subsidiary of HB Portfolio Ltd	31.03.2019
HB Corporate Services Ltd. (*)	India	97.40% (Previous Year 100%) Subsidiary of HB Portfolio Ltd.	31.03.2019
Taurus Assets Management Company Ltd.	India	70.12% Subsidiary of HB Portfolio Ltd.	31.03.2019
Taurus Investment Trust Co. Ltd.	India	80.39% (Previous Year 65.73%) Subsidiary of HB Portfolio Ltd.	31.03.2019

(*) HB Insurance Advisors Ltd. considered as Subsidiary in consolidation in the previous year which got amalgamated with HB Corporate Services Ltd. with effect from 14th May, 2018 pursuant to Scheme of Amalgamation sanctioned by Hon'ble NCLT, Principal Bench, New Delhi vide its order dated 13th April, 2018.

2. THE ACCOMPANYING CONSOLIDATED FINANCIAL STATEMENTS CONSIDER THE FOLLOWING ASSOCIATES COMPANIES
(Refer Note No. 26 of Consolidated Financial Statements)

Name of Associates Company	Country of Incorporation	Proportion of ownership interest	Financial Year end
Marwanjee Securities Ltd. (*)	India	48.00 % (48.00%)	31.03.2019
Har Sai Investment Ltd. (*)	India	39.96% (39.96%)	31.03.2019

(*) Valuation done on the basis of available unaudited, management certified financial statements for year ended 31.03.2019

3. RELATED PARTY TRANSACTIONS
(Refer Note No. 28 of Consolidated Financial Statements)

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

a) Key Managerial Personnel

Current Year	Previous Year
HB PORTFOLIO LIMITED	
1. Mr. Anil Goyal (Managing Director)	1. Mr. Anil Goyal (Managing Director)
2. Mr. Dinesh Kapoor (Company Secretary)	2. Mr. Dinesh Kapoor (Company Secretary)
TAURUS ASSET MANAGEMENT COMPANY LIMITED	
1. Mr. R.K. Gupta (Managing Director)	1. Mr. R.K. Gupta (Managing Director)
2. Mr. Waqar Naqvi (Chief Executive Officer)	2. Mr. Waqar Naqvi (Chief Executive Officer)
3. Mr. Amarjeet Singh (Chief Financial Officer) (till 15th May, 2018)	3. Mr. Amarjeet Singh (Chief Financial Officer)
4. Mr. Anish Shah (Chief Financial Officer) (w.e.f. 1st October, 2018)	4. Mrs. Anu Suri (Company Secretary)
5. Mrs. Anu Suri (Company Secretary)	

b) Associates

Current Year	Previous Year
Merwanjee Securities Ltd.	Merwanjee Securities Ltd.

c) Person having control/significant influence/major shareholders

1. Mr. Lalit Bhasin

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

1. RRB Master Securities Delhi Ltd.

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

- HB Stockholdings Ltd.
- HB Estate Developers Ltd.
- HB Leasing and Finance Co. Ltd.
- RRB Securities Ltd.


3.2 Transactions during the financial year ended 31.03.2019 with Related Parties as under:

Sr. No.	Particulars	Nature of Transaction	For the year ended 31.03.2019 (In ₹)	For the year ended 31.03.2018 (In ₹)
1	Anil Goyal	Remuneration and other services	7360000	7360000
2	Dinesh Kapoor	Remuneration and other services	2590500	2353501
3	R.K. Gupta	Remuneration and other services	4592870	4589140
4	Waqar Naqvi	Remuneration and other services	15581880	15656500
5	Amarjeet Singh	Remuneration and other services	643667	3706560
6	Anish Shah	Remuneration and other services	2668750	0
7	Anu Suri	Remuneration and other services	947100	986990
		Advance given/ recovered (net)	100000	0
		Advance recoverable at year end	100000	0
8	Lalit Bhasin	Sitting Fee	80000	80000
9	RRB Master Securities Delhi Ltd.	Sale of Investment/ Securities through them	1503051	2728392
		Depository Charges received	13994	46592
		Margin/Advance Received/(Paid) (Net)	(6900000)	(1550000)
		Advances receivable at year end	35860694	27871203
10	HB Stockholdings Ltd.	Depository Charges received	9639	36301
		Receivable pursuant to Scheme of Arrangement as at the year end	0	243409035
		Received against amount receivable pursuant to Scheme of Arrangement	243409035	0
11	HB Estate Developers Ltd.	Subscription for Preference Shares	200000000	0
		Rent paid	861240	893538
		Depository Charges received	1180	1150
		Security Deposit outstanding for premises on Rent	34500000	34500000
		Redemption of Preference Shares	10000000	0
		Payable pursuant to Scheme of Arrangement as at the year end	0	5933540
		Repayable against amount payable pursuant to Scheme of Arrangement	5933540	0
12	HB Leasing & Finance Co. Ltd.	Depository Charges received	1358	1150
		Purchase of Investment	1651255	0
		Depository Charges receivable at year end	178	0
13	RRB Securities Ltd.	Depository Charges received	4955	3710
		Redemption of Preference Shares	5000000	0
14	Merwanjee Securities Ltd.	Sale of Investment/ Securities through them	58523021	180897847

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

(Refer Note No. 27 of Consolidated Financial Statements)

a) Commitments

₹ 1,06,800/- (Previous Year ₹ 1,06,800/-) on account of uncalled call money in respect of Partly Paid up Shares.

5. DETAILS OF CASH AND CASH EQUIVALENTS ARE AS FOLLOWS

Particulars	31st March, 2019 (In ₹)	31st March, 2018 (In ₹)
(a) Balances with Banks	10572831	12176602
(b) Cheques, Drafts in hand	1000000	500000
(c) Cash in hand	1185846	1100149
(d) Others, if any	1532812	1251960

6. ITEMS WHICH CONSTITUTE 20% OR MORE OF THE TOTAL INCOME OR EXPENDITURE (INCLUDING PROVISIONS) ARE GIVEN BELOW

Sr. No.	Particulars	31st March, 2019 (In ₹)	31st March, 2018 (In ₹)
(i)	Income:		
	(a) Revenue from Operations:		
	(i) Profit on Sale of Long Term/Non-Current Investments (Net)	55148719 (26.70%)	120140740 (37.78%)
	(ii) Revenue from Management Fee	78203083 (37.86%)	106474095 (33.49%)
(ii)	Expenditure:		
	(a) Employee Benefit Expenses	88812586 (53.12%)	90563453 (51.58%)

Note: % in bracket is % of the income/expenditure with total income/expenditure.


7. INFORMATION IN RESPECT OF CORPORATE SOCIAL RESPONSIBILITY EXPENDITURE REQUIRED TO BE SPENT BY THE COMPANY

(Refer Note No. 40 of Consolidated Financial Statements)

Particulars	As at 31st March, 2019 (In ₹)	As at 31st March, 2018 (In ₹)
a) Gross amount required to be spent by the Company	1089391	795095
b) Amount spent during the year on:		
(i) Construction/acquisition of any asset	-	-
(ii) On purposes other than (i) above	1110000	800000
c) Amount payable at the year end	-	-

8. ADDITIONAL INFORMATION AS PER SCHEDULE III OF THE COMPANIES ACT, 2013

(Refer Note No. 37 of Consolidated Financial Statements)

Name of the Entity in the Group	Net Assets i.e Total Assets minus Total Liabilities		Share in Profit/ Loss	
	As % of Consolidated Net Assets	Amount	As % of Consolidated Profit/Loss	Amount
1	2	3	4	5
Parent				
HB Portfolio Ltd.	58.50 (59.92)	828571069 (845634264)	50.88 (92.82)	16002185 (103606742)
Subsidiary (Indian)				
HB Securitites Ltd.	6.44 (6.07)	91232326 (85622214)	-13.96 (-3.72)	-4389889 (-4152148)
HB Corporate Services Ltd.	3.08 (3.57)	43655308 (50308574)	-4.23 (-0.10)	-1329503 (-114760)
Taurus Investment Trust Co. Ltd.	0.81 (0.80)	11522289 (11262836)	0.82 (0.28)	259453 (311759)
Taurus Asset Management Co. Ltd.	38.55 (36.70)	545960625 (517865722)	89.33 (14.58)	28094904 (16277974)
Minority Interest in all Subsidiary	-11.59 (-11.18)	-164169844 (-157798117)	-26.74 (-4.45)	-8411130 (-4970302)
Associates (Investments as per Equity method)				
Merwanjee Securities Ltd.	1.62 (1.58)	22938734 (22247002)	2.20 (0.53)	691732 (596236)
Har Sai Investment Ltd.	2.58 (2.55)	36556578 (36022205)	1.70 (0.06)	534373 (69592)
Total	100.00 (100.00)	1416267084 (1411164700)	100.00 (100.00)	31452126 (111625093)

(*) Figure in bracket relates to previous year.

As per our Report on even date
 FOR G. C. AGARWAL & ASSOCIATES
 CHARTERED ACCOUNTANTS
 Firm Registration Number: 017851N

FOR AND ON BEHALF OF THE BOARD

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

Sd/-
 ANIL GOYAL
 (MANAGING DIRECTOR)
 DIN:00001938

Sd/-
 J.M.L. SURI
 (DIRECTOR)
 DIN:00002373

PLACE : GURUGRAM
 DATED : 27/05/2019

Sd/-
 HIMANSHU KANSAL
 (CHIEF FINANCIAL OFFICER)

Sd/-
 DINESH KAPOOR
 (COMPANY SECRETARY)
 M. No.: FCS-6731


FORM AOC-1

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

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

Part "A": Subsidiaries

(Amount in ₹)

Sl. No.	Particulars	(1)	(2)	(3)	(4)
1.	Name of the Subsidiary	HB Securities Ltd.	HB Corporate Services Ltd.	Taurus Asset Management Company Ltd.	Taurus Investment Trust Company Ltd.
2.	Reporting period for the Subsidiary concerned, if different from the Holding Company's reporting period	N.A	N.A	N.A	N.A
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	N.A	N.A	N.A	N.A
4.	Share Capital	102075700	44312850	169312360	980800
5.	Reserves & Surplus	(10843374)	(657542)	376648266	10541489
6.	Total Assets	128521380	43756699	568682819	11562289
7.	Total Liabilities	128521380	43756699	568682819	11562289
8.	Investments	54049567	3643964	173075263	NIL
9.	Turnover	1442681	(1221376)	162743647	1544540
10.	Profit before taxation	(4259492)	(1329503)	28911252	350613
11.	Provision for taxation / Deferred tax	130397	NIL	816348	91160
12.	Profit after taxation	(4389889)	(1329503)	28094904	259453
13.	Proposed Dividend	NIL	NIL	NIL	NIL
14.	% of Shareholding (Equity)	100.00%	97.40%	70.12%	80.39%

Notes:

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

FOR AND ON BEHALF OF THE BOARD

Sd/-
ANIL GOYAL
(MANAGING DIRECTOR)
DIN:00001938

Sd/-
J.M.L. SURI
(DIRECTOR)
DIN:00002373

Sd/-
HIMANSHU KANSAL
(CHIEF FINANCIAL OFFICER)

Sd/-
DINESH KAPOOR
(COMPANY SECRETARY)
M. No.: FCS-6731

Part "B": Associates and Joint Ventures

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

(Amount in ₹)

Sl. No.	Name of Associates	Merwanjee Securities Ltd. *	Har Sai Investment Ltd.
1.	Latest Audited Balance Sheet Date **	31st March, 2018	31st March, 2018
2.	Shares of Associate held by the Company on the year end		
	No.	1200000	400000
	Amount of Investment in Associates	12000000	4000000
	Extend of Holding%	48.00	39.96
3.	Description of how there is significant influence	Shareholding / Voting Power	
4.	Reason why the Associate / Joint Venture is not consolidated	Not Applicable	
5.	Net worth attributable to Shareholding as per latest Audited Balance Sheet **	22938734	36556578
6.	Profit / Loss for the year	1798614	1541776
	i. Considered in Consolidation **	691732	534373
	ii. Not Considered in Consolidation	1106882	1007403

(*) Associate through Company's Subsidiary namely, HB Securities Ltd.

(**) Refer Note No. 26 of the Consolidated Financial Statements.

Notes:

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

FOR AND ON BEHALF OF THE BOARD

Sd/-
ANIL GOYAL
(MANAGING DIRECTOR)
DIN:00001938

Sd/-
J.M.L. SURI
(DIRECTOR)
DIN:00002373

Sd/-
HIMANSHU KANSAL
(CHIEF FINANCIAL OFFICER)

Sd/-
DINESH KAPOOR
(COMPANY SECRETARY)
M. No.: FCS-6731



HB PORTFOLIO LIMITED

FORM NO. MGT-11

PROXY FORM

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

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

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

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

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the **24TH ANNUAL GENERAL MEETING (AGM)** of the Company to be held on **Tuesday, 17th September, 2019** at 11.00 A.M. at GIA HOUSE, I.D.C. Mehrauli Road, Opp. Sector 14, Gurugram – 122001, Haryana and at any adjournment(s) thereof in respect of such resolutions as are indicated below:

Ordinary Business:

1. Adoption of Audited Financial Statements including Consolidated Financial Statements for the Financial Year ended 31st March, 2019 together with the reports of the Directors' and Auditors' thereon.
2. Appointment of Mr. Lalit Bhasin (DIN: 00002114), who retires by rotation and being eligible offers himself for re-appointment.
3. Continuation of the Appointment of 'G C Agarwal & Associates', Chartered Accountants (FRN 017851N), Statutory Auditors of the Company.

Special Business:

4. Appointment of Mr. Harbans Lal (DIN: 00076405) as an Independent Director of the Company (Special Resolution).
5. Re-appointment of Mr. Raj Kumar Bhargava (DIN: 00016949) as an Independent Director of the Company (Special Resolution).
6. Re-appointment of Mr. Ramesh Chandra Sharma (DIN: 00023274) as an Independent Director of the Company (Special Resolution).
7. Continuation of Directorship of Mr. Jag Mohan Lal Suri (DIN: 00002373) Non-Executive Director of the Company (Special Resolution).

Affix
Rupee 1/-
Revenue
Stamp

Signed this _____ day of _____, 2019

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

Notes:

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



HB PORTFOLIO LIMITED

ATTENDANCE SLIP

24TH ANNUAL GENERAL MEETING

Date : 17th day of September, 2019
 Time : 11.00 A.M.
 Place : GIA House, I.D.C. Mehrauli Road, Opp. Sector - 14, Gurugram - 122 001 (Haryana)

FULL NAME OF THE FIRST SHAREHOLDER.....

Joint Shareholders, if any.....

Father's/Husband's Name

Address in full.....

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

I/We hereby record my/our presence at the 24th Annual General Meeting held on Tuesday, 17th day of September, 2019 at 11.00 A.M. at GIA House, I.D.C. Mehrauli Road, Opp. Sector - 14, Gurugram - 122 001, Haryana

Folio No. / DP-ID :

Client-ID :

No. of Shares :

Signature(s).....

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

ROUTE MAP OF GIA HOUSE

