



# 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

29<sup>th</sup> August, 2023

Listing Centre

The Listing Department  
BSE Limited,  
Pheroze Jeejeebhoy Towers,  
Dalal Street, Fort,  
Mumbai - 400 001

Company Code: 532333

Sub: - Submission of Notice of 28<sup>th</sup> Annual General Meeting and Annual Report for the Financial Year 2022-23

Dear Sir / Madam,

We wish to inform you that the 28<sup>th</sup> Annual General Meeting ("AGM") of the Members of Company will be held on Saturday, 30<sup>th</sup> September, 2023 at 12:00 Noon through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM"), in accordance with the relevant circulars issued by Ministry of Corporate Affairs ("MCA") and the Securities and Exchange Board of India ("SEBI").

Pursuant to Regulation 30 and 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith Notice of AGM and the Annual Report for the Financial Year 2022-23.

The Notice of AGM along with Annual Report for the Financial Year 2022-23 has also been uploaded on the Company's website, [www.hbportfolio.com](http://www.hbportfolio.com)

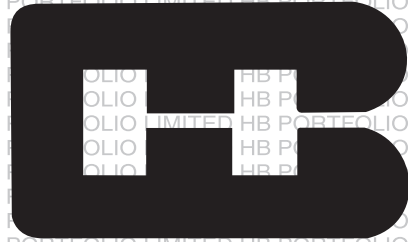
You are requested to take the above information on record.

Thanking you,  
Yours faithfully,  
**For HB Portfolio Limited**

**Mohit Chauhan**  
(Company Secretary & Compliance Officer)

Encl: As Above

28th  
Annual Report  
2022 - 23



**HB PORTFOLIO LIMITED**



**BOARD OF DIRECTORS**

Mr. Lalit Bhasin	Chairman
Mr. Anil Goyal	Managing Director
Mr. R. K. Bhargava	Director
Mr. Harbans Lal	Director
Mrs. Anita Jain	Director

**COMPANY SECRETARY**

Mr. Mohit Chauhan

**CHIEF FINANCIAL OFFICER (CFO)**

Mr. Ashok Kumar

**STATUTORY AUDITORS**

**N. C. Aggarwal & Co.**

**Firm Registration No.: 003273N**

Chartered Accountants

102, Harsha House,

Karampura Commercial Complex,

Delhi - 110 015

**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**

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 28<sup>TH</sup> ANNUAL GENERAL MEETING (AGM) OF HB PORTFOLIO LIMITED WILL BE HELD ON SATURDAY, 30<sup>TH</sup> SEPTEMBER, 2023, AT 12:00 NOON THROUGH VIDEO CONFERENCING (“VC”) / OTHER AUDIO VISUAL MEANS (“OAVM”) TO TRANSACT THE FOLLOWING BUSINESS:

### ORDINARY BUSINESS:

**1. ADOPTION OF AUDITED FINANCIAL STATEMENTS INCLUDING CONSOLIDATED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2023 TOGETHER WITH THE REPORTS OF THE BOARD OF DIRECTORS AND AUDITORS THEREON.**

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

“RESOLVED THAT the Audited Financial Statements including Consolidated Financial Statements of the Company for the Financial Year ended 31<sup>st</sup> March, 2023, including the Audited Balance Sheet as at 31<sup>st</sup> March, 2023, the Statement of Profit & Loss, Cash Flow Statement for the year ended on that date together with the Reports of the Board of Directors and Auditors thereon be and are hereby approved and adopted.”

**2. CONFIRMATION OF THE PAYMENT OF INTERIM DIVIDEND OF RS. 0.80/- (EIGHTY PAISA ONLY) PER EQUITY SHARE OF RS. 10/- EACH OF THE COMPANY, ALREADY PAID DURING THE YEAR AS THE FINAL DIVIDEND FOR THE FINANCIAL YEAR 2022-23.**

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

“RESOLVED THAT the interim dividend of Rs. 0.80/- (Eighty paise only) per Equity Share of Rs. 10/- each declared by the Board of Directors in their meeting held on 12th August, 2022 already paid during the year be and is hereby confirmed as the Final Dividend for Financial Year 2022-23.”

**3. RE-APPOINTMENT OF MR. LALIT BHASIN (DIN: 00002114), DIRECTOR 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 a Director of the Company.”

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

Sd/  
**MOHIT CHAUHAN**  
(Company Secretary)  
Membership No.: A53839

Place: Gurugram  
Date: 26<sup>th</sup> May, 2023

### NOTES:

- The Ministry of Corporate Affairs (“MCA”) has vide its Circular No. 14/2020 dated 08th April, 2020, Circular No.17/2020 dated 13th April, 2020, Circular No. 20/2020 dated 05th May, 2020 and Circular No. 02/2021 dated 13<sup>th</sup> January, 2021 and Circular No. 02/2022 dated 05th May, 2022 and Circular No. 10/2022 dated 28<sup>th</sup> December, 2022 and Securities and Exchange Board of India (“SEBI”) vide its Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May, 2020 and Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated 15th January, 2021 and Circular No. SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated 13th May, 2022 and Circular No. SEBI/HO/CFD/PoD-2/P/2023-4 dated 5<sup>th</sup> January, 2023 (hereinafter collectively referred to as “the Circulars”), the Companies are permitted to hold the Annual General Meeting (AGM) through Video Conferencing (VC) / Other Audio Visual Means (OAVM), without the physical presence of the members at a common venue. In compliance with the provisions of the Companies Act, 2013 (“Act”), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) and the Circulars as mentioned hereinabove, the 28<sup>th</sup> AGM of the Company is being held through VC / OAVM. The deemed venue of this AGM shall be the Registered Office of the Company.
- Since this AGM is being held through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members to attend and cast vote for the members will not be available for this AGM and hence the Proxy Form, Attendance Slip and route map are not annexed to this Notice.
- The Register of Members and Share Transfer Books of the Company shall remain closed from **Sunday, 24<sup>th</sup> September, 2023 to Saturday, 30<sup>th</sup> September, 2023** (Both days inclusive).

- The Company has appointed National Securities Depository Limited (“NSDL”), to provide VC/OAVM facility for the AGM and the attendant enablers for conducting the AGM.
- The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 Members on first come first served basis. However, this number does not include the large Shareholders i.e. Shareholders holding 2% or more shareholding, Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairman of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
- The attendance of the Members attending the AGM through VC will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
- In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at this AGM.
- Pursuant to Section 113 of the Companies Act, 2013, Institutional/Corporate Shareholders (i.e. other than Individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/JPEG Format) of its Board Resolution or Authorization Letter authorizing its representative to attend the AGM through VC / OAVM and to vote on their behalf through remote e-voting or through e-voting at the AGM. The said Resolution or Authorization Letter shall be sent to the Scrutinizer, Mr. Dikshant Malhotra by an e-mail through its registered email address to [info@dmassociates.in](mailto:info@dmassociates.in) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)
- In compliance with MCA and SEBI Circulars, the financial statements including Board’s Report, Auditor’s report or other documents required to be attached therewith (together referred to as Annual Report 2022-23) and Notice of AGM are being sent through electronic mode to those Members whose e-mail addresses are registered with the Company or the Depository Participant(s) unless any member has requested for a physical copy of the same at [investor.hb@rcmcdelhi.com](mailto:investor.hb@rcmcdelhi.com) mentioning their Folio No. / DP ID and Client ID.
- The Annual Report 2022-23 and Notice of AGM shall also be available on the website of the Company, [www.hbportfolio.com](http://www.hbportfolio.com); website of the Stock Exchange i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com) and the website of NSDL (agency for providing the Remote e-voting facility) i.e. <https://www.evoting.nsdl.com>.
- Details of Director seeking Appointment / Re-appointment at the ensuing Annual General Meeting [Pursuant to Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard – 2 issued by the Institute of Company Secretaries of India] is annexed hereto and forms an integral part of this Notice.
- All documents referred to in the Notice shall be made available for inspection in electronic mode, from the date of circulation of this Notice up-to the date of the meeting. Members may request the same by sending an e-mail from their registered e-mail address mentioning their Name, DP ID / Client ID Number / Folio Number, Mobile Number to the Company at [corporate@hbportfolio.com](mailto:corporate@hbportfolio.com)
- The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of Contracts or Arrangements in which Directors are interested under Section 189 of the Companies Act, 2013 shall be made available for inspection in electronic mode during the AGM upon login at NSDL e-voting system at <https://www.evoting.nsdl.com>
- Members who would like to express their views/ask questions with regard to the Financial Statements or any other matter can submit their queries in advance through an e-mail from their registered e-mail address mentioning their Name, DP ID / Client ID Number / Folio Number, Mobile Number to the Company at [corporate@hbportfolio.com](mailto:corporate@hbportfolio.com) on or before **26<sup>th</sup> September, 2023 till 05.00 P.M.** The views/questions of those Members will only be taken up who have mailed it to the Company within time and the same will be replied by the Company suitably.
- As per Regulation 40 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, securities of listed companies can be transferred only in dematerialized form from 01<sup>st</sup> April, 2019, except in case of request received for transmission or transposition of securities. In view of the same and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialised form. For any assistance in this regard, the members can contact to the Registrar and Share Transfer Agent (RTA) of the Company namely,

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



Members holding shares in demat form can update their necessary details with their Depository Participants. These changes will be automatically reflected in the Company's records which will help the Company to provide efficient and better service to the Members.

16. 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 7 (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 Rs. 8,92,571/- (**Rupees Eight Lakh Ninety Two Thousand Five Hundred and Seventy-One Only**) to IEPF on 03<sup>rd</sup> November, 2022 being the Unpaid and Unclaimed Dividend amount pertaining to Final Dividend for the Financial Year ended 31st March, 2015.

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 year from 2015 to 2016 is available on the website of the IEPF viz. [www.iepf.gov.in](http://www.iepf.gov.in) and also on the website of the Company; [http://www.hbportfolio.com/Unpaid\\_Dividend/index\\_2020.html](http://www.hbportfolio.com/Unpaid_Dividend/index_2020.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
2015-16	01 <sup>st</sup> October, 2023
2016-17	No Dividend was declared
2017-18	No Dividend was declared
2018-19	No Dividend was declared
2019-20	No Dividend was declared
2020-21	No Dividend was declared
2021-22	No Dividend was declared
2022-23	14 <sup>th</sup> September, 2029

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) 7 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>.

Any further benefit on such Equity Shares except Right Issue 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>.

Company Secretary of the Company has been appointed as the Nodal Officer in terms of the provisions of IEPF Rules and complete details are available on the website of the Company; [http://www.hbportfolio.com/IEPF/PdfFiles/Nodal\\_Officer.pdf](http://www.hbportfolio.com/IEPF/PdfFiles/Nodal_Officer.pdf)

17. **Updation of PAN and other details:**

SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2021/655 dated 03<sup>rd</sup> November, 2021 and Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2021/687 dated 14<sup>th</sup> December, 2021 had provided the norms for furnishing PAN, KYC details and Nomination by holders of physical securities through Form ISR-1, Form ISR-2 and Form ISR-3 etc. (as applicable).

Members holding shares in physical form are requested to ensure the aforesaid KYC details are updated before 01<sup>st</sup> October, 2023, pursuant to SEBI Circular No. SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated 16<sup>th</sup> March, 2023, post which the said folios shall be frozen. In case, the folios continue to remain frozen, till 31<sup>st</sup> December, 2025, the same shall be referred to the Administering Authority under the Benami Transactions (Prohibitions) Act, 1988 and Prevention of Money Laundering Act, 2002.

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

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

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

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

(A) **VOTING THROUGH ELECTRONIC MEANS:**

- (i) In compliance with Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and various Circulars as mentioned above, the Members are provided with the facility to attend AGM through VC / OAVM, to cast their vote electronically through the remote e-voting before the AGM and through e-voting during the AGM, through the Authorised Agency, **National Securities Depository Limited (NSDL)**.
- (ii) The remote e-voting period commences on Wednesday, 27<sup>th</sup> September, 2023 (09.00 A.M) and ends on, Friday, 29<sup>th</sup> September, 2023 (05.00 P.M). The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is casted by the Member, the Member shall not be allowed to change it subsequently.
- (iii) The e-voting rights of the Members shall be in proportion to the paid-up value of their Shares in the Equity Share Capital of the Company. Members of the Company holding Shares either in physical form or in dematerialized form, as on the cut-off date i.e. Saturday, 23<sup>rd</sup> September, 2023, may cast their vote by remote e-voting / e-voting at the meeting.
- (iv) Any person who acquires Shares of the Company and becomes a Member of the Company after the dispatch of the Notice and holding Shares as on the cut-off date, i.e. Saturday, 23<sup>rd</sup> September, 2023, may obtain the login Id and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). However, if you are already registered with NSDL for remote e-voting then you can use your exiting user ID and password for casting your vote.
- (v) Mr. Dikshant Malhotra, Company Secretary in Whole-time Practice (Membership No.: F11008, C.P. No.: 14622) failing him Ms. Divya Malhotra, Company Secretary in Whole-time Practice (Membership No.: A54069, C.P No.: 26659) have been appointed as the Scrutinizer(s) for conducting the remote e-voting & e-voting at AGM in a fair and transparent manner.
- (vi) In case of any grievance connected with the facility for voting by electronic means, Members can directly contact Ms. Pallavi Mhatre, Senior Manager - NSDL, e-mail ID: [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or call on Toll Free No.: 022-48867000 & 022-24997000. Members may also write to the Company Secretary at the e-mail ID [corporate@hbportfolio.com](mailto:corporate@hbportfolio.com)

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

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




- Step 1: Log-in to NSDL e-voting system at <https://www.evoting.nsdl.com>**
- Step 2: Cast your vote electronically and join the AGM on NSDL e-voting system.**
- Step 1: Log-in to NSDL e-voting system at <https://www.evoting.nsdl.com>**

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

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



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

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> <li>If you are already registered with NSDL <b>IDEAS</b> facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsd.com">https://eservices.nsd.com</a> either on a Personal Computer or on a mobile. On the home page of e-Services is launched click on the <b>"Beneficial Owner"</b> icon under <b>"Login"</b> which is available under <b>'IDEAS'</b> section. A new screen will open that this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-voting services under Value added services. Click on <b>"Access to e-voting"</b> under e-voting services and you will be able to see e-Voting page. Click on Company name or <b>e-voting service provider</b> i.e. NSDL and you will be redirected to NSDL e-Voting website for casting your vote during the remote e-voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>If you are not registered for NSDL IDEAS facility, option to register is available at <a href="https://eservices.nsd.com">https://eservices.nsd.com</a>. Select <b>"Register Online for IDEAS Portal"</b> or click at <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>Visit the e-voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsd.com/">https://www.evoting.nsd.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-voting system is launched, click on the icon "Login" which is available under 'Shareholder/ Member' section. A new screen will open that will prompt you to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on Company name or NSDL e-voting service provider and you will be redirected to e-voting website of NSDL for casting your vote during the remote e-voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>Shareholders/ Members can also download NSDL Mobile App <b>"NSDL Speede"</b> facility by scanning the QR code mentioned below for seamless voting experience.</li> </ol> <div style="text-align: center;"> <p>NSDL Mobile App is available on</p>    </div>
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> <li>Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System Myeasi.</li> <li>After successful login of Easi/Easiest the user will be also able to see the E-voting Menu. The Menu will have links of <b>E-Voting Service Provider (ESP) i.e. NSDL</b>. Click on <b>NSDL</b> to cast your vote.</li> <li>If the user is not registered for Easi/ Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a>.</li> <li>Alternatively, the user can directly access e-voting page by providing Demat Account Number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; E-mail as recorded in the Demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-voting is in progress.</li> </ol>

Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/ CDSL for e-voting facility. Once logged in, you will be able to see e-voting option. Click on e-voting option and you will be redirected to NSDL/ CDSL Depository site after successful authentication, wherein you can see e-voting feature. Click on company name or e-voting service provider i.e. NSDL and you will be redirected to e-voting website of NSDL for casting your vote during the remote e-voting period or joining virtual meeting & voting during the meeting.
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**Important note:** Members who are unable to retrieve User ID/ Password are advised to use **Forget User ID/ Password** option available at above mentioned website.

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

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 022-48867000 & 022-24997000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022-23058738 & 022-23058542-43

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

- Visit the e-voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsd.com/> either on a Personal Computer or on a mobile.
  - Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
  - A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.
- Alternatively, if you are registered for NSDL e-services i.e. IDEAS, you can log-in at <https://eservices.nsd.com/> with your existing IDEAS login. Once you log-in to NSDL e-services after using your log-in credentials, click on e-voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below:

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

5. Your password details are given below:

- If you are already registered for e-voting, then you can use your existing password to login and cast your vote.
- If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- How to retrieve your 'initial password'?
  - If your email ID is registered in your demat account or with the Company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the e-mail and open the attachment i.e. a .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
  - If your email ID is not registered, please refer the **"PROCEDURE FOR REGISTRATION OF E-MAIL ID FOR OBTAINING E-VOTING USER ID & PASSWORD, NOTICE OF AGM, ANNUAL REPORT 2022-23 AND UPDATION OF BANK ACCOUNT DETAILS"** provided hereinafter.



6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
  - a) Click on "**Forgot User Details/Password?**" (If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsd.com](http://www.evoting.nsd.com).
  - b) **Physical User Reset Password?**" (If you are holding shares in physical mode) option available on [www.evoting.nsd.com](http://www.evoting.nsd.com).
  - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number / folio number, your PAN, your name and your registered address.
  - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home Page of e-voting will open.

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

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join General Meeting".
3. Now you are ready for e-voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify / modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

**>> General Guidelines for Shareholders:**

1. Once the vote on a resolution is cast by a Member, the Member shall not be allowed to change it subsequently.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on [www.evoting.nsd.com](http://www.evoting.nsd.com) to reset the password.
3. **In case of any queries/ grievances, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsd.com](http://www.evoting.nsd.com) or call on toll free no.: 022-48867000 & 022-24997000 or send a request to Ms. Pallavi Mhatre, Senior Manager at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)**

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

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ Shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system in the AGM.
3. Members who have voted through Remote e-voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-voting on the day of the AGM shall be the same person mentioned for remote e-voting.

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

- (i) Member will be provided with a facility to attend the AGM through VC/OAVM

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

- (ii) Members are encouraged to join the Meeting through Laptops for better experience.
- (iii) Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- (iv) Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
- (v) Members who would like to express their views/ask questions during the meeting may pre-register themselves as a speaker by sending a request from their registered e-mail address mentioning their Name, DP ID / Client ID Number / Folio Number, Mobile Number to the Company at [corporate@hbportfolio.com](mailto:corporate@hbportfolio.com). Those Members who have registered themselves as a speaker on or before 26th September, 2023 till 5:00 P.M. will only be allowed to express their views/ask questions during the meeting. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM. Questions that remain unanswered at the AGM will be appropriately responded by the Company at the earliest post the conclusion of the AGM.

**(E) PROCEDURE FOR REGISTRATION OF E-MAIL ADDRESS FOR OBTAINING E-VOTING USER ID & PASSWORD, NOTICE OF AGM, ANNUAL REPORT 2022-23 AND UPDATION OF BANK ACCOUNT DETAILS.**

- (i) **Members holding Shares in physical form** who have not registered their e-mail address are requested to send scanned copy of duly signed request letter to Company's Registrar and Share Transfer Agent (RTA), RCMC Share Registry Private Limited through an e-mail at [investor.hb@rcmcdelhi.com](mailto:investor.hb@rcmcdelhi.com) providing Folio No., Name of Shareholder along with scanned copy of the Share Certificate (front and back), self-attested scanned copy of the PAN Card and any one of the following documents viz., Aadhaar Card, Driving License, Voter Card, Passport or Utility bill in support of the address proof of the Member as registered with the Company for the purpose of obtaining e-voting User ID & Password, Notice of AGM and Annual Report 2022-23.

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

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

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

**(F) DECLARATION OF RESULTS ON THE RESOLUTIONS:**

- (i) The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first unblock the votes cast at the meeting through e-voting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company, and make, not later than two days from conclusion of the meeting, a Consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing who shall countersign the same. The Chairman or a person authorized by him in writing shall declare the result of the voting forthwith upon submission of the Scrutinizer's Report.
- (ii) The Company shall submit to the BSE Limited within two days from the conclusion of the meeting, details regarding the voting results in the prescribed format. The results declared along with the Scrutinizer's Report(s) shall also be placed on the website of the Company, <http://www.hbportfolio.com> and on the website of NSDL, <https://www.evoting.nsd.com> immediately after the declaration of results.
- (iii) Subject to the receipt of requisite number of votes, the resolution(s) shall be deemed to be passed on the date of the meeting.



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

<b>Name of Director</b>	<b>MR. LALIT BHASIN</b>
<b>Directors Identification Number (DIN)</b>	00002114
<b>Date of Birth</b>	14th August, 1968
<b>Date of First Appointment on the Board</b>	27th July, 2004
<b>Profile / Expertise in Specific functional Areas.</b>	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.
<b>Qualifications</b>	B.Com
<b>List of Directorship in other Companies</b>	<p><b>Listed Companies:</b></p> <ol style="list-style-type: none"> <li>1. HB Estate Developers Ltd.</li> <li>2. HB Stockholdings Ltd.</li> <li>3. HB Leasing &amp; Finance Co. Ltd.</li> <li>4. CHL Ltd.</li> </ol> <p><b>Other Companies:</b></p> <ol style="list-style-type: none"> <li>5. RRB Master Securities Delhi Ltd.</li> <li>6. RRB House Finance Pvt. Ltd.</li> <li>7. Pal Properties (India) Pvt. Ltd.</li> <li>8. HB Financial Consultants Pvt. Ltd.</li> <li>9. ALMR Gems &amp; Trading Pvt. Ltd.</li> </ol>
<b>Membership of Committee of the Board in other Companies.</b>	<p><b>Audit Committee</b></p> <ol style="list-style-type: none"> <li>1. HB Leasing &amp; Finance Co. Ltd. (Member)</li> <li>2. CHL Ltd. (Member)</li> </ol> <p><b>Stakeholders Relationship Committee</b></p> <ol style="list-style-type: none"> <li>3. HB Leasing &amp; Finance Co. Ltd. (Chairman)</li> <li>4. CHL Limited (Member)</li> </ol> <p><b>Nomination and Remuneration Committee</b></p> <ol style="list-style-type: none"> <li>5. HB Leasing &amp; Finance Co. Ltd. (Member)</li> <li>6. CHL Ltd. (Member)</li> </ol> <p><b>CSR Committee</b></p> <ol style="list-style-type: none"> <li>7. CHL Limited (Member)</li> </ol>
<b>No. of Equity Shares held</b>	63,24,671
<b>No. of Board Meetings attended/entitled to attend during the year</b>	4/4
<b>Whether related to any Board Members, Manager or KMP of the Company</b>	No

BY ORDER OF THE BOARD  
FOR HB PORTFOLIO LIMITED

Place: Gurugram  
Date: 26<sup>th</sup> May, 2023

Sd/-  
MOHIT CHAUHAN  
(Company Secretary)  
Membership No.: ACS-53839





## BOARD'S REPORT

To the Members,

Your Directors are pleased to present the 28<sup>th</sup> Annual Report together with the Audited Financial Statement (Standalone & Consolidated) for the Financial Year ended 31<sup>st</sup> March, 2023.

### FINANCIAL RESULTS

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

(Amount in Rs Lakhs)

Particulars	Standalone		Consolidated	
	Year Ended 31 <sup>st</sup> March, 2023	Year Ended 31 <sup>st</sup> March, 2022	Year Ended 31 <sup>st</sup> March, 2023	Year Ended 31 <sup>st</sup> March, 2022
Interest Income	89.29	61.22	-	-
Dividend Income	437.79	99.97	-	-
Net Gain on Fair Value Changes	0.03	0.78	-	-
Investment and advisory Services	-	-	1639.33	1856.91
Sale of Commodities	666.77	-	666.77	-
<b>Total Revenue from Operations</b>	<b>1193.88</b>	<b>161.97</b>	<b>2306.10</b>	<b>1856.91</b>
Other Income	0.00	0.18	3.33	0.20
<b>Total Income</b>	<b>1193.88</b>	<b>162.15</b>	<b>2309.43</b>	<b>1857.11</b>
Expenses	919.79	218.56	1954.57	1184.54
Profit / (Loss) Before Tax	274.09	(56.41)	354.86	672.57
Tax Expense	51.05	(1.29)	60.48	45.00
Profit / (Loss) After Tax	223.04	(55.12)	294.38	627.57
Share of Profit from Associates	-	-	11.33	18.13
<b>Profit / (Loss) for the year</b>	<b>223.04</b>	<b>(55.12)</b>	<b>305.71</b>	<b>645.70</b>
Other Comprehensive Income for the year, net of tax	(1471.13)	4427.30	(1523.11)	4750.90
<b>Total Comprehensive Income for the year</b>	<b>(1248.09)</b>	<b>4372.18</b>	<b>(1217.40)</b>	<b>5396.60</b>

### DIVIDEND

The Board of Directors in its meeting held on 12<sup>th</sup> August, 2022 declared interim dividend of Rs. 0.80 (Eighty Paise Only) per Equity Share of Rs. 10/- each i.e. 8% for the financial year 2022-23 and it was paid to the eligible shareholders of the company on 6<sup>th</sup> September, 2022. The same will be considered as Total Dividend for the financial year 2022-23.

### 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 Indian Financial Industry has demonstrated remarkable resilience in the face of deteriorating global situation due to strong macroeconomic fundamentals. The Financial Industry in India experienced a huge growth in the Financial Year 2022-23 amidst global challenges i.e. geopolitical conflicts between Russia and Ukraine, escalating inflation rates. The Standalone Revenue from Operations of the Company for FY 2022-23 increased to Rs. 1,193.88 Lakhs as compared to Rs. 161.97 Lakhs in the previous year. The Company reported a Profit before Tax for FY 2022-23 of Rs. 274.099 Lakhs in comparison with Rs. (56.41) Lakhs for FY 2021-22.

The Company has taken adequate measures to control the cash flow and overhead expenditures to manage the operations. There has been no impact on the internal financial reporting and controls of the Company. At present, the Company is in position to fulfil its legal obligations.

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

### STATUTORY STATEMENTS

#### (i) Share Capital

The Paid-up Equity Share Capital as on 31<sup>st</sup> March, 2023 stood at Rs 10,76,42,300/- comprising of 10764230 Equity Shares of Rs 10/- each. During the year under review, the Company has not issued any Shares with differential voting rights or granted stock options, sweat equity etc.

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

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

During the year under review, 4 (four) Board Meetings were convened and held. The details of such meeting(s) are given in the Corporate Governance Report which forms an integral part of the Board's Report.

#### (iii) Committees of the Board

The Company has several Committees which have been established in compliance with the requirement of the relevant provisions of applicable laws and statutes. As on 31<sup>st</sup> March, 2023, the Board has 3 (three) committees namely, Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee. A detailed note on the composition of the Committees is provided in the Corporate Governance Report, which forms an integral part of the Board's Report.

#### (iv) Public Deposits

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

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

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

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

The principal business activity of the Company is to provide both financial and non-financial services. Details of Loans, Guarantees and Investments made by the Company in the ordinary course of its business are given in the notes to the Financial Statements.

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

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

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

#### (viii) Change in the Nature of Business

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

#### (ix) Maintenance of cost records

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

#### (x) Material Changes and commitments

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

#### (xi) Reporting of frauds by the Auditors

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

### SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

#### (i) Subsidiaries

The Company has following Subsidiaries as on 31<sup>st</sup> March, 2023:

Name of the Company	As on 31 <sup>st</sup> March, 2023	
	No. of Shares	% of holding
1. HB Securities Limited	82,07,570	100.00%
2. HB Corporate Services Limited	42,57,478	97.40%
3. Taurus Asset Management Company Limited*	1,69,31,176	99.99%
4. Taurus Investment Trust Company Limited	78,850	80.39%

(\*) Unlisted Material Subsidiary Company

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

The Company has 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 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 is an Associate Company. A separate statement containing the salient features of the Financial Statement of the Company's Associate 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 REPORT AND CORPORATE GOVERNANCE REPORT**

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

**WHISTLE BLOWER POLICY – VIGIL MECHANISM**

In terms of the provisions of 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 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.

During the year under review, the Company has not entered into any materially significant Related Party Transaction under Section 188 of the Companies Act, 2013 and Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Accordingly, the disclosure of Related Party Transactions as required under Section 134(3)(h) of the Companies Act, 2013 in Form AOC-2 is not applicable. None of the Directors has any pecuniary relationships or transactions vis-à-vis the Company. The details of all related party transactions entered by the Company during the Financial Year 2022-23 are disclosed in Note No. 29 of the Financial Statements.

The Company has 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 unpublished 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.

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 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has a Policy for Preservation of Documents & Archival thereof, classifying them in two categories as follows:

- (a) documents whose preservation shall be permanent in nature;
- (b) documents with preservation period of not less than eight years after completion of the relevant transactions.

The said Policy is available on the website of the Company having following web link, <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 Report forming part of this report.

**PREVENTION OF SEXUAL HARRASSMENT OF WOMEN AT WORKPLACE**

The Company has zero tolerance for sexual harassment at workplace. The Board of Directors in their meeting held on 08<sup>th</sup> 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:

- (i) Mrs. Banmala Jha, Presiding Officer (Manager – HB Estate Developers Ltd.)
- (ii) Mrs. Madhu Suri, Member (Working in the Delhi Legal Services Authority as a Counsellor)
- (iii) Mr. Anil Goyal, Member (Managing Director)
- (iv) \*Mr. Mohit Chauhan, Member (Company Secretary)

(\* Appointed w.e.f. 26th May, 2023

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

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

**INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY**

The Company's internal control systems are commensurate with the nature of its business, the size and complexity of its operations and such internal financial controls with reference to the Financial Statements are adequate.

The details in respect of internal financial control and their adequacy are included in the Management Discussion and Analysis, which forms a part of the Annual Report.

**AUDITORS**

**(i) Statutory Auditors**

The Shareholders in their 27<sup>th</sup> Annual General Meeting held on 30<sup>th</sup> September, 2022 had appointed 'N. C. Aggarwal & Co.', Chartered Accountants (FRN 003273N) ("Audit Firm"), as the Statutory Auditors of the Company for a term of 5 (five) consecutive years i.e. from the conclusion of the 27<sup>th</sup> Annual General Meeting of the Company till the conclusion of the 32<sup>nd</sup> Annual General Meeting of the Company to be held in the year 2027.

There are no qualifications, reservation, adverse remark, observations, comments or disclaimer given by the Auditors in their Report. The Report given by the Statutory Auditors on the financial statements of the Company for the financial year 2022-23, is part of the Annual Report and self-explanatory.

**(ii) Internal Auditors**

Pursuant to the provisions of Section 138 of the Companies Act, 2013 and the Companies (Accounts) Rules, 2014, 'Marv & Associates LLP', Chartered Accountants, New Delhi have been re-appointed as the Internal Auditors of the Company for FY 2022-23 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, Mr. A.N. Kukreja, Proprietor, 'A.N. Kukreja & Co.', Company Secretary in Practice have been re-appointed to undertake the Secretarial Audit of the Company for the FY 2022-23. The Secretarial Audit Report is enclosed as a part of this report as "ANNEXURE – I".

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

In compliance of Regulation 24A(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Secretarial Audit Report of Taurus Asset Management Company Limited, a material unlisted subsidiary is enclosed as a part of this report as "ANNEXURE – II".

**CORPORATE SOCIAL RESPONSIBILITY (CSR)**

As per the provisions of Section 135(9) of the Companies Act, 2013, all the functions of the CSR Committee are discharged by the Board of Directors of the Company as the Company's CSR Obligation is less than 50 Lakhs and thus requirement of constitution of Corporate Social Responsibility Committee is not applicable.

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

The Net Profit after considering realised gain during the immediately preceding financial year 2021-22 was Rs. 8,51,23,575/- therefore the company was required to spend at least 2% (two percent) of the average net profits of the Company made during the 3 (three) immediately preceding financial years, in pursuance of CSR Policy.

The Average Net Profit for the immediately preceding 3 (three) financial years comes to Rs. 4,34,61,668/- calculated as per the provisions of Section 198 of the Companies Act, 2013. As per above, the Company was required to spend 2% (two percent) of the said amount i.e. Rs. 8,69,233/- during the financial year 2022-2023.



The Company spent Rs. 11,00,000 during the financial year 2022-2023 as against the CSR Obligation of Rs. 8,69,233/- during the financial year 2022-2023. The excess amount of Rs. 2,30,767 which was spent during the financial year 2022-2023 is available for set-off against the Company's CSR obligations for the immediate succeeding 3 (three) financial years in terms of 3<sup>rd</sup> Proviso to Section 135(5) of the Companies Act, 2013 read with Rule 7(3) of the Companies (Corporate Social Responsibility Policy) Rules, 2014.

Brief outline of the CSR Policy of the Company and the initiatives undertaken by the Company on CSR activities in accordance with Schedule VII of the Companies Act, 2013 during the financial year 2022-23 is provided in "ANNEXURE – III" in the format prescribed under Companies (CSR Policy) Amendment Rules, 2022. The complete CSR Policy as approved by the Board can be accessed on the Company's Website having the following web link,

<http://www.hbportfolio.com/CSR/PdfFiles/CSR.pdf>

**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 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. Ajay Kumar Mohanty (M. No. FCS-7133) has resigned from the position of the Company Secretary and Compliance Officer of the Company with effect from 31<sup>st</sup> January, 2022. Mr. Mohit Chauhan (M. No. ACS-53839) has been appointed as Company Secretary and Compliance officer of the Company being the Key Managerial Personnel of the Company w.e.f. 26<sup>th</sup> May, 2023 as per provisions of Section 203 of the Companies Act, 2013 and Rule 8 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

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

None of the Directors on the Board of the Company has 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 or any such statutory authority.

**b) Declaration from Independent Directors**

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.

The Independent Directors of the Company have confirmed that they have registered their names in the data bank of Independent Directors maintained with the Indian Institute of Corporate Affairs in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment & Qualification of Directors) Rules, 2014.

During the year under review, the Non-Executive Directors of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees and reimbursement of expenses, if any incurred by them for the purpose of attending meetings of the Board/Committee of the Company.

**c) Nomination and Remuneration Policy**

The Company has a Nomination and Remuneration 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
- Executive Directors / Managing Director are paid remuneration as per applicable provisions of the Companies Act, 2013 and rules made there under.
- Non-Executive Directors are paid sitting fees for attending each meeting of the Board of Directors and the Committees constituted by the Board. The sitting fee for each meeting of Board of Directors and the Committee of Directors has been fixed by the Board of Directors within the overall ceiling laid down under the Companies Act, 2013.

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

<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 of Directors 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.

The Independent Directors also in their meeting held on 09th February, 2023 reviewed the performance of Non-Independent Directors, the Board as a whole and the Chairman on the basis of 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. They also assessed the quality, quantity and timeliness of flow of information between the Management of the Company and the Board. The Independent Directors expressed Non-Independent Directors are devoting their time, energy and expertise towards the progress of the Company and the Chairman with his rich expertise has guided the directors in their performance towards the progress of the Company.

**f) Remuneration of the Directors / Key Managerial Personnels (KMPS) and Particulars of Employees**

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

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

Sr. No.	Name	Category	Ratio/Times per Median of employee remuneration	% Increase in remuneration
1.	Mr. Anil Goyal	Managing Director (Executive)	18.13	37.25
2.	Mr. Lalit Bhasin	Director (Non-Executive)	N.A	N.A
3.	Mr. Raj Kumar Bhargava	Director (Non-Executive)	N.A	N.A
4.	Mrs. Anita Jain	Director (Non-Executive)	N.A	N.A
5.	Mr. Harbans Lal	Director (Non-Executive)	N.A	N.A
6.	Mr. Ajay Kumar Mohanty*	Company Secretary		N.A
7.	Mr. Ashok Kumar	Chief Financial Officer		N.A

(\*) Resigned w.e.f. 31<sup>st</sup> January, 2023.

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

- (ii) There has not been any increase of in the median remuneration in current financial year as compared to previous financial year.
- (iii) There are 6(Six) permanent employees on the rolls of the Company as on 31<sup>st</sup> March, 2023.
- (iv) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year is 14.74 as compared to 37.25 percentile increase made in the managerial remuneration of KMP.
- (v) It is hereby affirmed that the remuneration paid is as per the remuneration policy for Directors, Key Managerial Personnel and other Employees.
- (vi) Statement of particulars of employees pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(2) & (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 for the year ended 31<sup>st</sup> March, 2023:


**a) Details of top ten employee in terms of remuneration drawn as on 31<sup>st</sup> March, 2023:**

Sl. No.	Name	Designation	Gross Remuneration received (In Rs)	Nature of Employment	Qualification	Experience (In Years)	Date of Commencement of Employment	Age (In Years)	Last Employment held before joining the Company	Number & Percentage of Equity Shares held	Whether any such employee is a relative of any director or manager of the Company
1	Mr. Anil Goyal	Managing Director	94,98,400	Permanent	CA	40	20-02-2002	64	HB Leasing and Finance Company Ltd.	Nil	No
2	Mr. Ajay Kumar Mohanty*	Company Secretary	14,68,470	Permanent	CS	15	02-08-2021	43	Raheja Developers Ltd.	Nil	No
3	Mr. Ashok Kumar	Chief Financial Officer	10,71,619	Permanent	CA	16	07-06-2021	48	HB Estate Developers Ltd.	Nil	No
4	Ms. Renu Gupta	Secretary	5,24,040	Permanent	BA	37	01-12-2016	62	HB Leasing and Finance Company Ltd.	334 (0.00%)	No
5	Mr. Rajkumar Sharma	Sr. Secretarial Assistant	5,19,496	Permanent	BA (Hons.)	36	01-04-2019	58	HB Stockholdings Ltd.	919 (0.01%)	No
6	Mr. Neeraj Gaur	Accountant	4,56,288	Permanent	B.Com	13	01-04-2019	36	Shree Mansha Tools	Nil	No
7	Mr. Mohit Chauhan**	Interim Compliance Officer	2,80,000	Permanent	CS	5	01-12-2022	31	Octavius Plantations Limited	Nil	No

(\*) Resigned w.e.f. 31<sup>st</sup> January, 2023

(\*\*) Appointed w.e.f. 12<sup>th</sup> December, 2022

Note: There were less than 10 (ten) employees, details of which are given hereinabove.

- b) Details of the Employees, who were in receipt of remuneration aggregating Rs 1,02,00,000/- or more per annum: **None**
- c) Details of the Employees, who were employed for part of the financial year and was in receipt of remuneration not less than Rs 8,50,000/- per month: **None**
- d) Details of the Employees, who were employed throughout the financial year or part thereof, was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the Company: **None**

**SECRETARIAL STANDARDS**

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

**ANNUAL RETURN**

The Annual Return (Form MGT-7) is available on the website of the Company having following web link,

<https://www.hbportfolio.com/Investor%20Information/Annual%20Returns/indexx.html>

**DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (31 OF 2016)**

There was no pending proceeding or application has been made under the Insolvency and Bankruptcy Code, 2016.

**DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS**

The requirement to disclose the details of difference between amount of the valuation done at the time of onetime settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof is not applicable.

**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 of  
HB Portfolio Limited

Place: Gurugram  
Date: 26<sup>th</sup> May, 2023

Sd/-  
LALIT BHASIN  
(Chairman)



**Form No. MR-3  
SECRETARIAL AUDIT REPORT**

**FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> MARCH, 2023**  
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  
Plot No. 31, Echelon Institutional Area  
Sector – 32, Gurugram – 122001 (Haryana)

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 accordance with Auditing Standards (CSAS-1 to CSAS -4) and Guidance Notes on ICSI Auditing Standards and in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of 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, 2023 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 Company for the Financial Year ended on 31st March, 2023 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 Disclosures Requirements) Regulations) 2015
    - (d) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
    - (e) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018\*;
    - (f) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021\*;
    - (g) The Securities and Exchange Board of India (Issue and Listing of Non-convertible Securities) Regulations, 2021\*;
    - (h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021\*; and
    - (i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018\*.

\*Foreign Exchange Management Act, 1999 and the rules and regulations at sub-para (iv) of para 1 above SEBI Regulations listed at sub-para (v) Serial Nos. (e), (f), (g), (h) and (i) above are not applicable to the Company for 2022-23 as there was no corporate decision/action attracting these regulations.
  - (vi) The Other Laws applicable specifically to the Company are:
    - (a) Employees Provident Funds and Miscellaneous Provisions Act, 1952;
    - (b) Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules framed there under;
2. We have also examined on test check basis the compliance of laws specifically applicable to the Company listed under sub-para (vi) above and compliances with the applicable Regulations/circulars/Standards of the following:
  - (i). SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Listing Agreement with 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, Rules, Regulations, Standards/Guidelines etc. mentioned above.
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.  
No Change has been carried out in the composition of the Board of directors during the period under review.

- (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 having bearing on Company's affairs in pursuance of the above referred laws, rules/regulations were taken, except the following:  
Shri Ajay Mohanty, Company Secretary and Compliance Officer resigned and was relieved on 31.01.2023. Efforts are being made to fill the vacancy of Company Secretary. In the meantime, Shri Mohit Chauhan, member of the ICSI has been appointed as Interim Compliance Officer of the company with effect from 12.12.2022.
- (a) Board of Directors at their meeting held on 12.08.2022 declared interim dividend of Rs.0.80 per equity share of Rs.10/- each i.e., 0.08 per cent of the paid-up share capital.
- (b) Appointment of M/s N.C Aggarwal & Co, Chartered Accountants, Delhi, (FRN. 003273N) as statutory auditors of the Company pursuant to the provisions of Sections 139, 141 and 142 and Companies (Audit and Auditors) Rules, 2014, and other applicable provisions of the Companies Act, 2013 including any statutory modification(s) or re-enactment thereof for the time being in force for a term of 5 (five) consecutive years commencing from the conclusion of 27th Annual General Meeting of the Company held on 30.09.2022 until the conclusion of 32nd Annual General Meeting.

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)  
FCS1070/CP2318  
Peer Review Cert.875/2020  
FRN S1995DE014900  
UDIN: F001070E000383727

**Place: New Delhi  
Date: 26<sup>th</sup> May, 2023**

**Annexure- 'A'**

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

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)  
FCS1070/CP2318  
Peer Review Cert.875/2020  
FRN: S1995DE01490  
UDIN: F001070E000383727

**Place: New Delhi  
Date: 26<sup>th</sup> May, 2023**



**Form No. MR-3**  
**SECRETARIAL AUDIT REPORT**

**FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> MARCH, 2023**

**[Pursuant to Section 204(1) of the Companies Act, 2013, and the rules made thereunder for the purpose of compliance with Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]**

To,  
The Members,  
**Taurus Asset Management Company Limited**  
3rd Floor, AML Centre - 2, 8 Mahal Industrial Estate, Mahakali Caves Road,  
Andheri (East) Mumbai, Mumbai City, Maharashtra-400093, India.

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by “Taurus Asset Management Company Limited” (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

**Management’s Responsibility for Secretarial Compliances**

The Company’s Management is responsible for preparation and maintenance of Secretarial records and for devising proper system to ensure compliance with the provisions of applicable laws and regulations.

**Auditor’s Responsibility**

My responsibility is to express an opinion on the Secretarial records, Standards, Procedures followed by the Company with respect to Secretarial Compliances.

**Opinion**

Based on my verification of the Company’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, I hereby report that in my opinion, the Company has, during the audit period covering the Financial Year ended on 31.03.2023, complied with the 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:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the Financial Year ended on March 31, 2023 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder, as applicable;
- (ii) The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; (not applicable during the Audit Period, since there is no action/ event in pursuance of said regulation)
- (v) Secretarial Standards issued by The Institute of Company Secretaries of India on Meetings of the Board of Directors and General Meeting.
- (vi) 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 (Mutual Funds) Regulations, 1996;
  - (b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; (not applicable during the Audit Period)
  - (c) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; (not applicable during the Audit Period)
  - (e) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; (to the extent applicable during the Audit Period)
  - (f) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; (not applicable during the Audit Period)
  - (g) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; (not applicable during the Audit Period)
  - (h) 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; (not applicable during the Audit Period)
    - (i) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; (not applicable during the Audit Period) and
    - (ii) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (not applicable during the Audit Period)

The Company has identified the following laws specifically applicable to the Company and/or followed by the Company:

- (i) The Employees’ Provident Funds and Miscellaneous Provisions Act, 1952
- (ii) The Payment of Bonus Act, 1965

- (iii) The Payment of Gratuity Act, 1972
- (iv) Maharashtra Labour Welfare Fund Act 1953
- (v) Income Tax Act, 1961
- (vi) Goods and Service Tax Act 2017
- (vii) Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013
- (viii) Maharashtra shop and Establishments (Regulations of Employment and conditions of Service) Act ,2017

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc.

I further report that

1. The Board of Directors of the Company is duly constituted with Executive Directors, Non-Executive Directors and Independent Directors.
2. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent as per the relevant provisions of the Act, 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.
3. The minutes of the Board meetings and Committee Meetings have not identified any dissent by members of the Board/ Committee of the Board, respectively hence we have no reason to believe that the decisions by the Board were not approved by all the directors present; and
4. The Company has proper Board processes.

I 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.

I further report that during the financial year under review, there are no specific events having any major bearing on the Company’s affairs in pursuance of the law, regulations, guidelines, standards, etc.

Sd/  
**RASHMI SAHNI**  
Practicing Company Secretary  
Membership No: 25681  
Certificate Practice No. 10493  
PRC NO. 1614/2021  
UDIN: A025681E000276030

**Date: 09-05-2023**  
**Place: Delhi**

Annexure- ‘A’

To,  
The Members  
**Taurus Asset Management Company Limited**  
3rd Floor, AML Centre - 2, 8 Mahal Industrial Estate, Mahakali Caves Road,  
Andheri (East) Mumbai, Mumbai City, Maharashtra-400093, India.

Our report of even date is to be read along with this letter:

**Management’s Responsibility:**

- a. The compliance of provisions of all laws, rules, regulations, standards applicable to Taurus Asset Management Company Limited (hereinafter called ‘the Company’) is the responsibility of the management of the Company. Our examination was limited to the verification of records and procedures on test check basis for the purpose of issue of the Secretarial Audit Report.
- b. Maintenance of Secretarial record and other records of applicable laws is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

**Auditor’s Responsibility:**

- c. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on the test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
- d. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
- e. Where ever required, we have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events etc.
- f. The Compliance of the provisions of corporate and other applicable laws, and regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.

**Disclaimer:**

- g. 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.

Sd/  
**RASHMI SAHNI**  
Practicing Company Secretary  
Membership No: 25681  
Certificate Practice No. 10493  
PRC NO. 1614/2021  
UDIN: A025681E000276030

**Date: 09-05-2023**  
**Place: Delhi**

**REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES**

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

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

**2. Composition of CSR Committee:**

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

Pursuant to abovesaid amended CSR Rules and considering the specified threshold of CSR obligations, the Board of Directors in its meeting held on 28<sup>th</sup> June, 2021 has dissolved the CSR Committee and all the functions of the Committee shall be discharged by the Board of Directors.

**3. Provide the web-link where Composition of CSR Committee, CSR Policy and CSR Projects approved by the board are disclosed on the website of the company: <http://www.hbportfolio.com/CSR/PdfFiles/CSR.pdf>**

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

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

- 6. (a) Average net profit of the company as per sub section (5) of section 135: Rs. 4,34.62 Lakhs
- (b) Two percent of average net profit of the company as per sub-section (5) of section 135: Rs. 8.69 Lakhs
- (c) Surplus arising out of the CSR Projects or programmes or activities of the previous financial years: Nil
- (d) Amount required to be set off for the financial year, if any: Nil
- (e) Total CSR obligation for the financial year [(b)+(c)-(d)]: Rs. 8.69 Lakhs

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

Total Amount Spent for the financial year (In Rs. Lakhs)	Amount Unspent (in Rs. Lakhs)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount.	Date of transfer	Name of the Fund	Amount.	Date of transfer
11	NA				

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

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

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)		
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/ No).	Location of the project.		Amount spent for the project (in Lakhs)	Mode of implementation	Mode of implementation - Through implementing agency.	
				State.	District.		Direct(Yes/No)	Name.	CSR registration number.
1.	Contribution to Shri Mata Vaishno devi Charitable Society towards promoting education and employment enhancing vocation skills	Promoting of Education (Item No. II of Schedule VII)	No	Jammu		11.00	No	Shri Mata Vaishno devi Charitable Society	CSR00039740
<b>Total</b>						<b>11.00</b>			

**(d) Amount spent in Administrative Overheads: Nil**

**(e) Amount spent on Impact Assessment, if applicable: N A**

**(f) Total amount spent for the Financial Year (7b+7c+7d+7e): Rs. 11.00 lakhs**

**(g) Excess amount for set off, if any**

Sl. No.	Particular	Amount (in Rs. Lakhs)
(i)	Two percent of average net profit of the company as per sub-section (5) of Section 135	8.69
(ii)	Total amount spent for the Financial Year	11.00
(iii)	Excess amount spent for the financial year [(ii)-(i)]	2.31
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	2.31

**8. (a) Details of Unspent CSR amount for the preceding three financial years: Nil**

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

**9. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: No**

**10. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per sub-section (5) of section 135: NA**

Sd/-  
Anil Goyal  
(Managing Director)  
DIN: 00001938

Sd/-  
Lalit Bhasin  
(Chairman)  
DIN: 00002114

Place : Gurugram  
Date : 26<sup>th</sup> May, 2023



**MANAGEMENT’S DISCUSSION AND ANALYSIS REPORT**

**1. OPERATING RESULTS**

During the year under review, the Company reported Total Income of Rs 1193.88 Lakhs as compared to Rs 162.15 Lakhs in the previous year. The Company incurred total expenses amounted to Rs 919.79 Lakhs as compared to Rs 218.56 Lakhs during the previous year. Profit/Loss after tax stood at Rs 223.04 Lakhs as against Profit/Loss of Rs (55.12) Lakhs in the previous year.

**2. INDUSTRY STRUCTURE AND DEVELOPMENTS**

The strength of any modern economy is based on the soundness of its financial system. With a combined push by Government and private sector, India is undoubtedly one of the world’s most vibrant capital markets. Indian financial services industry has experienced huge growth in the past few years and this momentum is expected to continue.

The Commodities markets play a vital role in the functioning and development of the Indian economy. The biggest driver of exchange business in India has been the application and operationalization of information technology, which changed the entire face of the industry. The growth of online commodity futures trading and development of an efficient, transparent, and well-organized market, over the past few years, have thrown open number of opportunities and enormous benefits to various stakeholders, ranging from producers to processors and consumers.

The Indian economy recorded a growth of 7.2 per cent in GDP in 2022-23 amidst global challenges - the war in Ukraine, the persistent elevation in food and energy inflation and tightening of financial conditions in response to aggressive and synchronized monetary policy tightening across the globe. The Financial markets experienced bouts of volatility in 2022-23, as geopolitical tensions intensified, interest rate hikes by the US Fed turned aggressive and global growth outlook deteriorated. A sustained recovery in discretionary spending, restoration of consumer confidence, high festive season spending after two consecutive years of COVID-19 provided impetus to the growth momentum.

**3. OPPORTUNITIES AND THREATS**

After the COVID-19 pandemic forced the world to limit face-to-face contact, businesses were urged to escalate their digital transformation efforts. Rise in cases of data breaches and privacy concerns, coupled with progressive regulatory and compliance requirements are the new hurdles for Finance Sector in India. With the threat of recession looming, organizations are forced to rethink their strategies and investments. The problems faced by financial markets have resulted from short term economic slowdown, geopolitical tensions and global surge in inflation.

India is still a highly under penetrated market in terms of geographical reach and wallet shares across wealth, credit and protection products. Positive long term economic outlook will lead to opportunity for financial services. After the COVID-19 pandemic, regulatory reforms have accelerated and it would aid greater participation by all class of investors. Indian financial market outperformed most of its competitors on the strength of macroeconomic fundamentals and favorable growth prospects.

**4. FUTURE PROSPECTS AND OUTLOOK**

Research from the World Bank shows that the quantities of consumption of many commodities have risen over the past years, as there has been a corresponding growth in global demographics as well as growth in incomes. Any commodity market today, therefore, should be a fruitful one for investment. However, due to innovations in the technology sector, the relevance of commodities has seen a shift. This is largely because technological advancement has given rise to new ways of use of some raw materials, and some commodities have been substituted so that they may not be required at all. On the subject of the growth of technology, this is one of the key variables that will have an effect on commodities and commodity trading in the future.

Though the commodity futures market has proved their mettle over the years, there are huge benefits for the economy waiting to be reaped, if a more liberalized environment is permitted for this market to operate in. Ultimately, new measures can potentially alter the face of the commodity derivatives economy in India given the long-term benefits that flow to all sections of the economy.

The Outlook of the Company for the year ahead is to derive profitable growth by exploring various options to strengthen its capital base to augment the long-term resources for meeting funds requirements for its business activities, future growth opportunities and general corporate purposes.

**5. RISKS AND CONCERNS**

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

**Risk Management Policy**

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

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

- (a) The macroeconomic risks, investee company specific risks are covered by investment decisions based on third party research and internal assessment.
- (b) Market wide risks are assessed and managed by investment timing decisions.

- (c) The execution risk is managed by dealing with reputed intermediaries and through own back office discipline re accounting and follow up of trades.
- (d) All investment decisions are made after distinguishing among alternative courses of action with identification of expected risks.

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

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

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

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

**6. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY**

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

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

**7. FINANCIAL PERFORMANCE**

**a) Share Capital:** The Company’s Issued and Subscribed Share Capital consists of Equity Share Capital only. The Paid-up Share Capital of the Company as at 31st March, 2023 stood at Rs 10,76,42,300/- comprising of 1,07,64,230 nos. of Equity Shares of Rs 10/- each.

**b) Financial Assets and Non-Financial Assets:** The Financial Assets and Non-Financial Assets for the year under review stood at Rs 15995.75 Lakhs and Rs 254.28 Lakhs respectively as against Rs 17,375.70 Lakhs and Rs 242.70 Lakhs for the previous year.

**c) Financial Liabilities and Non-Financial Liabilities:** During the year under review, the Financial Liabilities and Non-Financial Liabilities stood at Rs 105.80 Lakhs and Rs 30.97 Lakhs respectively as against Rs 135.26 Lakhs and Rs 35.68 Lakhs during the previous year.

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

Sr. No.	Particulars	FY 2022-23	FY 2021-22	% change over previous year	Reason for change of more than 25% in Key Financial Ratios:
1	Debtors Turnover Ratio	NA	NA	NA	
2	Inventory Turnover Ratio	NA	NA	NA	
3	Interest Coverage Ratio	42.92	(17.90)	(97.24)	Increase in operating profit.
4	Current Ratio	14.07	11.56	(5.98)	Decrease in current liabilities
5	Debt Equity Ratio	0.00	0.00	NA	
6	Operating Profit Margin (%)	22.44	(32.98)	511.12	Increase in operating profit and Net Profit.
7	Net Profit Margin (%)	18.68	(34.03)	673.14	Increase in operating profit and Net Profit.
8	Return on Net Worth (%)	20.72	(5.12)	93.37	Increase in Net Profit.

**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 is aimed at (a) enhancing long term shareholder value through assisting the top management in taking sound business decisions; and prudent financial management; (b) achieving transparency and professionalism in all decisions and activities of the Company; (c) achieving excellence in Corporate Governance by conforming to the prevalent guidelines on Corporate Governance, and excelling in, wherever possible and reviewing periodically the existing systems and controls for further improvements.

The Company continuously monitors its governance practices and benchmarks itself to the best governed companies across the industry. The Company believes in pursuing holistic growth and realizes its responsibility towards its stakeholders and environment. The Board considers itself as a Trustee of its Shareholders and acknowledges its responsibilities towards them for creation and safeguarding their wealth. The Company's comprehensive Corporate Governance practices ensures that the Company always works optimally, protecting the best interests of the stakeholders and withholding the reputation and status of the Company.

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

The Board of Directors of your Company comprises of 5 (Five) Directors out of which 3 (three) are Independent Directors including 1 (one) Woman Director as on 31<sup>st</sup> March, 2023. 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 the Company. He has to his credit nearly Forty 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.

4 (four) Board meetings were held during the year under review on 27<sup>th</sup> May, 2022; 12<sup>th</sup> August 2022, 09<sup>th</sup> November, 2022, 09<sup>th</sup> February, 2023.

Composition of the Board of Directors, particulars of Director's other directorships and membership in committees of other public limited companies as on 31<sup>st</sup> March, 2023 and their attendance in the Board Meetings and in AGM held during the year under review are given hereunder:

Name of the Director	Category	Directorships in other Public Companies as on 31st March, 2023		#Committee Membership held in other Public Companies as on 31st March, 2023		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	Chairman (Promoter Non Executive)	5	3	4	1	4/4	Yes	63,24,671
Mr. Anil Goyal	Non-Independent Executive	8	NIL	5	1	4/4	Yes	NIL
Mr. Raj Kumar Bhargava	Independent Non Executive	NIL	NIL	NIL	NIL	4/4	Yes	4270
Mr. Harbans Lal	Independent Non Executive	2	NIL	3	1	3/4	Yes	NIL
Mrs. Anita Jain	Independent Non Executive	NIL	NIL	NIL	NIL	4/4	Yes	NIL

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

**Details of Directorships held in other listed entities by the Directors of the Company and the Category of their Directorship as on 31<sup>st</sup> March, 2023 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 and Finance Company 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 and Finance Company Ltd. (Executive Director - MD)
Mr. Raj Kumar Bhargava	None
Mrs. Anita Jain	None
Mr. Harbans Lal	1. HB Stockholdings Ltd. (Non-Executive Independent Director)

The number of Committees (Audit Committee and Stakeholder Relationship Committee) of Public Limited Companies in which a Director is a Member / 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 shall retire at the ensuing Annual General Meeting and who being eligible offers himself for re-appointment.

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

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

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

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

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

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

**Key Board Skills / Expertise / Competencies:**

<b>Financial Expertise</b>	Education and experience in the areas of capital markets, mutual funds, banking and finance, treasury, investment banking, wealth management, institutional and retail stock broking.
<b>Risk Management</b>	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.
<b>Corporate Governance</b>	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.
<b>Strategic Decision making</b>	To develop insights about maintaining board and management accountability, protecting shareholder interests. Demonstrated strengths in developing business strategies, business transformation contributing to long-term growth.



Name of the Directors who have these expertise and skills:

Name of the Director	Core Skills / Expertise / Competencies			
	Financial Expertise	Risk Management	Corporate Governance	Strategic Decision Making
Mr. Lalit Bhasin	✓	✓	✓	✓
Mr. Anil Goyal	✓	✓	✓	✓
Mr. Raj Kumar Bhargava	✓	✓	✓	✓
Mr. Harbans Lal	✓	✓	✓	✓
Mrs. Anita Jain	✓	✓	✓	✓

4. CODE OF CONDUCT FOR DIRECTORS AND SENIOR MANAGEMENT PERSONNEL

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

All the members of Board of Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct of the Company for the financial year 2022-23. The declaration to this effect signed by the Managing Director of the Company is attached and forms an integral part of this Report. A copy of the Code has been uploaded on the Company’s website having following web link: <http://www.hbportfolio.com/conduct.htm>

5. MEETING OF INDEPENDENT DIRECTORS:

During the year under review, the Independent Directors met on 09<sup>th</sup> February, 2023, 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/FPID2021.pdf>.

All the Independent Directors were present at the Meeting.

6. PERFORMANCE EVALUATION CRITERIA

The performance evaluation exercise has been carried out by way of a structured questionnaire covering various aspects of the Board’s functioning such as adequacy of the composition of the Board and its Committees, execution and performance of specific duties, obligations and governance. The performance of Individual Directors has been evaluated on parameters such as level of engagement and contribution, independence of judgement, safeguarding the interest of the Company, Shareholders etc. The Performance of 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 09<sup>th</sup> February, 2023 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. Independent Directors observed that the Board of Directors as a whole & its committees are devoting their time, energy and expertise towards the progress of the Company. Independent Directors further observed that the Chairman with his rich expertise has guided the directors in their performance towards the progress 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 Chairman observed that the Independent Directors have maintained high standard of ethics and integrity and their contribution at Board/ Committee are of high quality and innovative.

The Nomination and Remuneration Committee and the Board of Directors in their meeting held on 09<sup>th</sup> February, 2023 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.

7. BOARD COMMITTEES:

The terms of reference of the Board Committee(s), their composition and attendance of the respective members at the various Committee Meeting(s) held during the financial year 2022-2023 are set out below:

(A) Audit Committee:

The Audit Committee of the Board of Directors is constituted in line with the provisions of Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 and Section 177 of the Companies Act, 2013.

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

- (i) Mr. Raj Kumar Bhargava, Chairman (Independent Director)
- (ii) Mr. Harbans Lal, Member (Independent Director)
- (iii) Mrs. Anita Jain, Member (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. There was no change in the Constitution of the Committee during the period under review.

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

1. Oversight of the Company’s financial reporting process and the disclosure of its financial information to ensure that the Financial Statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of Auditors of the Company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditor’s report thereon before submission to the board for approval, with particular reference to:
  - a) Matters required to be included in the Director’s Responsibility Statement to be included in the Board’s report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013.
  - b) Changes, if any, in accounting policies and practices and reasons for the same.
  - c) Major accounting entries involving estimates based on the exercise of judgment by management.
  - d) Significant adjustments made in the financial statements arising out of audit findings.
  - e) Compliance with listing and other legal requirements relating to financial statements.
  - f) Disclosure of any related party transactions.
  - g) Modified opinion(s) in the draft audit report.
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
7. 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. Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans/advances/investments.
21. Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.
22. The Audit Committee shall mandatorily review the following information:
  - a) Management discussion and analysis of financial condition and results of operations;
  - b) Management letters / letters of internal control weaknesses issued by the statutory auditors;
  - c) Internal audit reports relating to internal control weaknesses; and
  - d) The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.
  - e) Statement of deviations:
    - (i) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015.
    - (ii) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015.
23. The Audit Committee shall also have powers, which should include the following:
  - a) To investigate any activity within its terms of reference.
  - b) To seek information 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 SEBI (Listing Obligations and Disclosure Requirements) 2015 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, the Audit Committee met 4 (four) times on 27<sup>th</sup> May, 2022; 12<sup>th</sup> August, 2022; 09<sup>th</sup> November 2022; and 09<sup>th</sup> February, 2023. All the Committee members as well as the Internal & Statutory Auditors of the Company attended all the committee meetings held during the year except Mr. Harbans Lal who had expressed his inability to attend the meeting held on 12<sup>th</sup> August, 2022.

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 Nomination and Remuneration Committee of the Board of Directors is constituted in line with the provisions of Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 and Section 178 of the Companies Act, 2013.

The Nomination and Remuneration Committee consists of 3 (three) Directors as members. All of whom are Non-Executive and Independent Directors including the Chairman of the Committee. There was no change in the Constitution of the Committee during the period under review.

The Nomination and Remuneration Committee comprises of following members:

- (i) Mr. Raj Kumar Bhargava, Chairman (Independent Director)
- (ii) Mr. Harbans Lal, Member (Independent Director)
- (iii) Mrs. Anita Jain, Member (Independent Director)

The Company Secretary acting as Secretary to the Committee.

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

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

- 1A. For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
  - a. use the services of an external agencies, if required;
  - b. consider candidates from a wide range of backgrounds, having due regard to diversity; and
  - c. consider the time commitments of the candidates.
2. Formulation of criteria for performance evaluation of Independent Directors and the Board;
3. Devising a policy on Board diversity;
4. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.
5. Whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors.
6. Recommend to the Board, all remuneration, in whatever form, payable to senior management.
7. To deal with any other matters related and / or incidental to the above or as may be assigned, in addition to the aforesaid by the Board from time to time.

During the year under review, 2 (two) meetings of Nomination and Remuneration Committee were held on 27<sup>th</sup> May, 2022; and 09<sup>th</sup> February, 2023. All the committee members were present at the meeting.

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.

**(C) Stakeholders Relationship Committee:**

The Stakeholders Relationship Committee of the Board of Directors is constituted in line with the provisions of Regulation 20 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 and Section 178 of the Companies Act, 2013.

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

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

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

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 (Ten Thousand) Equity Shares under one folio at a time.

During the year under review, 4 (four) meetings of Stakeholders Relationship Committee were held on 06<sup>th</sup> April, 2022; 04<sup>th</sup> July, 2022, 10<sup>th</sup> October, 2022 and 05<sup>th</sup> January, 2023. All the Committee members attended all the committee meetings held during the year except Mr. Harbans Lal who had expressed his inability to attend the meeting held on 04<sup>th</sup> July, 2022.



Number of Shareholders Complaints received and redressed during the financial year 2022-2023:

Nature of Complaint	Received	Disposed Off	Pending
Non receipt of Dividend	2	2	Nil
Non receipt of Annual Report	0	0	Nil
Transfer, Transmission, Issue of Share Certificate etc.	0	0	Nil
Complaints received through SEBI / Stock Exchange / Depositories	2	2	Nil
<b>TOTAL</b>	<b>4</b>	<b>4</b>	<b>Nil</b>

**8. REMUNERATION TO DIRECTORS:**

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 Non-Executive Director/ Independent Directors do not have any pecuniary relationship or transactions with the Company.

Details of Remuneration paid to Directors during the financial year ended 31<sup>st</sup> March, 2023 is as under:

(Amount in Rs)

Director	Relationship with other Director(s)	Sitting Fees Paid	Salary & Perks	Commission, if any
Mr. Lalit Bhasin	N.A.	80,000	Nil	Nil
Mr. Raj Kumar Bhargava	N.A.	1,90,000	Nil	Nil
Mrs. Anita Jain	N.A.	1,70,000	Nil	Nil
Mr. Harbans Lal	N.A.	1,45,000	Nil	Nil
Mr. Anil Goyal	N.A.	Nil	94,98,400	Nil

The sitting fee for Board and the Committee meetings has been fixed by the Board of Directors within the overall ceiling limits laid down under the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

**9. 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
2021-22	AGM	Video Conferencing ("VC") / other Audio Visual Means ("OAVM")	30.09.2022	12:00 NOON
2020-21	AGM	Video Conferencing ("VC") / other Audio Visual Means ("OAVM")	29.09.2021	11:00 A.M.
2019-20	AGM	Video Conferencing ("VC") / other Audio Visual Means ("OAVM")	29.09.2020	11:00 A.M.

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

S. No.	Subject Matter	AGM Reference and Date of passing
1.	No Special Resolution was passed	27 <sup>th</sup> AGM 30.09.2022
2.	No Special Resolution was passed	26 <sup>th</sup> AGM 29.09.2021
3.	<ul style="list-style-type: none"> <li>Approval of remuneration of Mr. Anil Goyal (DIN: 00001938), Managing Director for the remaining currency of his tenure.</li> <li>Re-appointment of Mrs. Anita Jain (DIN: 00031612), Independent Director of the Company.</li> <li>Alteration of Objects Clause of the Memorandum of Association (MOA) of the Company.</li> </ul>	25 <sup>th</sup> AGM 29.09.2020

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: The Resolution to approve payment of remuneration to Mr. Anil Goyal as Managing Director of the Company was passed through postal ballot. Results of Postal Ballot were declared on April 06, 2023.

IV. Whether any Special Resolution is proposed to be conducted through Postal Ballot: **No**

**10. MEANS OF COMMUNICATION:**

I. **Quarterly Results:** Dissemination through Listing Centre of 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:** [www.hbportfolio.com](http://www.hbportfolio.com)

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

**11. DISCLOSURES:**

I. There have been no materially significant related party transactions, pecuniary transactions or relationships other than those disclosed in the Financial Statements for the financial year ended 31<sup>st</sup> March, 2023 (Refer Note No. 29 of the Financial Statements) forming part of the Financial Statements.

II. No penalty has been imposed nor any restrictions 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. 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 31<sup>st</sup> March, 2023. 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.

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 along with the Chief Financial Officer of the Company have given the Compliance Certificate on the review of Financial Statements, including Cash Flow Statement for the Financial Year ended 31<sup>st</sup> March, 2023 to the Board of Directors as required under Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

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

IX. A compliance certificate on the requirements of Corporate Governance has been received from the Statutory Auditors of the Company, which is annexed and forms an integral part of this report.

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

XI. Total fees paid by the Company and its Subsidiaries, on a consolidated basis, to the Statutory Auditors for the Financial Year 2022-23 is given as under:

(Amount in Rs)

Audit Fees	8,70,000
Tax Audit Fees	75,000
Limited Review Reports	30,000
Certification and others	1,07,790
<b>Total</b>	<b>10,82,790</b>

XII. 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

XIII. The Company has adopted a code of conduct applicable to all Directors and Senior Management Personnel of the Company and the same has been available on the Company's website viz. [www.hbportfolio.com](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.

XIV. Details by the Company and its subsidiary of Loans and advances in the nature of loans to firms/companies in which Directors are interested by name and amount: **Nil**



- XV. 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.
- XVI. There were no proceedings for Corporate Insolvency Resolution Process initiated under the Insolvency and Bankruptcy Code, 2016.

**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.

**12. GENERAL SHAREHOLDER INFORMATION:**
**I. Ensuing Annual General Meeting Date, Time and Venue:**

The ensuing Annual General Meeting of the Company will be held through Video Conferencing (VC) / Other Audio Visual Means (OAVM) on **Saturday, 30th September, 2023 at 12:00 Noon**. The deemed venue of the 28<sup>th</sup> AGM shall be the Registered Office of the Company.

**II. Financial Year:** 1st April, 2022 to 31st March, 2023.

**III. Date of Book Closure:** 24<sup>th</sup> September, 2023 to 30<sup>th</sup> September, 2023.

**IV. Listing on Stock Exchanges:**

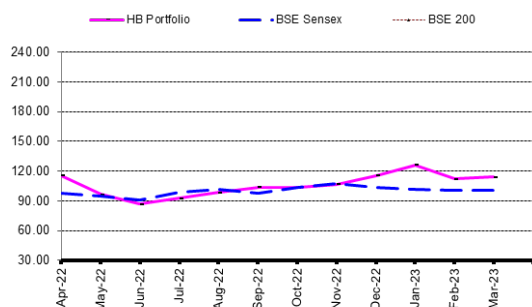
The Company's Equity Shares are listed at BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001. The Annual Listing Fee for the financial year 2023-2024 has been paid to BSE Limited.

**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 BSE Limited is as under:

Month	High Price	Low Price	Close Price	Volume
Apr-22	42.50	32.65	38.10	114582
May-22	39.85	26.00	31.75	35320
Jun-22	33.50	26.25	28.50	31775
Jul-22	33.35	26.35	30.55	24487
Aug-22	36.70	28.50	32.50	83482
Sep-22	38.75	31.60	34.15	77077
Oct-22	38.65	32.55	34.05	34849
Nov-22	38.00	29.15	35.20	37475
Dec-22	43.80	34.00	38.00	87818
Jan-23	49.95	35.65	41.65	138336
Feb-23	47.00	34.00	37.00	75724
Mar-23	44.90	36.00	37.51	52682

**VII. Performance in Broad based Indices:**

**Stock Performance – Absolute Returns:**

	1 Year
HB Portfolio	-1.55
BSE Sensex	3.38
BSE 200	3.38

**VIII. Registrar and Share Transfer Agents:**

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

**IX. Share Transfer System**

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

Share Transfers are registered and returned within a period of fifteen days from the date of receipt, if the documents are clear in all respects. The authority for transfer of shares has been delegated to the 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, 2023 is as under:**

Shareholding of value of Rupees	Shareholders		Shareholding	
	Number	% to total	No. of Shares	% to total
Up to 5000	64489	99.28	1567743	14.56
5001-10000	196	0.30	145538	1.35
10001-20000	109	0.17	156865	1.46
20001-30000	55	0.08	137764	1.28
30001-40000	24	0.04	82354	0.77
40001-50000	17	0.03	78308	0.73
50001-100000	30	0.05	208519	1.94
100001 and above	39	0.06	8387139	77.92
<b>TOTAL</b>	<b>64959</b>	<b>100.00</b>	<b>10764230</b>	<b>100.00</b>

**The category-wise distribution of Shareholders is as follows:**

Category	No. of Shares held	% of Shareholding
<b>A. Promoters Holding</b>		
➤ Indian Promoter	6614245	61.45
<b>B. Public Shareholding (Institutions)</b>		
➤ Mutual Funds	1393	0.01
➤ Foreign Portfolio Investors	0	0
➤ Banks/Financial Institutions	29	0.00
<b>C. Central Government/ State Government(s)/ President of India</b>	529	0.00
<b>D. Public Shareholding (Non Institutions)</b>		
➤ Indian Public	2893184	26.88
➤ Bodies Corporate	334619	3.11
➤ Clearing Members	533	0.00
➤ NRIs	50937	0.47
➤ Trusts	15	0.00
➤ NBFCs	28139	0.26
<b>E. Investor Education &amp; Protection Fund Account</b>	840540	7.82
<b>Total</b>	<b>10764230</b>	<b>100.00</b>

**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, 2023, 1,00,08,380 Equity Shares of the Company are held in Dematerialized form constituting 92.98% of the Company's Subscribed Share Capital.

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



**AUDITOR’S CERTIFICATE ON CORPORATE GOVERNANCE**

To,  
The Members of  
HB Portfolio Limited  
Gurugram

- We have examined the compliance of conditions of Corporate Governance by **HB PORTFOLIO LIMITED** (“the Company”), for the financial year ended on March 31, 2022, 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 during 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 **N. C. AGGARWAL & Co.,**  
Chartered Accountants  
Firm Registration No.: 003273N

Place: Gurugram  
Date: 26<sup>th</sup> May, 2023

Sd/-  
**G. K. AGGARWAL**  
(Partner)  
Membership No.: 086622  
UDIN: 23086622BGVJNT1187

**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  
Gurugram

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 ended **31<sup>st</sup> March, 2023** 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. Raj Kumar Bhargava	00016949	25/07/2001
4	Mrs. Anita Jain	00031612	31/03/2015
5	Mr. Harbans Lal	00076405	17/09/2019

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 : 26<sup>th</sup> May, 2023

Sd/-  
**A.N. Kukreja**  
Proprietor: FCS1070/CP2318  
Peer Review Cert 875/2020  
ICSI Unique Code S1995DE014900  
UDIN: F001070E000383738

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

To,  
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: 26<sup>th</sup> MAY, 2023

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



## INDEPENDENT AUDITORS' REPORT

To  
The Members of HB PORTFOLIO LIMITED

### Report on the Audit of the Standalone Financial Statements

#### Opinion

We have audited the accompanying Standalone Financial Statements of **HB Portfolio Limited** ("the Company"), which comprise the standalone balance sheet as at 31st March 2023, and the standalone statement of profit and loss (including other comprehensive income), standalone statement of cash flows and the standalone statement of changes in equity for the year then ended, and notes to the Standalone Financial Statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Standalone Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013, as amended (the "Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2023, its profit including other comprehensive loss, its cash flows and changes in equity for the year ended on that date.

#### Basis of Opinion

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

#### Key Audit Matters

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

#### Information Other than the Standalone Financial Statements and Auditor's Report Thereon

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

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

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

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

#### Auditors' Responsibility for the Audit of the Standalone Financial Statements

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements for the financial year ended March 31, 2023 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when,



in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the **Annexure 'A'** a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - (c) The standalone Balance Sheet, the standalone Statement of Profit and Loss (including other comprehensive income), the standalone statement of changes in equity and the standalone 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 Indian Accounting Standards (Ind AS) specified under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended.
  - (e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
  - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to **Annexure 'B'**. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
  - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company 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 31<sup>st</sup> March, 2023
    - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
    - iv.
      - (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
      - (b) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the company to or in any other person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
      - (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
    - v. The dividend declared or paid during the year by the Company is in accordance with section 123 of the Act to the extent it applies to payment of dividend.
    - vi. As proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Company only with effect from 1 April 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is not applicable.
  - (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 N.C. AGGARWAL & CO.**  
Chartered Accountants  
Firm Registration No. 003273N

**G. K. Aggarwal**  
Partner  
M. No. 086622  
UDIN:23086622BGVJKJ5213

**PLACE: Gurugram**  
**DATED: 26<sup>th</sup> May, 2023**

**ANNEXURE – A TO THE AUDITORS' REPORT**

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 31<sup>st</sup> March,2023, We Report that:

1.
  - a.
    - (A) The Company is maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment. The Company does not have any right of use assets.
    - (B) The company does not have intangible assets.
  - b. As explained to us, the management during the year has physically verified the Property, Plant and Equipment in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the company and nature of its assets. No material discrepancies were noticed on such physical verification.
  - c. The Company does not have any immovable property.
  - d. The Company has not revalued any of its Property, Plant and Equipment during the year.
  - e. There are no proceedings initiated or are pending against the Company for holding any Benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
2.
  - a. The Company does not have any inventory. Hence, the reporting requirement of para 3(ii)(a) of the order is not applicable to the Company.
  - b. No working capital limit has been sanctioned and availed by the Company. Hence, the reporting requirement of para 3(ii)(b) of the order is not applicable to the Company.
3.
  - a. Since the principle business of the Company is to give loans and make investments, the reporting requirement of para 3(iii)(a) is not applicable.
  - b. In our opinion and according to the information and explanations given to us, the investments made, guarantees provided, security given and the terms and conditions of the grant of all loans and advances in the nature of loans and guarantees, provided during the year are not prejudicial to the Company's interest.
  - c. The schedule of repayment of principal and payment of interest has been stipulated for the loans granted and the repayment/receipts are regular.





- d. According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans given.
- e. Since the principle business of the Company is to give loans and make investments, the reporting requirement of para 3(iii)(e) is not applicable.
- f. The Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.
4. In our opinion and according to the information and explanations given to us, the company has complied with the provision of section 185 and 186 of the Act, with respect to the loans and investment made and guarantee given and security provided, to the extent applicable to the Company.
5. The Company has neither accepted any deposits from the public nor accepted any amount which are deemed to be deposits within the meaning of Sections 73 to 76 of the Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.
6. The nature of the company's business/activities is such that maintenance of Cost Records under section 148(1) of the Companies Act, 2013 is not applicable to the company.
7.
  - a. According to the records of the Company, undisputed statutory dues including Goods and Service Tax, Provident Fund, Employee's State Insurance, Income Tax, Customs Duty, Excise Duty, Value added tax, Cess and other statutory dues to the extent and as applicable to the company have been generally regularly deposited by the company during the year with the appropriate authorities. 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, 2023 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. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961). Hence, the para 3(viii) of the order is not applicable to the Company.
9.
  - a) In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of loan or other borrowing or in the payment of interest thereon to any lender.
  - b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
  - c) According to the records of the Company examined by us and the information and explanation given to us terms loans (vehicle loans) taken by the company were applied for the purpose for which the loan were obtained.
  - d) On an overall examination of the standalone financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.
  - e) On the basis of books and records examined by us, the Company has not taken any funds from any entity or person on account of or to meet the obligation of its subsidiaries or associate. The Company does not have any joint venture.
  - f) On the basis of books and records examined by us and as explained to us, the Company has not raised any loan during the year on the pledge of securities held in its subsidiaries or associates.
10.
  - a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments). Hence, the para 3(x)(a) of the order is not applicable to the Company.
  - b) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or convertible debentures (fully, partly or optionally convertible) during the year. Accordingly, provisions of clause 3 (xiv) of the Order are not applicable to the Company.
11.
  - a) In our opinion and according to the information and explanation given to us, no fraud by the company or on the Company has been noticed or reported during the course of our audit.
  - b) During the year no report under sub-section 12 of section 143 of the Act has been filed in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
  - c) No whistle blower complaints were received by the Company during the year. Hence, the reporting para 3(xi)(c) of the order is not applicable to the Company.
12. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the order is not applicable.
13. According to the information and explanations given to us and based on or examinations of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transaction have been disclosed in the financial statements as required by the applicable accounting standards.
14.
  - a) In our opinion the company has an adequate internal audit system commensurate with the size and the nature of its business.
  - b) We have considered, the internal audit reports for the year under audit, issued to the company during the year and till date, in determining the nature, timing and extent of our audit procedures.
15. According to the information and explanations given to us and based on our examination of the record of the Company, the Company has not entered into non-cash transactions with directors or persons connected with its director. Accordingly, paragraph 3(xv) of the order is not applicable.
16.
  - a) The Company had made application to Reserve Bank of India for registration under Section 45-IA of the Reserve Bank of India Act, 1934 and the registration has not been granted so far. (Refer note no. 34 of standalone financial statements).
  - b) The Company has conducted Non-Banking Financial activities and as stated in para (a) above, the company had made application to Reserve Bank of India for registration under Section 45-IA of the Reserve Bank of India Act, 1934 and the registration has not been granted so far.
  - c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.
  - d) There is no Core Investment Company as a part of the Group. Accordingly, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.
17. The Company has not incurred cash losses in the current year. However, the Company had cash losses of ₹ 42.83 Lakhs in the immediately preceding financial year. For the purpose of reporting under this clause, the amount of 'Other Comprehensive Income' has not been considered.
18. There has been no resignation of the statutory auditor during the year. Hence, the reporting para 3(xviii) of the order is not applicable to the Company.
19. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, the our knowledge of the Board of Directors and Management plans and based on our examination of evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date to the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company and when they fall due.
20. In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Companies Act, 2013 pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

**FOR N.C. AGGARWAL & CO.**  
**Chartered Accountants**  
**Firm Registration No. 003273N**

**G. K. Aggarwal**  
**Partner**  
**M. No. 086622**  
**UDIN:23086622BVGJKJ5213**

**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 31<sup>st</sup> March 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

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

**Auditors' Responsibility**

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

**Meaning of Internal Financial Controls over Financial Reporting**

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

**Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2023, 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 N.C. AGGARWAL & CO.**  
Chartered Accountants  
Firm Registration No. 003273N

**G. K. Aggarwal**  
Partner

M. No. 086622

UDIN:23086622BGVJKJ5213

PLACE: Gurugram  
DATED: 26<sup>th</sup> May, 2023


**STANDALONE BALANCE SHEET AS AT 31ST MARCH, 2023**

Particulars	Notes	Amount (Rs. in Lakhs)	
		As at 31st March, 2023	As at 31st March, 2022
<b>I. ASSETS</b>			
<b>Financial Assets</b>			
a. Cash and cash equivalents	4	147.74	262.58
b. Bank balances other than (a) above	5	15.92	18.08
c. Loans	6	910.00	850.00
d. Investments	7	14,542.71	15,821.69
e. Other Financial Assets	8	379.38	423.35
<b>Non-Financial Assets</b>			
a. Current tax assets (Net)	9	32.09	29.31
b. Deferred tax assets (Net)	10	30.82	6.69
c. Property, Plant and Equipment	11	136.45	162.44
d. Other non-financial assets	12	54.92	44.26
<b>TOTAL ASSETS</b>		<b>16,250.03</b>	<b>17,618.40</b>
<b>II. LIABILITIES AND EQUITY</b>			
<b>LIABILITIES</b>			
<b>Financial Liabilities</b>			
a. Borrowings	13	77.57	96.43
b. Other financial liabilities	14	28.23	38.83
<b>Non-Financial Liabilities</b>			
a. Provisions	15	27.32	30.13
b. Other non-financial liabilities	16	3.65	5.55
<b>Equity</b>			
a. Equity Share Capital	17	1,103.79	1,103.79
b. Other Equity	18	15,009.47	16,343.67
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>16,250.03</b>	<b>17,618.40</b>
Significant accounting policies and notes to the standalone financial statements	1-48		

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

FOR N. C. AGGARWAL & CO.  
CHARTERED ACCOUNTANTS  
Firm Registration Number : 003273N

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

Sd/-  
G. K. AGGARWAL  
PARTNER  
Membership No. : 086622

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

Sd/-  
LALIT BHASIN  
(DIRECTOR)  
DIN: 00002114

Place: Gurugram  
Date : 26th May, 2023

Sd/-  
ASHOK KUMAR  
(CHIEF FINANCIAL OFFICER)

Sd/-  
MOHIT CHAUHAN  
(COMPANY SECRETARY)  
(M. No.: ACS-53839)

**STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2023**

Note	Amount (Rs.in Lakhs)	
	For the Year ended 31 March 2023	For the Year ended 31 March 2022
<b>INCOME</b>		
<b>Revenue from operations</b>		
(i) Interest Income	19	89.29
(ii) Dividend Income	20	437.79
(iii) Net Gain on fair value change		0.03
(iv) Sale of Commodities	21	666.77
<b>I Total Revenue from operations</b>		<b>1,193.88</b>
II Other Income	22	-
<b>III Total income (I+II)</b>		<b>1,193.88</b>
<b>EXPENSES</b>		
(i) Finance costs	23	6.24
(ii) Purchase of Stock-in-Trade	24	673.11
(iii) Employee benefits expenses	25	150.42
(iv) Depreciation and amortisation	11	26.50
(v) Others expenses	26	64.65
(vi) Contingent Provision against Standard Assets		(1.13)
<b>IV Total expenses (IV)</b>		<b>919.79</b>
<b>V Profit/ (loss) before tax (III-IV)</b>		<b>274.09</b>
<b>VI Tax expense</b>		
(i) Current tax		51.06
(ii) Deferred tax (credit) / charge		(0.01)
<b>Total tax expense (VI)</b>		<b>51.05</b>
<b>VII Profit for the year (V-VI)</b>		<b>223.04</b>
<b>VIII Other comprehensive income</b>		
Items that will not be reclassified to profit or loss		
- Remeasurements of defined benefit plans		3.52
- Changes in Fair Value of Investments carried at FVTOCI	27	
-Realised gain		125.42
-Unrealised gain/ (loss)		(1,624.19)
- Income tax relating to above mentioned item		24.12
<b>Other comprehensive income for the year, net of tax</b>		<b>(1,471.13)</b>
<b>Total comprehensive income for the year (VII +VIII)</b>		<b>(1,248.09)</b>
<b>IX Earnings per equity share of face value of Rs. 10 each (previous year Rs. 10 each)</b>	28	
Basic (Rs.)		2.07
Diluted (Rs.)		2.07
Significant accounting policies and notes to the standalone financial statements	1-48	

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

FOR N. C. AGGARWAL & CO.  
CHARTERED ACCOUNTANTS  
Firm Registration Number : 003273N

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

Sd/-  
G. K. AGGARWAL  
PARTNER  
Membership No. : 086622

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

Sd/-  
LALIT BHASIN  
(DIRECTOR)  
DIN: 00002114

Place: Gurugram  
Date : 26th May, 2023

Sd/-  
ASHOK KUMAR  
(CHIEF FINANCIAL OFFICER)

Sd/-  
MOHIT CHAUHAN  
(COMPANY SECRETARY)  
(M. No.: ACS-53839)


**STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2023**

Particulars	Amount (Rs. in Lakhs)	
	For the year ended 31 March 2023	For the year ended 31 March 2022
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before tax	274.09	(56.41)
<b>Adjustment for :</b>		
Depreciation	26.50	13.58
<b>Operating profit before working capital changes</b>	<b>300.59</b>	<b>(42.83)</b>
<b>Working capital changes</b>		
(Increase)/ decrease in loans	(60.00)	(650.00)
(Increase)/ decrease in other financial assets	46.13	(58.21)
(Increase)/ decrease in other non-financial assets	(10.66)	(8.49)
Increase /(decrease) in other financial liabilities and payable	(9.90)	6.27
Increase /(decrease) in other non financial liabilities	(1.90)	1.24
<b>Cash Flows before OCI and Tax</b>	<b>264.26</b>	<b>(752.02)</b>
Income Tax paid	(53.84)	(17.18)
<b>NET CASH FLOW FROM/ (USED) OPERATING ACTIVITIES</b>	<b>210.42</b>	<b>(769.20)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Property, Plant and Equipment	(0.51)	(152.52)
Purchase of Investments	(991.08)	(1,591.89)
Sale of Investments	771.28	2,599.28
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>(220.30)</b>	<b>854.87</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Borrowings	(18.85)	96.43
Dividend paid	(86.11)	-
<b>NET CASH USED IN FINANCING ACTIVITIES</b>	<b>(104.96)</b>	<b>96.43</b>
<b>NET INCREASE/ DECREASE IN CASH &amp; CASH EQUIVALENTS (A+B+C)</b>	<b>(114.84)</b>	<b>182.10</b>
<b>OPENING CASH AND CASH EQUIVALENTS</b>	<b>262.58</b>	<b>80.48</b>
<b>CLOSING CASH AND CASH EQUIVALENTS</b>	<b>147.74</b>	<b>262.58</b>

**Note:**

- Cash Flow Statement has been prepared under indirect method as set out in IND AS-7 (Cash Flow Statement)
- Cash and Cash Equivalents consist of cash in hand balances with banks.

**Change in Liability arising from Financing Activities**

Particulars	Borrowings (Refer Note No. 13)
Balance as on 1st April 2021	-
Proceeds/ Repayments of borrowing	96.43
Non cash change (Fair Value)	-
Balance as on 31st March 2022	96.43
Balance as on 1st April 2022	96.43
Proceeds/ Repayments of borrowing	(18.85)
Non cash change (Fair Value)	-
Balance as on 31st March 2023	77.57

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

As Per our Report of even date attached

FOR N. C. AGGARWAL & CO.  
CHARTERED ACCOUNTANTS  
Firm Registration Number : 003273N

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

Sd/-  
G. K. AGGARWAL  
PARTNER  
Membership No. : 086622

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

Sd/-  
LALIT BHASIN  
(DIRECTOR)  
DIN: 00002114

Place: Gurugram  
Date : 26th May, 2023

Sd/-  
ASHOK KUMAR  
(CHIEF FINANCIAL OFFICER)

Sd/-  
MOHIT CHAUHAN  
(COMPANY SECRETARY)  
(M. No.: ACS-53839)


**STANDALONE STATEMENT OF CHANGES IN EQUITY**
**a. Equity Share Capital**

	Number of Shares	(Rs. In Lakhs)
<b>As at 01<sup>st</sup> April, 2021</b>	1,07,64,230	1,076.42
Changes in Equity share capital during the year	-	-
<b>As at 31<sup>st</sup> March, 2022</b>	1,07,64,230	1,076.42
Changes in Equity share capital during the year	-	-
<b>As at 31<sup>st</sup> March, 2023</b>	<u>1,07,64,230</u>	<u>1,076.42</u>

**b. Other Equity**
**Amount (Rs. In Lakhs)**

	Reserves and surplus				Other Comprehensive Income		Total
	General Reserve	Statutory Reserve	Securities Premium	Retained Earnings	Equity Instruments through other comprehensive income	Other items of Other comprehensive income - Remeasurement gain/ (losses) on defined benefit plan	
<b>Balance as at 01<sup>st</sup> April, 2021</b>	3,142.53	2,061.21	3,676.10	3,226.08	(151.60)	17.15	<b>11,971.48</b>
Profit for the year	-	-	-	(55.12)	-	-	<b>(55.12)</b>
Other comprehensive income (net of tax)	-	-	-	-	4,443.03	-	<b>4,443.03</b>
Transferred to Statutory Reserve	-	189.50	-	(189.50)	-	-	-
Transfer of Realised gain on sale of instruments through FVTOCI	-	-	-	1,002.60	(1,002.60)	-	-
Remeasurement gain/ (losses) on defined benefit plan	-	-	-	-	-	(15.72)	<b>(15.72)</b>
<b>Balance as at 31<sup>st</sup> March, 2022</b>	<b>3,142.53</b>	<b>2,250.71</b>	<b>3,676.10</b>	<b>3,984.06</b>	<b>3,288.83</b>	<b>1.44</b>	<b>16,343.67</b>
<b>Balance as at 01<sup>st</sup> April 01, 2022</b>	3,142.53	2,250.71	3,676.10	3,984.06	3,288.83	1.44	16,343.67
Profit for the year	-	-	-	223.04	-	-	223.04
Other comprehensive income (net of tax)	-	-	-	-	(1,474.65)	-	<b>(1,474.65)</b>
Interim Dividend paid during the year	-	-	-	(86.11)	-	-	(86.11)
Transfer of Realised gain on sale of instruments through FVTOCI	-	-	-	125.42	(125.42)	-	-
Remeasurement gain/ (losses) on defined benefit plan	-	-	-	-	-	3.52	3.52
<b>Balance as at 31<sup>st</sup> March, 2023</b>	<b>3,142.53</b>	<b>2,250.71</b>	<b>3,676.10</b>	<b>4,246.41</b>	<b>1,688.76</b>	<b>4.96</b>	<b>15,009.47</b>

Significant accounting policies and notes to the Standalone Financial Statements

1-48

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

 FOR N. C. AGGARWAL & CO.  
 CHARTERED ACCOUNTANTS  
 Firm Registration Number : 003273N

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

 Sd/-  
 G. K. AGGARWAL  
 PARTNER  
 Membership No. : 086622

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

 Sd/-  
 LALIT BHASIN  
 (DIRECTOR)  
 DIN: 00002114

 Place: Gurugram  
 Date : 26th May, 2023

 Sd/-  
 ASHOK KUMAR  
 (CHIEF FINANCIAL OFFICER)

 Sd/-  
 MOHIT CHAUHAN  
 (COMPANY SECRETARY)  
 (M. No.: ACS-53839)



NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

1. Company Information / Overview

The Company is a Public Limited Company incorporated and domiciled in India having its registered office at Gurugram, India. The Company is engaged in the activities/business of Investment and financial services. During the year the company has also started the business of trading in commodities. The Equity Shares of the Company are listed at BSE Limited.

2. Basis of preparation of financial statements

(A) Compliance with Ind As

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

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

(B) Presentation of financial statements

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

(C) Basis of preparation

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

3. Significant Accounting Policies

3.1 Use of estimates and judgement

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

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

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

A) Effective Interest Rate (EIR) Method

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

B) Impairment of loans portfolio

The measurement of impairment losses across all categories of financial assets requires judgement, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different levels of allowances. It has been the Company's policy to regularly review its models in the context of actual loss experience and adjust when necessary.

C) Defined employee benefit assets and liabilities

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

D) Fair value measurement:

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

E) Other Estimates:

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

3.2 Financial Instruments

A) Initial Recognition and measurement

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

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

B) Classification and Subsequent measurement of financial assets-

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

a. Amortised Cost

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

b. FVOCI- debt instruments

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

c. FVOCI- equity instruments

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

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

d. FVTPL

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

Subsequent Measurement of financial assets

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

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

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

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

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

C. Financial Liabilities and equity instruments

Classification as debt or equity

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

Equity Instruments

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



**Financial Liabilities**

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

**D. Derecognition**

**Financial Assets**

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

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

**Financial liabilities**

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

**E. Offsetting**

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

**F. Impairment**

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

**3.3 Cash and cash equivalents**

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

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

**3.4 Property, plant and equipments (PPE)**

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

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

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

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

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

Particulars	Useful life
Furniture & fixture	10 years
Office equipment	5 years
Computer	3 years
Vehicles	8 years

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

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

**3.5 Intangible assets :**

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

**3.6 Impairment of assets other than financial assets :**

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

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

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

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

**3.7 Investments in subsidiaries and associates :**

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

**3.8 Provisions :**

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

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

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

When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

**3.9 Revenue recognition**

**A) Recognition of interest income on loans**

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

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

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

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

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

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

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

**B) Fees and commission income :**

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



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

**C) Dividend and interest income on investments :**

- Dividends are recognised in Statement of profit and loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company and the amount of the dividend can be measured reliably.
- Interest income from investments is recognised when it is certain that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

**3.10 Employee Benefits :**

**A) Short-term employee benefits**

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

**B) Contribution to provident fund**

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

**C) Gratuity**

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

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Statement of profit and loss. Liability for Gratuity is funded with Life India Corporation of India.

**Remeasurement gains/ losses-**

Remeasurement of defined benefit plans, comprising of actuarial gains / losses, return on plan assets excluding interest income are recognised immediately in the balance sheet with corresponding debit or credit to Other Comprehensive Income (OCI). Remeasurements are not reclassified to Statement of profit and loss in the subsequent period.

Remeasurement gains or losses on long-term compensated absences that are classified as other long-term benefits are recognised in Statement of profit and loss.

**D) Superannuation fund**

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

**E) Leave encashment / compensated absences**

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

**3.11 Finance costs**

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

**3.12 Taxation - Current and deferred tax:**

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

**A) Current tax :**

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

**B) Deferred tax :**

Deferred tax assets and liabilities are recognized for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases. Deferred tax liabilities and assets are measured

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

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

**3.13 Leases**

**As a lessee**

The Company has applied Ind AS 116 with effect from 1 April 2019, which replaces the existing lease standard, Ind AS 17 Leases and other Interpretations. The Company has applied Ind AS 116 using the modified retrospective approach and has accordingly not restated the comparative information. The Company at the inception of a contract, assesses whether a contract, is or contains a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. A lessee recognises a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments.

The Company has elected not to recognise right-of-use of assets and lease liabilities for short term leases that have a lease term of 12 months or less and leases of low value assets. The Company recognises the lease payments associated with these leases as an expense on a straight line basis over the lease term.

**3.14 Provisions and Contingent Liabilities**

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

A disclosure for contingent liabilities is made where there is a possible obligation or a present obligation that may probably not require an outflow of resources. When there is a possible or a present obligation where the likelihood of outflow of resources is remote, no provision or disclosure is made.

**3.15 Exceptional items**

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

**3.16 Earning per share**

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

**3.17 Recent accounting development**

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standard) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standard) Amendments Rules, 2023, as below:

- a) -Ind AS -1 Presentation of Financial Statements - This amendments requires the entities to disclose their material accounting policies rather than their significant accounting policies. The effective date of adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendments and the impact of the amendment is insignificant in the standalone financial statements.
- b) -Ind AS - 8 Accounting Policies, Changes in Accounting Estimates and Errors - This amendments has introduced a definition of 'Accounting Estimates' and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The effective date for adoption of this amendments is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendments and there is no impact on its standalone financial statements.
- c) -Ind AS 12-Income Taxes-This amendment has narrowed the scope of initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and there is no impact on its standalone financial statements.



**NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2023**
**4. CASH AND CASH EQUIVALENTS**

Amount (Rs. in Lakhs)

Particulars	Amount (Rs. in Lakhs)	
	As at 31st March, 2023	As at 31st March, 2022
a) Cash on Hand	10.00	9.70
b) <b>Balance with Banks</b>		
- In current account	137.74	252.88
<b>Total</b>	<b>147.74</b>	<b>262.58</b>

**5. BANK BALANCES OTHER THAN ABOVE**

Amount (Rs. in Lakhs)

Particulars	Amount (Rs. in Lakhs)	
	As at 31st March, 2023	As at 31st March, 2022
<b>Earmarked balances with banks-</b>		
- Unclaimed dividend accounts	15.92	18.08
<b>Total</b>	<b>15.92</b>	<b>18.08</b>

**6. LOANS**

Amount (Rs. in Lakhs)

Particulars	Amount (Rs. in Lakhs)	
	As at 31st March, 2023	As at 31st March, 2022
<b>A) Loans (at amortised cost) :</b>		
Inter Corporate Loans - Standard	910.00	850.00
<b>Total (Gross)</b>	<b>910.00</b>	<b>850.00</b>
Less: Impairment loss allowance	-	-
<b>Total (Net)</b>	<b>910.00</b>	<b>850.00</b>
<b>B) i) Secured by Tangible Assets</b>		
ii) Unsecured	910.00	850.00
<b>Total (Gross)</b>	<b>910.00</b>	<b>850.00</b>
Less: Impairment loss allowance	-	-
<b>Total (Net)</b>	<b>910.00</b>	<b>850.00</b>

Particulars	Amount (Rs. in Lakhs)	
	As at 31st March, 2023	As at 31st March, 2022
<b>C) i) Loans in India</b>		
a) Public Sector	-	-
b) Others	910.00	850.00
<b>Total (Gross)</b>	<b>910.00</b>	<b>850.00</b>
Less: Impairment loss allowance	-	-
<b>Total (Net) -C (i)</b>	<b>910.00</b>	<b>850.00</b>
<b>ii) Loans outside India</b>		
Less: Impairment loss allowance	-	-
<b>Total (Net) -C (ii)</b>	<b>-</b>	<b>-</b>
<b>Total (Net) -C ( i + ii)</b>	<b>910.00</b>	<b>850.00</b>

**Credit Quality of Assets**

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

Amount (Rs. in Lakhs)

Particulars	Amount (Rs. in Lakhs)	
	As at 31st March, 2023	As at 31st March, 2022
Low credit risk- <b>Stage I</b>	910.00	850.00
Significant increase in credit risk- <b>Stage II</b>	-	-
Credit impaired- <b>Stage III</b>	-	-
	<b>910.00</b>	<b>850.00</b>

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

**7. INVESTMENTS**

Amount (Rs. in Lakhs)

Particulars	Face Value	As at 31st March, 2023		As at 31st March, 2022		
		(Rs.)	Qty.(Nos.)	Amount	Qty.(Nos.)	Amount
		<b>A. Investment in Equity Instruments</b>				
<b>A.1 -Quoted Instrument fully paid up Equity Shares(At FVTOCI)</b>						
1 Aditya Birla Fashion and Retail Ltd.	10	45	0.10	45	0.14	
2 Avadh Sugar & Energy Ltd.	10	4,469	19.45	-	-	
3 CESC Ltd	1	20,000	13.31	20,000	15.17	
4 CG Power and Industrial Solutions Ltd.	2	75,000	225.04	75,000	142.09	
5 CMI Ltd.	10	5,000	0.48	5,000	1.53	
6 DCB Bank Ltd.	10	-	-	10,000	6.94	
7 DCM Shriram Industries Ltd	2	60,21,756	3,735.90	62,05,984	5,712.61	
8 GMR Power and Urban Infra Ltd.	5	-	-	50,000	16.80	
9 HB Estate Developers Ltd	10	21,04,317	720.10	21,04,317	373.52	
10 Himatsingka Seide Ltd.	5	-	-	1,550	2.33	
11 IRB Infrastructure Ltd.	1(10)	2,00,000	50.24	20,000	50.25	
12 ITC Ltd.	1	25,000	95.86	25,000	62.66	
13 Jaiprakash Associates Ltd.	2	1,08,17,113	750.71	95,57,113	793.24	
14 Jaiprakash Power Venture Ltd.	10	7,50,000	41.55	-	-	
15 Life Insurance Corporation of India	10	11,500	61.48	-	-	
16 Nureca Ltd.	10	326	0.98	1,750	23.94	
17 Parag Milk Foods Ltd	10	43,000	31.24	-	-	
18 Power Finance Corporation Ltd.	10	-	-	7,200	8.11	
19 Punjab National Bank	2	2,50,000	116.78	-	-	



Particulars		Face Value	As at 31st March, 2023		As at 31st March, 2022	
			(Rs.)	Qty.(Nos.)	Amount	Qty.(Nos.)
20	Reliance Industries Ltd.	10	700	16.32	700	18.44
21	Reliance Infrastructure Ltd.	10	50,000	72.08	-	-
22	Reliance Power Ltd.	10	4,00,000	39.76	5,00,000	67.50
23	Patanjali Foods Ltd.	2	2,500	24.22	-	-
24	Surya Roshni	1	-	-	11,000	45.48
25	Vardhman Textiles Ltd.	10	-	-	25,000	109.00
26	Zee Entertainment Enterprises Ltd.	1	60,000	127.02	-	-
<b>Total (A.1)</b>			<b>2,08,40,726</b>	<b>6,142.62</b>	1,86,19,659	7,449.74
<b>A.2</b>	<b>-Unquoted Fully Paid up Equity Shares</b>					
<b>A.2.1</b>	<b>- In Subsidiary Companies (At Cost)</b>					
1	HB Securities Ltd.(Wholly Owned Subsidiary)	10	82,07,570	990.76	82,07,570	990.76
2	HB Corporate Services Ltd.	10	42,57,478	524.90	42,57,478	524.90
3	Taurus Asset Management Co. Ltd.	10	1,69,31,176	3,698.95	1,69,31,176	3,698.95
4	Taurus Investment Trust Co. Ltd.	10	78,850	23.06	78,850	23.06
<b>Total (A.2.1)</b>			<b>2,94,75,074</b>	<b>5,237.67</b>	2,94,75,074	5,237.67
<b>A.2.2</b>	<b>-In Other Companies (At FVTOCI)</b>					
1	QR Properties Pvt. Ltd.	10	4,500	42.85	4,500	42.63
2	RRB Securities Ltd.	10	2,00,000	60.63	2,00,000	60.63
3	Kesoram Textile Ltd.	10	49,699	3.57	49,699	3.57
4	Harsai Investments Limited	10	2,00,000	27.80	2,00,000	25.40
<b>Total (A.2.3)</b>			<b>4,54,199</b>	<b>134.85</b>	4,54,199	132.23
<b>Total A</b>			<b>5,07,69,999</b>	<b>11,515.14</b>	4,85,48,932	12,819.64
<b>B.</b>	<b>Investment in Preference Shares - Unquoted (At FVTOCI)</b>					
1	HB Estate Developers Ltd.- 9% Redeemable Non-Convertible Non-Cumulative Preference Shares-Series III	100	20,00,000	2,000.00	20,00,000	2,000.00
2	HB Estate Developers Ltd.- 9% Redeemable Non-Convertible Non-Cumulative Preference Shares-Series II	100	8,00,000	800.00	8,00,000	800.00
3	HB Securities Ltd.- (Wholly Owned Subsidiary) 0% Fully Convertible Preference Shares	1,000	20,000	200.00	20,000	200.00
<b>Total B</b>			<b>28,20,000</b>	<b>3,000.00</b>	28,20,000	3,000.00
<b>C.</b>	<b>Investment in Mutual Fund (At FVTPL)</b>					
1	DSP Mutual Fund 1D Rate Liquid ETF		1,268	12.68	-	-
2	Nippon India Mutual Fund ETF Liquid BeSE		1,284	12.84	-	-
3	SBI Multipliers		500	0.05	500	0.05
4	Taurus Mutual Fund - CORPUS		-	2.00	-	2.00
<b>Total C</b>			<b>3,052</b>	<b>27.57</b>	500	2.05
<b>Total Investments (A+B+C)</b>			<b>5,35,93,051</b>	<b>14,542.71</b>	5,13,69,432	15,821.69
Total Investment at FVTOCI			<b>2,41,14,925</b>	<b>9,277.47</b>	2,18,93,858	10,581.97
Total Investment at FVTPL			<b>3,052</b>	<b>27.57</b>	500	2.05
Total Investment at Cost			<b>2,94,75,074</b>	<b>5,237.67</b>	2,94,75,074	5,237.67

Amount (Rs. in Lakhs)

	As at 31st March 2023	As at 31st March 2022
Aggregate cost of quoted investment	4,572.00	4,252.35
Carrying amount/ fair value of quoted investment	6,142.62	7,449.74
Aggregate cost of unquoted investment	8,489.28	8,463.74

Notes: -

- All above investments are in India itself
- Shares/ units of Mutual Funds having fair value of Rs. 25.52 Lakhs (Previous Year Rs. Nil) were Lying Pledged/Given as Margin as at the Year end.

**8. OTHER FINANCIAL ASSETS**

Amount (Rs. in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Security Deposit*	345.08	345.08
Interest accrued on loans / Inter Corporate Deposits	32.59	29.52
Claim Recoverable-Doubtful	17.27	17.27
Less: Provision for doubtful recoverable	(17.27)	(17.27)
Other Receivable**	1.71	48.75
<b>Total</b>	<b>379.38</b>	<b>423.35</b>

(\*) Includes Rental Deposits given to related Party namely HB Estate Developers Ltd. Rs. 345.00/- Lakh (Previous Year Rs. 345.00/- Lakh)

(\*\*) Includes Advances given to related Party namely RRB Master Securities Delhi Ltd. Rs. Nil (Previous Year, Rs. 20.00/- Lakhs)

**9. CURRENT TAX ASSETS (NET)**

Amount (Rs. in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
TDS/ TCS recoverable and Income Tax refundable (Net of provision for Income Tax of Rs. 51.06/- Lakh (Previous Year - Rs. 8.21/- Lakh)	32.09	29.31
<b>Total</b>	<b>32.09</b>	<b>29.31</b>

**The components of income tax expenses**

Amount (Rs. in Lakhs)

Particulars	For the Year ended 31st March, 2023	For the Year ended 31st March, 2022
Current tax	51.06	-
Adjustments in respect of current income tax of prior years	-	-
Deferred tax relating to origin and reversal of temporary differences	(0.01)	(1.29)
<b>Income tax expense reported in statement of profit and loss</b>	<b>51.05</b>	<b>(1.29)</b>
<b>Income tax recognised on other comprehensive income (OCI)</b>		
Deferred tax related to items recognised in OCI during the period:		
- Remeasurement of defined benefit plans		
- relating to unrealised loss	24.12	-
Income tax on realised gain on sale of equity instruments at FVTOCI	-	(8.23)
<b>Income tax charged to OCI</b>	<b>24.12</b>	<b>(8.23)</b>

**Reconciliation of the total tax charge**

The tax charge shown in the Statement of Profit and Loss differ from the tax charge that would apply if all the profits had been charged at India corporate tax rate. A reconciliation between the tax expense and the accounting profit multiplied by India's domestic tax rate for the year ended 31<sup>st</sup> March, 2023 and year ended 31<sup>st</sup> March, 2022 is, as follows:

Amount (Rs. in Lakhs)

Particulars	For the Year ended 31st March, 2023	For the Year ended 31st March, 2022
Accounting profit before tax	274.09	(56.41)
Applicable Statutory Enacted Income Tax Rate	25.168%	25.168%
Computed Tax Expenses	68.98	(14.20)
- Income not taxable/ exempt from tax	(21.67)	-
- Amount on which no assets is created	-	-
- Other Non deductible expenses	3.74	(1.29)
<b>Income tax expense reported in the Statement of Profit and Loss</b>	<b>51.05</b>	<b>(1.29)</b>

**10. DEFERRED TAX ASSETS/ LIABILITIES (NET)**

Amount (Rs. in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
<b>Deferred Tax Assets</b>		
Leave Encashment/ Gratuity	6.30	6.73
Difference between WDV of block of assets as per Income Tax and WDV of Fixed Assets as per books	0.40	-
Financial Assets carried at fair valued through Other Comprehensive Income	24.12	-
<b>(A)</b>	<b>30.82</b>	<b>6.73</b>
<b>Deferred Tax Liabilities</b>		
Difference between WDV of block of assets as per Income Tax and WDV of Fixed Assets as per books	-	0.04
<b>(B)</b>	<b>-</b>	<b>0.04</b>
<b>Net Deferred Tax Assets (A - B)</b>	<b>30.82</b>	<b>6.69</b>

**11. PROPERTY, PLANT & EQUIPMENT**

Amount (Rs. in Lakhs)

Particulars	Furniture & Fixtures	Vehicles	Office Equipment	Data Processing Machine	Total
<b>GROSS BLOCK</b>					
<b>As at 1st April, 2021</b>	<b>0.97</b>	<b>64.90</b>	<b>2.78</b>	<b>2.93</b>	<b>71.58</b>
<b>Additions during the year</b>	<b>-</b>	<b>151.03</b>	<b>-</b>	<b>1.49</b>	<b>152.52</b>
Deletions during the year	-	-	-	-	-
<b>As at 31st March, 2022</b>	<b>0.97</b>	<b>215.93</b>	<b>2.78</b>	<b>4.42</b>	<b>224.10</b>
<b>Additions during the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.51</b>	<b>0.51</b>
Deletions during the year	-	-	-	-	-
<b>As at 31st March 2023</b>	<b>0.97</b>	<b>215.93</b>	<b>2.78</b>	<b>4.93</b>	<b>224.61</b>
<b>ACCUMULATED DEPRECIATION</b>					
<b>As at 1st April, 2021</b>	<b>0.39</b>	<b>42.64</b>	<b>2.64</b>	<b>2.41</b>	<b>48.08</b>
Additions during the year	0.06	13.08	-	0.44	13.58
Adjustment during the year	-	-	-	-	-
<b>As at 31st March, 2022</b>	<b>0.45</b>	<b>55.72</b>	<b>2.64</b>	<b>2.85</b>	<b>61.66</b>
Additions during the year	0.09	25.65	-	0.75	26.50
Adjustment during the year	-	-	-	-	-
<b>As at 31st March, 2023</b>	<b>0.54</b>	<b>81.37</b>	<b>2.64</b>	<b>3.60</b>	<b>88.16</b>
<b>NET BLOCK</b>					
<b>Net Block as at 31st March, 2023</b>	<b>0.43</b>	<b>134.55</b>	<b>0.14</b>	<b>1.33</b>	<b>136.45</b>
<b>Net Block as at 31st March, 2022</b>	<b>0.52</b>	<b>160.21</b>	<b>0.14</b>	<b>1.57</b>	<b>162.44</b>

**12. OTHER NON FINANCIAL ASSETS**

Amount (Rs. in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Prepaid Expenses	1.18	0.22
GST Recoverable	53.74	44.04
<b>Total</b>	<b>54.92</b>	<b>44.26</b>

**13. BORROWINGS**

Amount (Rs. in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
<b>(A) In India</b>		
<b>At amortised cost:</b>		
<b>Term Loan From Bank</b>		
Vehicle Loan from HDFC Bank (Refer Note No. 13.1)	40.39	49.72
Vehicle Loan from HDFC Bank (Refer Note No. 13.2)	37.18	46.70
Outside India	-	-
	<b>77.57</b>	<b>96.43</b>
<b>(B) Out of above</b>		
Secured against Hypothecation of Vehicle financed	77.57	96.43
Unsecured	-	-
<b>Total</b>	<b>77.57</b>	<b>96.43</b>

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

	0-1 Years	1-2 Years	2-3 Years	3 & above
- Vehicle Loan from HDFC Bank	10.01	10.74	11.51	8.13
- Vehicle Loan from HDFC Bank	10.23	11.00	11.82	4.13

**Note :**

**13.1** Note 13.1: - Vehicle Loan from HDFC bank is secured against vehicle financed. The Rate of interest is 7.00% P.A. The amount is repayable in 60 monthly instalments. The last instalment is due in November, 2026.

**13.2** Note 13.2: - Vehicle Loan from HDFC bank is secured against vehicle financed. The Rate of interest is 7.20% P.A. The amount is repayable in 60 monthly instalments. The last instalment is due in July, 2026.

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

**14. OTHER FINANCIAL LIABILITIES** Amount (Rs. in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Unclaimed Dividend*	15.92	18.08
Expense payable	12.31	20.75
<b>Total</b>	<b>28.23</b>	<b>38.83</b>

(\*) No amount was due for transfer to investor education and protection fund as on 31st March, 2023

**15. PROVISIONS** Amount (Rs. in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
<b>Provision for Employee Benefits</b>		
Leave Encashment	17.58	17.87
Gratuity	7.46	8.86
<b>Others</b>		
Contingent Provision against Standard Assets	2.28	3.40
<b>Total</b>	<b>27.32</b>	<b>30.13</b>

**16. OTHER NON-FINANCIAL LIABILITIES** Amount (Rs. in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Statutory Dues Payable	3.65	5.55
<b>Total</b>	<b>3.65</b>	<b>5.55</b>

**17. EQUITY SHARE CAPITAL** Amount (Rs. in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
<b>a. Authorised:</b>		
2,00,00,000 Equity shares of Rs. 10/- each	2,000.00	2,000.00
2,00,00,000 Redeemable Preference Shares of Rs. 10/- each	2,000.00	2,000.00
<b>Total</b>	<b>4,000.00</b>	<b>4,000.00</b>
<b>b. Issued</b>		
1,15,93,531 Equity Shares of Rs. 10/- Each	1,159.35	1,159.35
<b>Total</b>	<b>1,159.35</b>	<b>1,159.35</b>
<b>c. Subscribed and Paid up</b>		
1,07,64,230 Equity Shares Of Rs. 10/- Each fully paid up	1,076.42	1,076.42
	1,076.42	1,076.42
Add: Forfeited shares- 8,29,301(8,29,301) Equity Shares (Other than Directors)	27.37	27.37
<b>Total</b>	<b>1,103.79</b>	<b>1,103.79</b>

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

Particulars	Number of Shares	Amount Rs. in Lakhs
<b>As At 01<sup>st</sup> April, 2021</b>	<b>1,07,64,230</b>	<b>1,076.42</b>
Issued during the year	-	-
<b>As At 31<sup>st</sup> March, 2022</b>	<b>1,07,64,230</b>	<b>1,076.42</b>
Issued during the year	-	-
<b>As At 31<sup>st</sup> March, 2023</b>	<b>1,07,64,230</b>	<b>1,076.42</b>

**e. Terms / Rights attached to the Equity Shares**

Issued Share capital of the Company has only one class of shares referred to as equity shares having Par value of Rs. 10/. Each holder of Equity Shares is entitled to One vote per share. In the event of the Liquidation of the company, the holder of equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all Preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders. The holders of equity shares are entitled to dividends, if any, proposed by the Board of Directors and approved by shareholders at the Annual General Meeting.

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

Particulars	As at 31st March, 2023		As at 31st March, 2022	
	Number of Shares	% holding in the class	Number of Shares	% holding in the class
Lalit Bhasin	63,24,671	58.76%	63,24,671	58.76%

**g. Promoter's Shareholding as at 31st March, 2023 and percentage change in shareholding during the year as compared to previous year is as follows: -**

Promoter Name	No. of Shares as at March 31, 2023	% of total shares	% Change during the year	No. of Shares as at March 31, 2022
Lalit Bhasin	6324671	58.76	-	6324671
Manasvin Arora	56250	0.52	-	56250
Kanishk Kapur	56250	0.52	-	56250
Ayush Kapur	56250	0.52	-	56250
Mehar Arora	56250	0.52	-	56250
HB Stockholdings Limited	60000	0.56	-	60000
Merrygold Investments Limited	4574	0.04	-	4574
<b>Total</b>	<b>6614245</b>	<b>61.45</b>	<b>-</b>	<b>6614245</b>

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

- Pursuant to scheme of arrangement with HB Stockholdings Limited and HB Estate Developers Limited approved by Hon'ble NCLT, Chandigarh, Haryana vide order dated 22/12/2017, during the FY 2017-18, the Company had allotted 59,48,055 (Fifty Nine Lakhs Forty Eight Thousand Fifty Five) Equity Shares of Rs. 10 (Rupees Ten) each fully paid-up to the Shareholders of HB Stockholdings Limited in the ratio of 25 (Twenty Five) equity shares of Rs. 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 Amount (Rupees in Thousand) 1,19,923.29 comprising of 1,19,92,329 equity shares of Rs. 10/- (Rupees Ten) each fully paid up to Amount (Rupees in Lakhs) 1,794.04 comprising of 1,79,40,384 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 had been reduced by reducing the face value of the equity shares from 1 (One) equity share of Rs. 10/- (Rupees Ten) fully paid up to 1 (One) equity shares of Rs. 6/- (Rupees Six) each fully paid up. The equity share capital of the Company so reduced had been further consolidated in such a manner that the Shareholders holding 5 (Five) equity share of Rs. 6/- (Rupees Six) each fully paid up were allotted 3 (Three) equity share of Rs. 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 Amount (Rupees in Lakhs) 1,794.04 comprising of 1,79,40,384 equity shares of Rs. 10/- (Rupees Ten) each to Amount (Rupees in Thousand) 1,07,642.30 comprising of 1,07,64,230 equity shares of Rs. 10/- (Rupees Ten) each.

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

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

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



18. OTHER EQUITY

Amount (Rs. in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
<b>a. General Reserve</b>		
Opening Balance	3,142.53	3,142.53
Add: Transferred from Retained Earnings	-	-
Closing Balance	3,142.53	3,142.53
<b>b. Securities Premium</b>		
Opening Balance	3,676.10	3,676.10
Closing Balance	3,676.10	3,676.10
<b>c. Statutory Reserve</b>		
Opening Balance	2,250.71	2,061.21
Add: Transferred from surplus	-	189.50
Closing Balance	2,250.71	2,250.71
<b>d. Retained Earning</b>		
Opening Balance	3,984.06	3,226.08
Add: Profit/ (Loss) for the year	223.04	(55.12)
Less- Interim Dividend for 2022-23	-86.11	-
Add: Reclassification of Realised Gain on sale of investments from OCI	125.42	1,002.60
Less: Transfer to statutory reserve as per Section 45-1C of The RBI Act, 1934	-	(189.50)
Closing Balance	4,246.41	3,984.06
<b>e. Other Reserves</b>		
<b>Equity Instruments through other comprehensive income</b>		
Balance as at the beginning of the year	3,288.83	(151.60)
Add: Net gain/(loss) on equity instruments designated at FVTOCI for the year (net of tax impacts)	(1,474.65)	4,443.03
Less: Reclassification of Realised Gain on sale of investments to retained earning	(125.42)	(1,002.60)
	1,688.76	3,288.83
<b>Other items of Other comprehensive income - Remeasurement gain/ (losses) on defined benefit plan</b>		
Balance as at the beginning of the year	1.44	17.15
Addition during the year	3.52	(15.72)
	4.96	1.44
<b>TOTAL OTHER EQUITY</b>	<b>15,009.47</b>	<b>16,343.67</b>

Description of the nature and purpose of Other Equity:

**General Reserve**

General Reserve represents the statutory reserve. This is in accordance with Indian Corporate Law where in a portion of profit is apportioned to General Reserve. Under Companies Act, 1956, it was mandatory to transfer amount before a company can declare dividend. However, under companies Act, 2013 transfer of any amount to general reserve is at the discretion of the company.

**Securities Premium**

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

**Statutory Reserve**

Statutory reserve represents reserve fund created pursuant to Section 45-1C of the RBI Act, 1934 through transfer of specified percentage (20%) of net profit every year before any dividend is declared. The reserve fund can be utilised only for limited purposes as specified by RBI from time to time and every such utilisation shall be reported to the RBI within specified period of time from the date of such utilisation. During the year, the company has not transferred 20% of its net profit to the statutory reserve. (Reserve Note No. 34)

**Retained Earnings**

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

**Equity Instruments through Other Comprehensive income.**

The Company has elected to recognise changes in the fair value of certain investments in equity securities in other comprehensive income. These changes are accumulated

within the FVTOCI equity investments reserve within equity. The Company transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognised.

**Other Comprehensive Income-Remeasurement gain/ (losses) on defined benefit plan**

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

19. INTEREST INCOME

Amount (Rs. in Lakhs)

Particulars	For the Year ended 31st March, 2023	For the Year ended 31st March, 2022
Interest Income on Loans and intercorporate deposits (on financial asset as amortised cost)	89.29	61.22
<b>Total</b>	<b>89.29</b>	<b>61.22</b>

20. DIVIDEND INCOME

Amount (Rs. in Lakhs)

Particulars	For the Year ended 31st March, 2023	For the Year ended 31st March, 2022
Dividend received on Shares	437.79	99.97
<b>Total</b>	<b>437.79</b>	<b>99.97</b>

21. SALE OF COMMODITIES

Amount (Rs. in Lakhs)

Particulars	For the Year ended 31st March, 2023	For the Year ended 31st March, 2022
Sales: -		
Copper Cathode	77.59	-
Nickel Cathode	84.29	-
Zinc Ingots	504.89	-
<b>Total</b>	<b>666.77</b>	<b>-</b>

22. OTHER INCOME

Amount (Rs. in Lakhs)

Particulars	For the Year ended 31st March, 2023	For the Year ended 31st March, 2022
Provision no longer required	-	0.18
<b>Total</b>	<b>-</b>	<b>0.18</b>

23. FINANCE COSTS

Amount (Rs. in Lakhs)

Particulars	For the Year ended 31st March, 2023	For the Year ended 31st March, 2022
Interest expense on vehicle loan	6.24	2.98
<b>Total</b>	<b>6.24</b>	<b>2.98</b>

24. PURCHASE OF STOCK-IN-TRADE

Amount (Rs. in Lakhs)

Particulars	For the Year ended 31st March, 2023	For the Year ended 31st March, 2022
Purchase: -		
Copper Cathode	78.37	-
Nickel Cathode	85.14	-
Zinc Ingots	509.60	-
<b>Total</b>	<b>673.11</b>	<b>-</b>

25. EMPLOYEE BENEFIT EXPENSES

Amount (Rs. in Lakhs)

Particulars	For the Year ended 31st March, 2023	For the Year ended 31st March, 2022
Salary & Benefits	135.86	114.26
Contribution to Provident fund and other fund	13.62	12.11
Staff Welfare	0.94	0.87
<b>Total</b>	<b>150.42</b>	<b>127.24</b>


**26. OTHER EXPENSES**
**Amount (Rs. in Lakhs)**

Particulars	For the Year ended 31st March, 2023	For the Year ended 31st March, 2022
Rent/Facility Charges	8.61	8.61
Vehicle Running and Maintenance	6.28	3.95
Insurance	1.91	1.05
Travelling & Conveyance	4.63	2.32
Communication	7.02	6.43
Printing & Stationery	1.42	3.08
Legal & Professional	6.46	27.26
Listing Fee	3.00	3.00
Advertisement	2.40	2.82
Director Sitting fees	5.85	8.05
Depository and Custodial and CDSL and NSDL Fees	1.14	1.51
Corporate Social Responsibility Expenditure (Note no.: 44)	11.00	-
Miscellaneous	3.23	2.08
<b>Auditors Remuneration</b>		
-Audit Fees	1.15	1.15
-Tax Audit Fees	0.15	0.15
-Limited Review Reports	0.30	0.30
-Certification and others	0.10	0.40
<b>Total</b>	<b>64.65</b>	<b>72.16</b>

**27. FAIR VALUE CHANGES IN INVESTMENTS AT FVTOCI**
**Amount (Rs. in Lakhs)**

Particulars	For the Year ended 31st March, 2023	For the Year ended 31st March, 2022
<b>Net Gain/ (loss) on fair valuation of Equity investments at FVTOCI</b>		
Realised gain / (loss) on sale of investments	125.42	1,002.60
Unrealised gain / (loss) on fair valuation of investments	(1,624.19)	3,448.65
<b>Total</b>	<b>(1,498.77)</b>	<b>4,451.25</b>

**28. EARNING PER SHARE (EPS)**
**Amount (Rs. in Lakhs)**

Particulars	For the Year ended 31st March, 2023	For the Year ended 31st March, 2022
Profit/ (Loss) for the year (Rs. In Lakhs)	223.04	(55.12)
Weighted average number of Equity Shares used in computing basic EPS	107.64	107.64
Weighted average number of Equity Shares used in computing diluted EPS	107.64	107.64
<b>Basic Earnings per share (Rs.)</b>	<b>2.07</b>	<b>(0.51)</b>
<b>Diluted Earnings per share (Rs.)</b>	<b>2.07</b>	<b>(0.51)</b>
Face value per share (Rs.)	10.00	10.00

**29. RELATED PARTY TRANSACTIONS**
**29.1 List of related parties with whom transactions have taken place and relationship:**

- a) **Subsidiaries**
  1. HB Securities Limited (Wholly Owned)
  2. HB Corporate Services Limited
  3. Taurus Asset Management Company Limited
- b) **Key Managerial Personnel**
  1. Anil Goyal , Managing Director
  2. Dinesh Kapoor, Company Secretary (upto 30th June, 2021)
  3. Ajay Kumar Mohanty, Company Secretary (upto 31st Jan 2023)
  4. Ashok Kumar, (Chief Financial Officer)
- Directors**
  1. R K Bhargava (Independent Director)
  2. Harbans Lal (Independent Director)
  3. R.C. Sharma (Independent Director) (upto 6th August, 2021)
  4. Anita Jain
  5. Lalit Bhasin (also see Para 'c' below)
- c) **Person having control/significant influence /major shareholders**
  1. 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.
  2. RRB Securities Limited
- e) **Companies under direct or indirect common control/significant influence**
  1. HB Estate Developers Ltd.
  2. HB Stockholdings Ltd.
- f) **Associates**
  1. Merwanjee Securities Ltd.
- g) **Persons in Promotor's Group: -**
  1. Merry gold Investment Ltd.
  2. Kanishk Kapur
  3. Ayush Kapur
  4. Mehar Arora
  5. Manasvin Arora

**29.2 Transactions during the Financial Year ended 31st March, 2023 with Related Parties as under**
**Amount (Rs. in Lakhs)**

Sr. No.	Particulars	Nature of Transaction	For the year ended 31st March, 2023	For the year ended 31st March, 2022
1	HB Securities Limited	Depository Charges paid	0.33	0.63
2	HB Corporate Services Limited	Advance given during the year	0.25	0.00
3	Anil Goyal	Remuneration and other services	98.32	69.96
4	Dinesh Kapoor	Remuneration and other services	0.00	5.38
5	Ajay Kumar Mohanty	Remuneration and other services	15.02	14.26
6	Ashok Kumar	Remuneration and other services	12.12	8.16
7	Lalit Bhasin	Sitting Fee	0.80	1.00
		Interim dividend paid during the year	50.60	0.00
8	R K Bhargava	Sitting Fee	1.90	2.35
9	Harbans Lal	Sitting Fee	1.45	2.25
10	R.C. Sharma	Sitting Fee	0.00	0.70
11	Anita Jain	Sitting Fee	1.70	1.75
12	Kanishk Kapur	Interim dividend paid during the year	0.45	0.00
13	Ayush Kapur	Interim dividend paid during the year	0.45	0.00
14	Mehar Arora	Interim dividend paid during the year	0.45	0.00
15	Manasvin Arora	Interim dividend paid during the year	0.45	0.00
16	Merry gold Investment Ltd.	Interim dividend paid during the year	0.04	0.00
17	HB Stockholdings Ltd.	Interim dividend paid during the year	0.48	0.00



Sr. No.	Particulars	Nature of Transaction	For the year ended 31st March, 2023	For the year ended 31st March, 2022
18	RRB Master Securities Delhi Ltd.	Sale of Investment/ Securities through them	771.28	1181.11
		Purchase of Investment/ Securities through them	990.56	1125.37
19	HB Estate Developers Ltd.	Rent paid	8.61	8.61
		Security deposit outstanding for premises on Rent	345.00	345.00
20	Merwanjee Securities Ltd.	Sale of Investment/ Securities through them	0.00	1447.94
		Purchase of Investment/ Securities through them	0.00	466.33
21	Taurus Asset Management Company Ltd.	Dividend Received	338.62	0.00

**Balance Outstanding: Amount (Rs. in Lakhs)**

Sr. No.	Particulars	Nature of Transaction	For the year ended 31st March, 2023	For the year ended 31st March, 2022
1	HB Securities Limited	Outstanding Guarantees given as at the year end	0.00	133.00
2	HB Corporate Services Limited	Receivable at the year end in respect of advances	0.25	0.00
3	HB Estate Developers Ltd.	Security Deposit outstanding for premises on Rent	345.00	345.00

**Investment as at the year end: - Amount (Rs. in Lakhs)**

Sr. No.	Particulars	Nature of Transaction	For the year ended 31st March, 2023	For the year ended 31st March, 2022
i	HB Estate Developers Ltd	Investment in shares as at the year end	3,520.10	3,173.52
ii	HB Securities Ltd.	Investment in shares as at the year end	1,190.76	1,190.76
iii	HB Corporate Services Ltd.	Investment in shares as at the year end	524.90	524.90
iv	Taurus Asset Management Co. Ltd.	Investment in shares as at the year end	3,698.95	3,698.95
v	Taurus Investment Trust Co. Ltd.	Investment in shares as at the year end	23.06	23.06
vi	RRB Securities Ltd.	Investment in shares as at the year end	60.63	60.63

**30. RETIREMENT BENEFIT OBLIGATIONS**

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

**A) Defined Contributions Plans**

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

Amount (Rs. in Lakhs)

Particulars	Current Year	Previous Year
Company Contribution to Provident Fund	9.04	8.58
Company Contribution to superannuation fund	1.00	0.75

**B) Defined Benefit Plans**

Below tables sets forth the changes in the projected benefit obligation and plan assets and amounts recognized in the Balance Sheet as of 31st March, 2023 and 31st March, 2022, being the respective measurement dates:

**(i) Movement in defined benefit obligation**

Amount (Rs. in Lakhs)

Particulars	Gratuity (Funded)		Leave Encashment (Unfunded)	
	Year ended 31st March, 2023	Year ended 31st March, 2022	Year ended 31st March, 2023	Year ended 31st March, 2022
Present value of obligation -at the beginning of the period	84.27	69.57	17.87	15.99
Interest cost	6.11	5.04	1.30	1.16
Current service cost	2.94	3.11	0.80	1.01
Benefits paid	0.00	(3.63)	(3.75)	(5.32)
Remeasurements - actuarial (gain)/ loss	(5.59)	10.19	1.37	5.03
Present value of obligation -at the end of the period	87.74	84.27	17.58	17.87

**(ii) Movement in Plan Assets – Gratuity**

Amount (Rs. in Lakhs)

Particulars	Gratuity (Funded)		Leave Encashment (Unfunded)	
	Year ended 31st March, 2023	Year ended 31st March, 2022	Year ended 31st March, 2023	Year ended 31st March, 2022
Fair value of plan assets at beginning of year	75.41	74.16	-	-
Expected return on plan assets	5.47	5.38	-	-
Employer contributions	0.10	-	-	-
Benefits paid	0.00	(3.63)	-	-
Actuarial gain / (loss)	(0.69)	(0.50)	-	-
Fair value of plan assets at end of year*	80.28	75.41	-	-

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

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

Amount (Rs. in Lakhs)

Particulars	Gratuity (Funded)		Leave Encashment (Unfunded)	
	Year ended 31st March, 2023	Year ended 31st March, 2022	Year ended 31st March, 2023	Year ended 31st March, 2022
Present value of obligation -at the end of the period	87.74	84.27	17.58	17.87
Fair value of plan assets at end of year	80.28	75.41	-	-
Net liability/(asset) recognized in Balance Sheet	7.46	8.86	17.58	17.87
Funded Status- Surplus/ (Deficit)	(7.46)	(8.86)	(17.58)	(17.87)

**(iv) Expense recognised in the statement of Profit and Loss Amount (Rs. in Lakhs)**

Particulars	Gratuity (Funded)		Leave Encashment (Unfunded)	
	Year ended 31st March, 2023	Year ended 31st March, 2022	Year ended 31st March, 2023	Year ended 31st March, 2022
Interest cost	6.11	5.04	1.30	1.16
Current Service cost	2.94	3.11	0.80	1.01
Expected return on plan assets	(5.47)	(5.38)	-	-
<b>Expenses to be recognised in P&amp;L</b>	<b>3.59</b>	<b>2.77</b>	<b>2.10</b>	<b>2.17</b>

**(v) Recognised in other comprehensive income Amount (Rs. in Lakhs)**

Particulars	Gratuity (Funded)		Leave Encashment (Unfunded)	
	Year ended 31st March, 2023	Year ended 31st March, 2022	Year ended 31st March, 2023	Year ended 31st March, 2022
Cumulative unrecognized actuarial (gain)/loss opening. B/F	(10.96)	(21.65)	9.52	4.50
Remeasurement - Actuarial (gain)/loss -Obligation	(5.59)	10.19	1.37	5.03
Remeasurement - Actuarial (gain)/loss -Plan assets	0.69	0.50	-	-
<b>Total Actuarial (gain)/loss</b>	<b>(4.90)</b>	<b>10.69</b>	<b>1.37</b>	<b>5.03</b>
<b>Cumulative unrecognized actuarial (gain)/loss opening. C/F</b>	<b>(15.86)</b>	<b>(10.96)</b>	<b>10.90</b>	<b>9.52</b>

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

Weighted average actuarial assumptions	Gratuity (Funded)		Leave Encashment (Unfunded)	
	Year ended 31st March, 2023	Year ended 31st March, 2022	Year ended 31st March, 2023	Year ended 31st March, 2022
Discount Rate	7.25 % per annum	7.25 % per annum	7.25 % per annum	7.25 % per annum
Expected Rate of increase in salary	6.00 % per annum	6.00 % per annum	6.00 % per annum	6.00 % per annum
Mortality rate	IALM 2012-14	IALM 2012-14	IALM 2012-14	IALM 2012-14
Withdrawal Rate- 18 to 30 Years	5.00 % p.a.	5.00 % p.a.	5.00 % p.a.	5.00 % p.a.
- 30 to 44 Years	3.00 % p.a.	3.00 % p.a.	3.00 % p.a.	3.00 % p.a.
- 44 to 70 Years	2.00 % p.a.	2.00 % p.a.	2.00 % p.a.	2.00 % p.a.

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

**(vii) Sensitivity analysis**
**For the year ended 31st March, 2023 Amount (Rs. in Lakhs)**

Particulars	Change in assumption	Effect on Gratuity	Effect on leave encashment
Discount rate	+1%	(4.71)	(1.03)
	-1%	5.08	1.14
Salary Growth rate	+1%	5.09	1.14
	-1%	(4.80)	(1.05)
Attrition Rate	+1%	0.19	0.06
	-1%	(0.21)	(0.07)

**(viii) Estimate of expected benefit payments (In absolute terms i.e. undiscounted)**
**Amount (Rs. in Lakhs)**

Particulars	Gratuity	Leave encashment
01st Apr, 2022 to 31st Mar, 2024	3.21	0.64
01st Apr, 2023 to 31st Mar, 2025	2.08	16.94
01st Apr, 2024 to 31st Mar, 2026	2.08	-
01st Apr, 2025 to 31st Mar, 2027	2.08	-
01st Apr, 2026 to 31st Mar, 2028	2.08	-
01st Apr, 2027 Onwards	76.22	-

**31. CONTINGENT LIABILITIES AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR)**
**CONTINGENT LIABILITIES:**

Guarantees given on behalf of Subsidiary Company HB Securities Limited Rs. NIL/- Lakhs (Previous Year Rs. 133.00/- Lakhs).

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

To the extent information available with the company, it has no dues to the Micro, Small and medium enterprises as at 31st March, 2023 and 31st March, 2022.

**33. DISCLOSURE OF LOANS/ADVANCES IN THE NATURE OF LOANS IN TERMS OF PROVISION OF REGULATION 34 OF THE SEBI (LISTING OBLIGATION AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 -**
**Amount (Rs. in Lakhs)**

Particulars	Outstanding Balance as on 31.03.2023	Max. Balance outstanding during the year	Outstanding Balance as on 31.03.2022	Max. Balance outstanding during the previous Year
i. Loans & Advances in the nature of Loans to subsidiaries.	0.25	0.25	Nil	Nil
ii. Loans & Advances in the nature of loans to Associates.	Nil	Nil	Nil	Nil
iii. Loans & Advances in the nature of loans where there is no repayment schedule, no interest or interest below Section 186 of the Companies Act, 2013	Nil	Nil	Nil	Nil
iv. Loans & Advances in the nature of loans to firms/companies in which directors are interested.	Nil	Nil	Nil	Nil
v. Investments by Loanee in the Shares of parent company and subsidiary company when the company has made loan or advance in the nature of Loan.	No. of Shares Nil	Amount. Nil	No. of Shares Nil	Amount. Nil

34. In the earlier years, the Company had made an application to Reserve Bank of India (RBI) for issue of Certificate of Registration under Section 45IA of the Reserve Bank of India Act, 1934 as a Non Banking Financial Company (NBFC). However, Reserve Bank of India advised the Company to resubmit the application with some documents and latest financials which the company complied. Subsequently, Reserve Bank of India asked the company to re-submit the application due to some procedural issues which was also done by the company. So far, the Company has not received any reply from the Reserve Bank of India. To ensure the Company's well being and its growth, the Board of Directors of the Company in the earlier years took steps to diversify its business and the Company altered





the object clause of Memorandum and Articles of Association by including commodity trading business besides investment and finance.

Consequent to the above mentioned diversification of business, the company does not require registration under section 45IA of the Reserve Bank of India Act, 1934 and the provisions of 'Non-Banking Financial Company -Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016 and other regulation as applicable to the NBFC including disclosure requirement are not applicable.

### 35. Capital Management

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

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

### 36. Financial Risk Management

#### Financial Risk Factors

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

#### I. Market Risk

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

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

#### Interest Rate Risk

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

#### Currency risk

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

#### Equity Price Risk

##### (a) Exposure

The company is exposed to equity price risk arising from Investments held by the company and classified in the balance sheet as fair value through OCI. To manage its price risk arising from investment in equity securities, the company diversifies its portfolio. The majority of the company's equity instruments are listed on the Bombay stock exchange (BSE) or the National stock exchange (NSE) in India.

##### (b) Sensitivity analysis- Equity price risk

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

### 37. MATURITY ANALYSIS OF ASSETS AND LIABILITIES

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

Amount (Rs. in Lakhs)

Particulars	31st March, 2023			31st March, 2022		
	Within 12 Months	After 12 Months	Total	Within 12 Months	After 12 Months	Total
<b>ASSETS</b>						
<b>Financial Assets</b>						
Cash and cash equivalents	147.74	-	147.74	262.58	-	262.58
Bank Balance other than above	15.92	-	15.92	18.08	-	18.08
Loans	910.00	-	910.00	850.00	-	850.00
Investments	9,170.19	5,372.52	14,542.71	10,451.80	5,369.89	15,821.69
Other Financial Assets	379.38	-	379.38	423.35	-	423.35
<b>Non-Financial Assets</b>						
Current tax assets (Net)	32.09	-	32.09	29.31	-	29.31
Deferred tax assets (Net)	30.82	-	30.82	6.69	-	6.69
Property, Plant and Equipment	136.45	-	136.45	162.44	-	162.44
Other non -financial assets	54.92	-	54.92	44.26	-	44.26
<b>TOTAL ASSETS</b>	<b>10,877.51</b>	<b>5,372.52</b>	<b>16,250.03</b>	<b>12,248.50</b>	<b>5,369.89</b>	<b>17,618.40</b>

Amount (Rs. in Lakhs)

	Impact on OCI for the year ended 31st March, 2023	
	31st March, 23	31st March, 22
NSE/ BSE Index - Increase by 2 %	122.85	148.99
NSE/ BSE Index - Decrease by 2 %	(122.85)	(148.99)

#### II. Credit Risk

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

#### III. Liquidity Risk

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

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

Amount (Rs. in Lakhs)

As at 31st March, 2023	Within 12 Months	After 12 Months	Total
<b>Financial Assets</b>			
Cash and cash equivalents	147.74	-	147.74
Bank Balance other than above	15.92	-	15.92
Loans	910.00	-	910.00
Investments	9,170.19	5,372.52	14,542.71
Other Financial Assets	379.38	-	379.38
<b>Total</b>	<b>10,623.23</b>	<b>5,372.52</b>	<b>15,995.75</b>
<b>Financial Liabilities</b>			
Borrowings	20.24	57.33	77.57
Other financial liabilities	28.23	-	28.23
<b>Total</b>	<b>48.47</b>	<b>57.33</b>	<b>105.80</b>

Amount (Rs. in Lakhs)

As at 31st March, 2022	Within 12 Months	After 12 Months	Total
<b>Financial Assets</b>			
Cash and cash equivalents	262.58	-	262.58
Bank Balance other than above	18.08	-	18.08
Loans	850.00	-	850.00
Investments	10,451.80	5,369.89	15,821.69
Other Financial Assets	423.35	-	423.35
<b>Total</b>	<b>12,005.80</b>	<b>5,369.89</b>	<b>17,375.70</b>
<b>Financial Liabilities</b>			
Borrowings	18.86	77.57	96.43
Other financial liabilities	38.83	-	38.83
<b>Total</b>	<b>57.69</b>	<b>77.57</b>	<b>135.26</b>



Particulars	31st March, 2023			31st March, 2022		
	Within 12 Months	After 12 Months	Total	Within 12 Months	After 12 Months	Total
<b>LIABILITIES</b>						
<b>Financial Liabilities</b>						
Borrowings	20.24	57.33	77.57	18.86	77.57	96.43
Other financial liabilities	28.23	-	28.23	38.83	-	38.83
<b>Non Financial Liabilities</b>						
Provisions	2.92	24.40	27.32	4.03	26.10	30.13
Other non-financial liabilities	3.65		3.65	5.55		5.55
<b>TOTAL LIABILITIES</b>	<b>55.04</b>	<b>81.73</b>	<b>136.77</b>	<b>67.27</b>	<b>103.67</b>	<b>170.94</b>

**38. Fair values**

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

**39. Fair value hierarchy**

The company determines fair values of its financial instruments according to the following hierarchy:

**Level 1:** quoted (unadjusted) prices in active markets for identical assets or liabilities.

**Level 2:** other techniques for which all inputs have a significant effect on the recorded fair value are observable, either directly or indirectly.

**Level 3:** techniques which use Inputs that have a significant effect on the recorded fair value that are not based on observable market data.

The following table presents the carrying value and fair value of each category of financial assets and liabilities as at 31st March, 2023:

Amount (Rs. in Lakhs)

Particulars	Ammortised cost	Fair value through OCI	Fair value through P&L	Total carrying value	Total Fair value	Fair value			
						Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>									
Cash and cash equivalents	147.74	-		147.74	147.74	-	-	-	-
Bank Balance other than above	15.92	-		15.92	15.92	-	-	-	-
Loans	910.00	-		910.00	910.00	-	-	-	-
Investments	5,237.67	9,277.47	27.57	14,542.71	14,542.71	9,305.04	-	-	9,305.04
Other Financial Assets	379.38	-		379.38	379.38	-	-	-	-
	<b>6,690.70</b>	<b>9,277.47</b>	<b>27.57</b>	<b>15,995.74</b>	<b>15,995.74</b>	<b>9,305.04</b>	-	-	<b>9,305.04</b>
<b>Financial Liabilities</b>									
Borrowings	77.57	-	-	77.57	77.57	-	-	-	-
Other financial liabilities	28.23	-		28.23	28.23	-	-	-	-
	<b>105.80</b>	-	-	<b>105.80</b>	<b>105.80</b>	-	-	-	-

The following table presents the carrying value and fair value of each category of financial assets and liabilities as at 31st March, 2022:

Amount (Rs. in Lakhs)

Particulars	Ammortised cost	Fair value through OCI	Fair value through P&L	Total carrying value	Total Fair value	Fair value			
						Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>									
Cash and cash equivalents	262.58	-		262.58	262.58	-	-	-	-
Bank Balance other than above	18.08	-		18.08	18.08	-	-	-	-
Loans	850.00	-		850.00	850.00	-	-	-	-
Investments	5,237.67	10,581.97	2.05	15,821.69	15,821.69	10,584.02	-	-	10,584.02
Other Financial Assets	423.35	-		423.35	423.35	-	-	-	-
	<b>6,791.68</b>	<b>10,581.97</b>	<b>2.05</b>	<b>17,375.70</b>	<b>17,375.70</b>	<b>10,584.02</b>	-	-	<b>10,584.02</b>
<b>Financial Liabilities</b>									
Borrowings	96.43	-	-	96.43	96.43	-	-	-	-
Other financial liabilities	38.83	-		38.83	38.83	-	-	-	-
	<b>135.26</b>	-	-	<b>135.26</b>	<b>135.26</b>	-	-	-	-

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

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

**42. Lease:**

Expenses recognised in the statement of profit & loss in respect of short term lease for Rs. 8.61/- Lakhs (PY Rs. 8.61/- Lakhs)

**43. Segment Reporting:**

**Operating Segments: -**

In accordance with Ind AS 108 on Segment Reporting, the Group has identified three business segments i.e. Financial Services and Commodities Trading. These divisions offer different products and services, and are managed separately based on the company's management.



Amount (Rs. in Lakhs)

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
<b>I Segment Revenue</b>		
a) Financial Services	527.11	161.96
b) Commodities Trading	666.77	-
c) Unallocated	-	0.18
<b>Total</b>	<b>1,193.88</b>	<b>162.14</b>
<b>II Segment Expenses</b>		
a) Financial Services	246.68	218.56
b) Commodities Trading	673.11	-
c) Unallocated	-	-
<b>Total</b>	<b>919.79</b>	<b>218.56</b>
<b>III Segment Results</b>		
a) Financial Services	280.43	(56.59)
b) Commodities Trading	(6.34)	-
c) Unallocated	-	0.18
<b>Profit before tax</b>	<b>274.09</b>	<b>(56.41)</b>
Less: - Provision for Tax	51.05	(1.29)
<b>Profit after Tax</b>	<b>223.05</b>	<b>(55.12)</b>
<b>IV Segments Assets</b>		
a) Financial Services	16186.67	17582.40
b) Commodities Trading	0.45	-
c) Unallocated	62.91	36.00
<b>Total</b>	<b>16250.03</b>	<b>17618.40</b>
<b>V Segments Liabilities</b>		
a) Financial Services	109.45	140.81
b) Commodities Trading	-	-
c) Unallocated	27.32	30.14
<b>Total</b>	<b>136.77</b>	<b>170.95</b>

44. The Company is required to spent Rs. 8.69 Lakhs (Previous year Rs. Nil ) on Corporate Social Responsibility(CSR) activities during the year. Amount spent during the year Rs. 11.00 Lakhs (Previous Year Rs. Nil).

Corporate Social Responsibility (CSR) Expenses during the year: (Rs. in Lakhs)

Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
i Amount required to be spent by the company during the year	8.69	0.00
ii Gross amount spent by the Company during the year	11.00	0.00
iii Shortfall/(Excess) for the year (i-ii)	(2.31)	0.00
iv Total of previous years shortfall	0.00	0.00
v Previous year shortfall spent during the year	0.00	0.00
vi Reason for Shortfall	NA	NA
vii Nature of CSR activities: - Promoting education and employment enhancing vocation skills		
viii CSR activities with Related Parties	NA	NA
ix <b>Movement of CSR Provisions: -</b>		
Opening Provision	0.00	0.00
Created during the year	8.69	0.00
Utilized during the year	11.00	0.00
<b>Closing Provision</b>	<b>(2.31)</b>	<b>0.00</b>

45. The Company holds 28094 equity shares in its name as trustee in its depository account. These shares are a result of fractional entitlement under its Scheme of Arrangement.

46. During the year, the Company does not fall into the category of "Non Banking Financial Companies" as per RBI guidelines, therefore disclosure of Tier 1, Tier 2 and Leverage coverage ratio are not applicable to the company.

47. Other statutory information

- The Company does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.
- The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- The company has performed an assesment to identify transactions with Struck off Companies as at 31st March, 2023 and the details of which are as under: -

Sr. No.	Name of Struck of Company	Nature of transactions	At at 31st March 2023 (Rs. in Lakhs)	At at 31st March 2022 (Rs. in Lakhs)	Relationship with the Struck off Company
1	Tripurari Finance Private Limited	Shares held by struck off company	0.06	0.06	Equity Shareholder
2	YASBEE Finance Private Limited	Shares held by struck off company	0.06	0.06	Equity Shareholder
3	Mega Heighy Realtors Private Limited	Shares held by struck off company	0.02	0.02	Equity Shareholder
4	Chitra Finance and Investment Private Limited	Shares held by struck off company	0.02	0.02	Equity Shareholder
5	Daman Investments and Securities Private Limited	Shares held by struck off company	0.01	0.01	Equity Shareholder
6	Touchstone Stock Management Private Limited	Shares held by struck off company	0.01	0.01	Equity Shareholder
7	Aggarwal Securities Private Limited	Shares held by struck off company	0.00	0.00	Equity Shareholder
8	ZION Financial Services Private Limited	Shares held by struck off company	0.00	0.00	Equity Shareholder
9	First Choice Financial Services Private Limited	Shares held by struck off company	0.00	0.00	Equity Shareholder
10	Menon and Associates Private Limited	Shares held by struck off company	0.00	0.00	Equity Shareholder
11	DEE GEE Credits and Hire Purchase Limited	Shares held by struck off company	0.00	0.00	Equity Shareholder
12	Veda Sai Investments Private Limited	Shares held by struck off company	0.00	0.00	Equity Shareholder
13	Ketso Investments and Trading Private Limited	Shares held by struck off company	0.00	0.00	Equity Shareholder
14	Surya Kiran Securities Limited	Shares held by struck off company	0.00	0.00	Equity Shareholder
15	SRF Superior Holdings Private Limited	Shares held by struck off company	0.00	0.00	Equity Shareholder
16	Kamni Investment Limited	Shares held by struck off company	0.00	0.00	Equity Shareholder
17	Ripe Investments Company Private Limited	Shares held by struck off company	0.00	0.00	Equity Shareholder
18	Bhawani Leasing (India) Private Limited	Shares held by struck off company	0.00	0.00	Equity Shareholder
19	Shree Greengold Investments Private Limited	Shares held by struck off company	0.00	0.00	Equity Shareholder
20	Vaishak Shares Limited	Shares held by struck off company	0.00	0.00	Equity Shareholder

\* 0.00 denotes amount less than Rs. 1.00 Thousand

Note: - In the absence of purchase price of share held by struck off companies face value is considered for reporting purpose.

- The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
  - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
  - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries



- vii The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:
- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
  - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,
- viii The Company has complied with the number of layers prescribed under clause (87) of Section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017 for the financial years ended 31st March, 2023 and 31st March, 2022.
- ix The Company has not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

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

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

*As Per our Report of even date attached*

FOR N. C. AGGARWAL & CO.  
CHARTERED ACCOUNTANTS  
Firm Registration Number : 003273N

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

Sd/-  
G. K. AGGARWAL  
(PARTNER)  
Membership No. : 086622

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

Sd/-  
LALIT BHASIN  
(DIRECTOR)  
DIN: 00002114

Place: Gurugram  
Date : 26th May, 2023

Sd/-  
ASHOK KUMAR  
(CHIEF FINANCIAL OFFICER)

Sd/-  
MOHIT CHAUHAN  
(COMPANY SECRETARY)  
(M. No.: ACS-53839)



## 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 associate, which comprise of the Consolidated Balance Sheet as at 31st March, 2023 and the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries and associate, the aforesaid Consolidated Financial Statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its associate as at 31st March, 2023, their consolidated profit including other comprehensive loss, their consolidated cash flows and the consolidated statement of changes in equity 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 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 and its associate 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 on the consolidated financial statements.

#### Key Audit Matters

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

#### Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

The Holding Company's management and Board of Directors 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 management and Board of Directors are 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 including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group including its Associate in accordance with the Ind AS and other accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its associate 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 associate are responsible for assessing the ability of the Group and of its associate to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the companies included in the Group and of its associate are responsible for overseeing the financial reporting process of the Group and of its associate.

#### 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 associate 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 associate 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.

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



We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the financial year ended March 31, 2023 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.

**Other matters**

- (a) We did not audit the financial statements / financial information of four subsidiaries, whose financial statements / financial information reflect total assets of Rs. 8,525.96 Lakhs as at 31st March, 2023, total revenue of Rs. 1459.43 Lakhs, total net profit after tax of Rs. 409.95 Lakhs and net cash outflows amounting to Rs. 95.16 Lakhs 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 after tax of Rs. 11.33 Lakhs for the year ended 31st March, 2023, as considered in the consolidated financial statements, in respect of one associate, whose financial statements / financial information have not been audited by us. In respect of the associate, financial statements / financial information is 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 the 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 associate, is based solely on such unaudited financial statements / financial information.

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.

**Report on Other Legal and Regulatory Requirements**

- 1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, based on our audit we give in the "Annexure A" a statement on the matters specified in paragraph 3(xxi) of the Order.
- 2. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
  - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
  - (c) The consolidated balance sheet, the consolidated statement of profit and loss including the statement of other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements.
  - (d) In our opinion, the aforesaid consolidated financial statements comply with the 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, 2023 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary company and its associate company, none of the directors of the Group companies is disqualified as on 31<sup>st</sup> March, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
  - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; 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 associate;
    - 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.
    - iv.
      - (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company or its subsidiaries or its associate company incorporated in India to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
      - (b) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company or its subsidiaries or its associate company incorporated in India from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
      - (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
    - v. The dividend declared or paid during the year by the Group is in accordance with section 123 of the Act to the extent it applies to payment of dividend.
    - vi. As proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Holding Company or associate company incorporated in India only with effect from 1 April 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is not applicable
  - (h) The managerial remuneration for the year ended 31st March, 2023 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 N.C. Aggarwal & Co.**  
**Chartered Accountants**  
 Firm Registration No. 003273N

**G. K. Aggarwal**  
 Partner  
 M. No. 086622

**UDIN: -23086622BGGVJJK8599**

Place: Gurugram  
 Date: 26<sup>th</sup> May, 2023



**Annexure ‘A’ referred to in paragraph under the heading “Report on other legal and regulatory requirements” of our report of even date on the consolidated financial statements of HB Portfolio Limited (“The Holding Company”)**

**In terms of the information and explanations sought by us and given by the Company and to the best of our knowledge and belief, we state that:**

3(xxi). There are no qualifications or adverse remarks in the Companies (Auditors Report) Order (CARO) reports of the Company and its subsidiary companies included in the Consolidated Financial Statements. The report of associate included in the Consolidated Financial Statements has not been issued by its auditor till the date of our auditor’s report.

S. No.	Name of the associate company	CIN
1.	Merwanjee Securities Limited	U67120MH1992PLC069529

**For N.C. Aggarwal & Co.**  
**Chartered Accountants**  
 Firm Registration No. 003273N

**G. K. Aggarwal**  
 Partner

M. No. 086622

**UDIN: -23086622BGVJJK8599**

Place: Gurugram  
 Date: 26<sup>th</sup> May, 2023

**ANNEXURE – B TO THE AUDITORS’ REPORT**

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

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31 March 2023, we have audited the internal financial controls over financial reporting of **HB Portfolio Limited** (“the Holding Company”) and its subsidiary company which is company incorporated in India, as of that date.

**Management’s Responsibility for Internal Financial Controls**

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

**Auditors’ Responsibility**

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

**Meaning of Internal Financial Controls over Financial Reporting**

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

**Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

**Opinion**

In our opinion, the Holding Company and its subsidiary company , in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2023, 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 N.C. Aggarwal & Co.**  
**Chartered Accountants**  
 Firm Registration No. 003273N

**G. K. Aggarwal**  
 Partner

M. No. 086622

**UDIN: -23086622BGVJJK8599**

Place: Gurugram  
 Date: 26<sup>th</sup> May, 2023


**CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2023**

	Note	Amount (Rs. in Lakhs)	
		As at 31 March 2023	As at 31 March 2022
<b>I. ASSETS</b>			
<b>Financial Assets</b>			
a. Cash and cash equivalents	4	286.10	496.09
b. Bank balances other than (a) above	5	928.92	969.48
c. Receivables			
i) Trade Receivables	6	76.10	91.75
d. Loans	7	4,435.10	4,357.89
e. Investments	8	12,732.28	13,930.68
f. Other Financial Assets	9	680.41	1,299.05
<b>Non-Financial Assets</b>			
a. Current tax assets	10	139.95	182.39
b. Property, Plant and Equipment	11	163.99	186.71
c. Other intangible assets	12	3.42	4.38
d. Other non -financial assets	13	133.38	139.20
<b>TOTAL ASSETS</b>		<b>19,579.65</b>	<b>21,657.62</b>
<b>II. LIABILITIES AND EQUITY</b>			
<b>LIABILITIES</b>			
<b>Financial Liabilities</b>			
a. Payables			
<b>i) Trade Payables</b>	14		
- total outstanding dues of micro enterprises and small enterprises		12.08	3.54
- total outstanding dues of creditors other than micro enterprises and small enterprises		17.84	24.93
b. Borrowings	15	77.57	96.42
c. Subordinated liabilities	16	6.00	6.00
d. Other financial liabilities	17	34.31	44.30
<b>Non-Financial Liabilities</b>			
a. Deferred tax liabilities (Net)	18	8.13	34.16
b. Provisions	19	118.21	120.57
c. Other non-financial liabilities	20	49.67	768.36
<b>Equity</b>			
a. Equity Share Capital	21	1,103.79	1,103.79
b. Other Equity	22	18,113.78	19,417.50
<b>Equity attributable to owners of the parents</b>		<b>19,217.57</b>	<b>20,521.29</b>
c. Non-controlling interests		38.27	38.05
<b>Total Equity</b>		<b>19,255.84</b>	<b>20,559.34</b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>19,579.65</b>	<b>21,657.62</b>
Significant accounting policies and notes to the consolidated financial statements	1-50		

The accompanying notes form an integral part of the Consolidated Financial Statements  
As Per our Report of even date attached

FOR N. C. AGGARWAL & CO.  
CHARTERED ACCOUNTANTS  
Firm Registration Number : 003273N

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

Sd/-  
G. K. AGGARWAL  
PARTNER  
Membership No. : 086622

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

Sd/-  
LALIT BHASIN  
(DIRECTOR)  
DIN: 00002114

Place: Gurugram  
Date : 26th May, 2023

Sd/-  
ASHOK KUMAR  
(CHIEF FINANCIAL OFFICER)

Sd/-  
MOHIT CHAUHAN  
(COMPANY SECRETARY)  
(M. No.: ACS-53839)

**CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2023**

	Note	Amount (Rs. in Lakhs)	
		For the Year ended 31 March 2023	For the Year ended 31 March 2022
<b>INCOME</b>			
<b>Revenue from operations</b>			
(i) Investment and advisory Income	23	1,639.33	1,856.91
(ii) Sale of Commodities	24	666.77	-
<b>I Total Revenue from operations</b>		<b>2,306.10</b>	<b>1,856.91</b>
II Other Income	25	3.33	0.20
<b>III Total income (I+II)</b>		<b>2,309.43</b>	<b>1,857.11</b>
<b>EXPENSES</b>			
(i) Finance costs	26	6.24	3.18
(ii) Purchase of Stock-in-Trade	27	673.11	-
(iii) Employee benefits expenses	28	760.56	685.05
(iv) Depreciation and amortisation expense	11	36.10	31.35
(v) Others expenses	29	479.69	462.36
(vi) Contingent Provision against Standard Assets		(1.13)	2.60
<b>IV Total expenses (IV)</b>		<b>1,954.57</b>	<b>1,184.54</b>
<b>V Profit/ (loss) before tax (III-IV)</b>		<b>354.86</b>	<b>672.57</b>
<b>VI Tax expense</b>			
(i) Current tax		68.49	32.94
(ii) Deferred tax (credit) / charge		(8.01)	12.06
<b>Total tax expense (VI)</b>		<b>60.48</b>	<b>45.00</b>
<b>VII Profit for the year (V-VI)</b>		<b>294.38</b>	<b>627.57</b>
<b>VIII Add: share of profit from associate (Net)</b>		<b>11.33</b>	<b>18.13</b>
<b>IX Profit for the year (VII + VIII)</b>		<b>305.71</b>	<b>645.70</b>
<b>X Other comprehensive income</b>			
Items that will not be reclassified to profit or loss			
(a) Remeasurements of defined benefit plans		(0.74)	(25.83)
Less: Income tax effect on above		1.18	1.74
(b) Fair Value changes of Investments at FVTOCI			
<sup>4</sup> -Realised gain		180.21	1,040.71
<sup>4</sup> -Unrealised gain		(1,590.39)	3,560.47
Less: Income tax effect on above		16.84	(19.29)
(c) Share of Equity Accounted Investee		(130.21)	193.10
<b>Other comprehensive income for the year, net of tax</b>		<b>(1,523.11)</b>	<b>4,750.89</b>
<b>XI Total comprehensive income for the year (IX + X)</b>		<b>(1,217.40)</b>	<b>5,396.60</b>
<b>Profit for the year attributable to:</b>			
Owners of the Company		305.67	645.61
Non Controlling Interests		0.04	0.09
<b>Other Comprehensive Income for the year attributable to:</b>			
Owners of the Company		(1,523.29)	4,750.63
Non Controlling Interests		0.18	0.26
<b>Total Comprehensive Income for the year attributable to:</b>		<b>(1,217.61)</b>	<b>5,396.25</b>
Non Controlling Interests		0.22	0.35
<b>XII Earnings per equity share of face value of Rs. 10 each (previous year Rs. 10 each)</b>	30		
Basic (Rs.)		2.73	5.83
Diluted (Rs.)		2.73	5.83
Significant accounting policies and notes to the consolidated financial statements	1-50		

The accompanying notes form an integral part of the Consolidated Financial Statements  
As Per our Report of even date attached

FOR N. C. AGGARWAL & CO.  
CHARTERED ACCOUNTANTS  
Firm Registration Number : 003273N

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

Sd/-  
G. K. AGGARWAL  
PARTNER  
Membership No. : 086622

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

Sd/-  
LALIT BHASIN  
(DIRECTOR)  
DIN: 00002114

Place: Gurugram  
Date : 26th May, 2023

Sd/-  
ASHOK KUMAR  
(CHIEF FINANCIAL OFFICER)

Sd/-  
MOHIT CHAUHAN  
(COMPANY SECRETARY)  
(M. No.: ACS-53839)




**CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2023**

Particulars	Amount (Rs. in Lakhs)	
	For the year ended 31 March 2023	For the year ended 31 March 2022
<b>A. CASH FLOW FROM OPERATION ACTIVITIES</b>		
Profit before tax	354.86	672.57
<b>Adjustment for :</b>		
Depreciation	36.10	31.35
Loss on sale/discard of property plant and equipment (net)	0.23	0.58
Net (gain)/loss on financial assets measured at fair value through Profit or Loss (FVTPL)	(56.76)	(264.76)
Gain on redemption of units of mutual funds & Profit on sale of investments	(133.37)	(163.68)
Finance Costs	6.24	3.18
<b>Cash generated form operation before working capital changes</b>	<b>207.30</b>	<b>279.25</b>
<b>Working capital changes</b>		
(Increase)/ decrease in Trade receivable	15.65	(13.67)
(Increase)/ decrease in loans	(77.21)	(552.20)
(Increase)/ decrease in other financial assets	659.77	(1074.13)
(Increase)/ decrease in other non-financial assets	5.82	430.96
(Increase)/ decrease in Trade payable	1.44	3.79
Increase /(decrease) in other financial liabilities	(14.27)	(71.48)
Increase /(decrease) in other non financial liabilities	(718.69)	145.48
<b>Cash Flows before OCI and Tax</b>	<b>79.81</b>	<b>(852.01)</b>
Income Tax paid	25.40	42.33
<b>NET CASH FLOW FROM/ (USED) OPERATING ACTIVITIES</b>	<b>54.41</b>	<b>(894.34)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Proceeds from disposal/ sale of Property, plant & Equipment	0.15	0.41
Sale of investments	2106.88	4,110.25
Purchase of Property, Plant & Equipment	(12.81)	(160.55)
Purchase of Investments	(2,247.42)	(2939.03)
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>(153.20)</b>	<b>1,011.09</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Borrowings	(18.85)	96.43
Finance Lease obligation	0.00	(5.32)
Dividend Paid	(86.11)	0.00
Finance Costs	(6.24)	(3.18)
<b>NET CASH USED IN FINANCING ACTIVITIES</b>	<b>(111.20)</b>	<b>87.92</b>
<b>NET INCREASE/ DECREASE IN CASH &amp; CASH EQUIVALENTS (A+B+C)</b>	<b>(209.99)</b>	<b>204.67</b>
<b>OPENING CASH AND CASH EQUIVALENTS</b>	<b>496.09</b>	<b>291.42</b>
<b>CLOSING CASH AND CASH EQUIVALENTS</b>	<b>286.10</b>	<b>496.09</b>

**Note:**

- Cash Flow Statement has been prepared under indirect method as set out in IND AS-7 (Cash Flow Statement)
- Cash and Cash Equivalents consist of cash in hand balances with banks.

**Change in Liability arising from Financing Activities**

Particulars	Borrowings (Refer Note No. 15)
Balance as on 1st April 2021	-
Proceeds/ Repayments of borrowing	96.43
Non cash change (Fair Value)	-
Balance as on 31st March 2022	96.43
Balance as on 1st April 2022	96.43
Proceeds/ Repayments of borrowing	-18.85
Non cash change (Fair Value)	-
Balance as on 31st March 2023	77.58

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

As Per our Report of even date attached

FOR N. C. AGGARWAL & CO.  
 CHARTERED ACCOUNTANTS  
 Firm Registration Number : 003273N

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

Sd/-  
 G. K. AGGARWAL  
 PARTNER  
 Membership No. : 086622

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

Sd/-  
 LALIT BHASIN  
 (DIRECTOR)  
 DIN: 00002114

Place: Gurugram  
 Date : 26th May, 2023

Sd/-  
 ASHOK KUMAR  
 (CHIEF FINANCIAL OFFICER)

Sd/-  
 MOHIT CHAUHAN  
 (COMPANY SECRETARY)  
 (M. No.: ACS-53839)


**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**
**a. Equity Share Capital**

	Number of Shares	(Rs. in Lakhs)
<b>As at 01st April, 2021</b>	1,07,64,230	1,076.42
Changes in Equity share capital during the year	-	-
<b>As at 31st March, 2022</b>	1,07,64,230	1,076.42
Changes in Equity share capital during the year	-	-
<b>As at 31st March, 2023</b>	<u>1,07,64,230</u>	<u>1,076.42</u>

**b. Other Equity**
**Amount (Rs. in Lakhs)**

	Reserves and surplus					Other Comprehensive Income		Total
	Capital Reserve	General Reserve	Statutory Reserve	Securities Premium	Retained Earnings	Equity Instruments through other comprehensive income	Other items of Other comprehensive income - Remeasurement gain/ (losses) on defined benefit plan	
<b>Balance as at 01st April, 2021</b>	1,848.64	3,136.45	2,061.21	3,676.10	3,526.71	57.69	35.72	<b>14,342.50</b>
Profit for the year	-	-	-	-	645.61	-	-	<b>645.61</b>
Other comprehensive income (net of tax)	-	-	-	-	-	4,774.73	-	<b>4,774.73</b>
Transfer of Realised gain on sale of instruments through FVTOCI	-	-	-	-	1,040.71	(1,040.71)	-	<b>0.00</b>
Transferred to Statutory Reserve	-	-	188.42	-	(188.42)	-	-	<b>0.00</b>
Remeasurement gain/ (losses) on defined benefit plan	-	-	-	-	-	-	-24.09	<b>(24.09)</b>
Reversal of amount of Capital reserve upto 31st March, 2021	(319.53)	-	-	-	(1.73)	-	-	<b>(321.26)</b>
<b>Total comprehensive income for the year</b>	<b>1,529.11</b>	<b>3,136.45</b>	<b>2,249.63</b>	<b>3,676.10</b>	<b>5,022.88</b>	<b>3,791.71</b>	<b>11.62</b>	<b>19,417.50</b>
<b>Balance as at 31st March, 2022</b>	<b>1,529.11</b>	<b>3,136.45</b>	<b>2,249.63</b>	<b>3,676.10</b>	<b>5,022.88</b>	<b>3,791.71</b>	<b>11.62</b>	<b>19,417.50</b>
<b>Balance as at 01st April, 2022</b>	<b>1,529.11</b>	<b>3,136.45</b>	<b>2,249.63</b>	<b>3,676.10</b>	<b>5,022.88</b>	<b>3,791.71</b>	<b>11.62</b>	<b>19,417.50</b>
Profit for the year	-	-	-	-	305.67	-	-	<b>305.67</b>
Other comprehensive income (net of tax)	-	-	-	-	-	(1,523.73)	-	<b>(1,523.73)</b>
Transfer of Realised gain on sale of instruments through FVTOCI	-	-	-	-	180.21	-180.21	-	<b>-</b>
Remeasurement gain/ (losses) on defined benefit plan	-	-	-	-	-	-	0.44	<b>0.44</b>
Interim Dividend 2022-23	-	-	-	-	(86.11)	-	-	<b>(86.11)</b>
Transfer to/ from statutory Reserve	-	-	-	-	0.00	-	-	<b>0.00</b>
<b>Total comprehensive income for the year</b>	<b>1,529.11</b>	<b>3,136.45</b>	<b>2,249.63</b>	<b>3,676.10</b>	<b>5,422.65</b>	<b>2,087.77</b>	<b>12.06</b>	<b>18,113.78</b>
<b>Balance as at 31 March, 2023</b>	<b>1,529.11</b>	<b>3,136.45</b>	<b>2,249.63</b>	<b>3,676.10</b>	<b>5,422.65</b>	<b>2,087.77</b>	<b>12.06</b>	<b>18,113.78</b>

Significant accounting policies and notes to the Consolidated Financial Statements

1-50

**The accompanying notes form an integral part of the Consolidated Financial Statements**
**As Per our Report of even date attached**

 FOR N. C. AGGARWAL & CO.  
 CHARTERED ACCOUNTANTS  
 Firm Registration Number : 003273N

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

 Sd/-  
 G. K. AGGARWAL  
 PARTNER  
 Membership No. : 086622

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

 Sd/-  
 LALIT BHASIN  
 (DIRECTOR)  
 DIN: 00002114

 Place: Gurugram  
 Date : 26th May, 2023

 Sd/-  
 ASHOK KUMAR  
 (CHIEF FINANCIAL OFFICER)

 Sd/-  
 MOHIT CHAUHAN  
 (COMPANY SECRETARY)  
 (M. No.: ACS-53839)


**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023**
**1. Company Information / Overview**

The Company is public limited company incorporated and domiciled in India having its registered office at Gurugram, India. The Company is engaged in the business of activities of Non-banking financial company- Non-Systemically important Non-Deposit taking Company. Equity share of the company is listed on Bombay stock exchange. During the year the company has also started the business in trading in commodities. These consolidated financial statements comprise the Company and its subsidiaries (referred to collectively as the 'Group') and the Group's interest in associates.

**2. Basis of preparation of financial statements.**
**(A) Compliance with Ind As**

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

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

**(B) Presentation of financial statements**

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

**(C) Basis of preparation**

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

**3. Significant Accounting Policies**
**3.1 Basis of consolidation**

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries and associate.

**A) Subsidiaries**

Subsidiaries are entities over which the Group has control. Subsidiaries are consolidated on a line-by-line basis from the date the control is transferred to the Group. They are deconsolidated from the date that control ceases. Changes in the Group's interest in subsidiaries that do not result in a loss of control are accounted as equity transactions. The carrying amount of the Company's interests and the non-controlling interests ("NCI") are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. These financial statements are prepared by applying uniform accounting policies in use at the Group.

**B) Associates**

Associates are those entities over which the Group has significant influence, but not control or joint control. Investments in associates are accounted for using the equity method and are initially recognised at cost from the date significant influence commences, and thereafter to recognise the Group's share of post acquisition profits or losses of the investee in the Consolidated Statement of Profit and Loss, and the Group's share of Other Comprehensive Income of the investee in other comprehensive Income. Dividend received or receivable from associated are recognised as a reduction in the carrying amount of the investment.

**C) Subsidiaries and associate companies considered in the consolidated financial statements:**

Name of the Company	Ownership Interest (In %)	
	31st March, 2023	31st March, 2022
<b>Subsidiary Companies:</b>		
HB Securities Ltd.	100.00%	100.00%
HB Corporate Ltd.	97.40%	97.40%
Taurus Asset Management Company Ltd.	99.99%	99.99%
Taurus Investment Trust Co. Ltd.	80.39%	80.39%
<b>Associates:</b>		
Merwanjee Securities Ltd.	48.00%	48.00%

**3.2 Use of estimates and judgement**

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

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

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

**A) Effective Interest Rate (EIR) Method**

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

**B) Impairment of loans portfolio**

The measurement of impairment losses across all categories of financial assets requires judgement, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different levels of allowances. It has been the Company's policy to regularly review its models in the context of actual loss experience and adjust when necessary.

**C) Defined employee benefit assets and liabilities**

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

**D) Fair value measurement:**

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

**E) Other Estimates:**

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

**3.3 Financial Instruments**
**A) Initial Recognition and measurement**

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

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

**B) Classification and Subsequent measurement of financial assets-**

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

**a. Amortised Cost**

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

**b. FVOCI- debt instruments**

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



**c. FVOCI- equity instruments**

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

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

**d. FVTPL**

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

**Subsequent Measurement of financial assets**

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

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

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

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

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

**C. Financial Liabilities and equity instruments**

**Classification as debt or equity**

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

**Equity Instruments**

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

**Financial Liabilities**

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

**D. Derecognition**

**Financial Assets**

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

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

**Financial liabilities**

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

**E. Offsetting**

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

**F. Impairment**

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

**3.4 Cash and cash equivalents**

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

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

**3.5 Property, plant and equipments (PPE)**

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

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

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

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

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

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

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

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

**3.6 Intangible assets :**

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

**3.7 Impairment of assets other than financial assets :**

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

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



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

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

**3.8 Provisions and Contingent Liabilities**

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

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

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

When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

A disclosure for contingent liabilities is made where there is a possible obligation or a present obligation that may probably not require an outflow of resources. When there is a possible or a present obligation where the likelihood of outflow of resources is remote, no provision or disclosure is made.

**3.9 Employee Benefits :**

**A) Short-term employee benefits**

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

**B) Contribution to provident fund and ESIC**

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

**C) Gratuity**

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

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Statement of profit and loss. Liability for Gratuity is funded with Life India Corporation of India.

**Remeasurement gains/ losses-**

Remeasurement of defined benefit plans, comprising of actuarial gains / losses, return on plan assets excluding interest income are recognised immediately in the balance sheet with corresponding debit or credit to Other Comprehensive Income (OCI). Remeasurements are not reclassified to Statement of profit and loss in the subsequent period.

Remeasurement gains or losses on long-term compensated absences that are classified as other long-term benefits are recognised in Statement of profit and loss.

**D) Superannuation fund**

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

**E) Leave encashment / compensated absences / sick leave -**

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

**3.10 Revenue recognition**

Revenue (other than those items to which Ind As 109 Financial Instruments are applicable) is measured at fair value of the consideration received or receivable. Ind AS 115 Revenue form contracts with customers outlines a single comprehensive model of accounting for revenue arising from contracts with customers and supersedes current revenue recognition guidance found within Ind ASs.

The company recognises revenue from contracts with customers based on a five step model as set out in Ind AS 115.

Management fees charged for the management of portfolios and are recognised on accrual basis at the agreed upon rates with the reference to their average daily net assets.

Revenue is recognized on accrual basis to the extent that is possible that the economic benefits will flow to the Company and can be reliably measured. Where significant uncertainty exists with regard to realization of revenue at the time of accrual, the underlying revenue is not recognized to that extent. Revenue is measured at the fair value of the consideration received or receivable taking into account contractually defined terms of payment excluding taxes and duties collected on behalf of the Government.

Interest income is recognised on a time proportionate basis taking into account the amount outstanding and the effective interest rate and the amount can be measured.

**3.11 Finance costs**

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

**3.12 Taxation - Current and deferred tax:**

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

**A) Current tax :**

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

**B) Deferred tax :**

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

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

**3.13 Leases**

Effective 1st April, 2019 the Group has applied Ind AS 116 "Leases" and capitalized assets taken on non-cancellable lease other than short term leases and low value leases as right-of-use asset and corresponding lease liability during the current financial year. In the statement of Profit and Loss for the current financial year, the nature of expenses in respect of Operating Lease has changed from lease rent in previous periods to depreciation cost for the right-of-use asset and finance cost for interest accrued on lease liability except for the short term and low value leases.

Remeasurement of the lease liability is carried if there is any change in the lease term or in the assessment of an option to purchase the underlying asset. Remeasurement of lease liability is done by discounting the revised lease payments using the revised discount rate. Amount of remeasurement of lease liability is recognized as an adjustment to right-of-use asset.

**3.14 Foreign Exchange Transaction**

Transactions in foreign currency are recorded at exchange rates prevailing on the date of transaction. Monetary items denominated in foreign currency are restated at the exchange rate prevailing on the balance sheet date. Foreign currency non-monetary items carried in terms of historical cost are reported using the exchange rate at the date of transaction. Exchange differences arising on settlement of transactions and/ or restatement are dealt with in the Profit and Loss Account.

**3.15 Provisions and Contingent Liabilities**

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

A disclosure for contingent liabilities is made where there is a possible obligation or a present obligation that may probably not require an outflow of resources. When there is a possible or a present obligation where the likelihood of outflow of resources is remote, no provision or disclosure is made.

**3.16 Exceptional items**

When items of income and expenses within profit or loss from ordinary activities are of such size, nature or incidence that their disclosure is relevant to explain the

performance of the enterprise for the period, the nature and amount of such items is disclosed separately as Exceptional items.

**3.17 Earning per share**

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

**3.18 Recent accounting development**

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standard) Rules as issued from time to time. On 31st March, 2023, MCA amended the Companies (Indian Accounting Standard) Amendments Rules, 2023, as below:

-Ind AS -1 Presentation of Financial Statements - This amendments requires the entities to disclose their material accounting policies rather than their significant accounting policies. The effective date of adoption of this amendment is annual periods beginning on or after 1st April, 2023. The Group has evaluated the amendments and the impact of the amendment is insignificant in the consolidated financial statements.

-Ind AS - 8 Accounting Policies, Changes in Accounting Estimates and Errors - This amendments has introduced a definition of 'Accounting Estimates' and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The effective date for adoption of this amendments is annual periods beginning on or after 1st April, 2023. The Group has evaluated the amendments and there is no impact on its consolidated financial statements.

-Ind AS 12-Income Taxes-This amendment has narrowed the scope of initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The effective date for adoption of this amendment is annual periods beginning on or after 1st April, 2023. The Group has evaluated the amendment and there is no impact on its consolidated financial statements.

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023**
**4. CASH AND CASH EQUIVALENT**

Amount (Rs. in Lakhs)

Particulars	Amount (Rs. in Lakhs)	
	As at 31st March, 2023	As at 31st March, 2022
Cash on Hand	13.09	13.06
<b>Balance with Banks</b>		
- In current account	266.76	483.03
- Term Deposits with Bank	6.25	-
<b>Total</b>	<b>286.10</b>	<b>496.09</b>

**5. BANK BALANCES OTHER THAN ABOVE**

Amount (Rs. in Lakhs)

Particulars	Amount (Rs. in Lakhs)	
	As at 31st March, 2023	As at 31st March, 2022
<b>Earmarked balances with banks-</b>		
-Unclaimed dividend accounts	15.92	18.08
Term Deposits with Bank (more than 3 months but less than 12 months maturity)	913.00	951.40
<b>Total</b>	<b>928.92</b>	<b>969.48</b>

\*Includes Rs.58 Lakh (Previous Year Rs. 100/- Lakh) lien marked with NSE/NSCC; Rs. Nil (Previous Year Rs. 70.25 Lakh) lien marked for Bank Guarantee with NSE.

**6. TRADE RECEIVABLES**

Amount (Rs. in Lakhs)

Particulars	Amount (Rs. in Lakhs)	
	As at 31st March, 2023	As at 31st March, 2022
<b>Trade Receivables</b>		
Trade Receivables considered good - Secured	-	-
Trade Receivables considered good - Unsecured	76.10	91.75
Trade Receivables which have significant increase in credit risk	-	-
Trade Receivables - Credit Impaired	-	-
<b>Total</b>	<b>76.10</b>	<b>91.75</b>

**Trade Receivable Ageing Schedule**

Particulars	As at 31st March, 2023 (Rs. in Lakhs)					
	Outstanding for following periods from due date of payment					
	Less Than 6 Months	6 Months- 1 Year	1-2 Years	2-3 Years	More Than 3 years	Total
(i) Undisputed Trade receivables- considered good	75.99	0.11	-	-	-	76.10
(ii) Undisputed Trade receivables- considered doubtful	-	-	-	-	-	-
(iii) Disputed Trade receivables- considered good	-	-	-	-	-	-
(iv) Disputed Trade receivables- considered doubtful	-	-	-	-	-	-

**Trade Receivable Ageing Schedule**

Particulars	As at 31st March, 2022 (Rs. in Lakhs)					
	Outstanding for following periods from due date of payment					
	Less Than 6 Months	6 Months- 1 Year	1-2 Years	2-3 Years	More Than 3 years	Total
(i) Undisputed Trade receivables- considered good	91.75	-	-	-	-	91.75
(ii) Undisputed Trade receivables- considered doubtful	-	-	-	-	-	-
(iii) Disputed Trade receivables- considered good	-	-	-	-	-	-
(iv) Disputed Trade receivables- considered doubtful	-	-	-	-	-	-

**7. LOANS**

Amount (Rs. in Lakhs)

Particulars	Amount (Rs. in Lakhs)	
	As at 31st March, 2023	As at 31st March, 2022
<b>A) Loans (at amortised cost) :</b>		
Inter Corporate Loans - Standard	4,410.00	4,350.00
Others	25.10	7.89
<b>Total (Gross)</b>	<b>4,435.10</b>	<b>4,357.89</b>
Less: Impairment loss allowance	-	-
<b>Total (Net)</b>	<b>4,435.10</b>	<b>4,357.89</b>
<b>B) i) Secured by Tangible Assets</b>		
ii) Unsecured	4,435.10	4,357.89
<b>Total (Gross)</b>	<b>4,435.10</b>	<b>4,357.89</b>
Less: Impairment loss allowance	-	-
<b>Total (Net)</b>	<b>4,435.10</b>	<b>4,357.89</b>
<b>C) i) Loans in India</b>		
a) Public Sector	-	-
b) Others	4,435.10	4,357.89
<b>Total (Gross)</b>	<b>4,435.10</b>	<b>4,357.89</b>
Less: Impairment loss allowance	-	-
<b>Total (Net) -C (i)</b>	<b>4,435.10</b>	<b>4,357.89</b>
ii) Loans outside India	-	-
Less: Impairment loss allowance	-	-
<b>Total (Net) -C (ii)</b>	<b>-</b>	<b>-</b>
<b>Total (Net) -C ( i + ii)</b>	<b>4,435.10</b>	<b>4,357.89</b>

**Credit Quality of Assets**

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

Amount (Rs. in Lakhs)

Particulars	Amount (Rs. in Lakhs)	
	As at 31st March, 2023	As at 31st March, 2022
Low credit risk- <b>Stage I</b>	4,435.10	4,357.89
Significant increase in credit risk- <b>Stage II</b>	-	-
Credit impaired- <b>Stage III</b>	-	-
	<b>4,435.10</b>	<b>4,357.89</b>

1. The amount presented are net of impairment loss allowance.

2. There are no changes in the Impairment loss allowances during the period.



8. INVESTMENTS

Amount (Rs. in Lakhs)

Particulars	Face Value	As at 31st March, 2023		As at 31st March, 2022	
		Qty.(Nos.)	Amount	Qty.(Nos.)	Amount
		<b>A. Investment in Equity Instruments</b>			
<b>A.1 In Associates: -</b>					
<b>Unquoted Fully Paid up Equity Shares, Non Trade</b>					
<b>Merwanjee Securities Ltd.</b>					
Cost of acquisition	10	12,00,000	120.00	12,00,000	120.00
Add / (Less) : Group Share of Profits/(Losses) upto year end			273.33		392.21
			<b>393.33</b>		<b>512.21</b>
<b>Total (A.1)</b>		<b>12,00,000</b>	<b>393.33</b>	<b>12,00,000</b>	<b>512.21</b>
<b>A.2 Quoted Fully Paid up Equity Shares</b>					
<b>A.2.1 -Quoted Instrument fully paid up Equity Shares(At FVTOCI)</b>					
1 Aditya Birla Fashion and Retail	10	45	0.10	45	0.14
2 Avadh Sugar & Energy Ltd.	10	4,469	19.45	-	-
3 CESC Ltd	1	20,000	13.31	20,000	15.17
4 CG Power and Industrial Solutions Ltd.	2	75,000	225.04	75,000	142.09
5 CMI Ltd.	10	5,000	0.48	5,000	1.53
6 DCB Bank Ltd.	10	-	-	10,000	6.94
7 DCM Shriram Industries Ltd	2	60,21,756	3,735.90	62,05,984	5,712.61
8 GMR Power and Urban Infra Ltd.	5	-	-	50,000	16.80
9 HB Estate Developers Ltd*	10	21,04,317	720.10	21,04,317	373.52
10 Himatsingka Seide Ltd.	5	-	-	1,550	2.33
11 IRB Infrastructure Ltd.	1(10)	2,00,000	50.24	20,000	50.25
12 ITC Ltd.	1	25,000	95.86	25,000	62.66
13 Jaiprakash Associates Ltd.	2	1,13,17,113	785.46	95,57,113	793.24
14 Jaiprakash Power Venture Ltd.	10	7,50,000	41.55	-	-
15 Life Insurance Corporation of India	10	11,500	61.48	-	-
16 Nureca Ltd.	10	326	0.98	1,750	23.94
17 Parag Milk Foods Ltd.	10	43,000	31.24	-	-
18 Power Finance Corporation Ltd.	10	-	-	7,200	8.11
19 Punjab National Bank	2	2,50,000	116.78	-	-
20 Reliance Industries Ltd.	2	700	16.32	700	18.44
21 Reliance Infrastructure Ltd.	10	50,000	72.08	-	-
22 Reliance Power Ltd.	10	4,00,000	39.76	5,00,000	67.50
23 Patanjali Foods Ltd.	2	2,500	24.22	-	-
24 Surya Roshni	1	-	-	11,000	45.48
25 Vardhman Textiles Ltd.	10	-	-	25,000	109.00
26 Zee Entertainment Enterprises Ltd.	1	60,000	127.02	-	-
27 Auroma Coke Limited	10	2,50,000	15.68	2,50,000	15.68
28 Blue Cloud Softech Solutions Limited (Erstwhile Adithya Aquaculture Ltd.)	2	4,04,315	212.83	5,42,007	73.17
29 Deep Diamond India Limited	1	-	-	47,897	6.89
30 Flora textiles Limited	10	2,08,400	18.76	2,09,400	22.51
31 Marble City India Ltd. (Face Value of Rs.5 each) (Erstwhile P G Industries Limited)	5	1,00,000	11.36	1,00,000	11.25
32 Premier Polyfilm Limited	10	85,400	61.75	1,70,800	129.12
33 Shree Karthik Papers Limited	10	95,100	6.26	95,100	6.53
34 Suryo Foods and Industries Limited	10	77,700	5.43	77,700	6.64
35 ADS Diagnostic Limited	10	25,000	2.81	25,000	2.81
36 Oswal Agro Mills Limited	10	12,800	3.29	12,800	3.47
37 Nahar Spinning Mills Limited	10	607	1.46	607	3.12
38 Pasupati Spinning & Wvg. Mills Limited	10	1,520	0.24	1,520	0.40
39 Nahar Capital And Financial Services Limited	10	258	0.64	258	1.53
40 State Bank of India	1	224	1.17	224	1.11
41 Jubliant Ingrevia Limited	1	7,500	27.00	-	-
42 Tata Steel Limited	10	3,000	3.14	300	3.92
43 Biochem Synergy Ltd.	10	2,100	1.76	2,100	1.76
44 HB Stockholdings Ltd.	10	20,496	9.42	20,496	9.99
45 HB Estates Developers Ltd.	10	48,473	16.59	48,473	8.60
46 Magnum Polymers India Ltd.	10	4,600	-	4,600	-
<b>Total (A.2.1)</b>		<b>2,26,88,219</b>	<b>6,576.96</b>	<b>2,02,28,941</b>	<b>7,758.25</b>



Particulars	Face Value	As at 31st March, 2023		As at 31st March, 2022	
		Qty.(Nos.)	Amount	Qty.(Nos.)	Amount
<b>A.2.2 -Quoted Instrument fully paid up Equity Shares(At FVTPL)</b>					
1 Ahluwalia Contracts (India) Limited	2	1,46,788	848.36	1,60,157	753.78
2 Axis Bank Limited	2	3,000	25.31	-	-
3 Balrampur Chini	1	4,000	15.84	-	-
4 Bajaj Consumer Care Limited	1	14,000	21.27	14,000	22.86
5 Bhansali Engg Polymers Limited	1	16,000	15.66	16,000	20.30
6 Bharat Electronics Limited	1	10,000	9.76	-	-
7 Bharat Petroleum Corp Limited	10	9,500	32.68	9,500	34.12
8 CAMS Limited	10	482	9.79	-	-
9 CESC Limited	1	20,000	13.31	-	-
10 Coal India Limited	10	1,000	2.14	-	-
11 DLF Limited	2	2,000	7.14	-	-
12 Gail (India) Limited	10	-	-	1,000	1.56
13 Granuels India Limited	1	-	-	6,000	18.38
14 HDFC Bank Limited	1	800	12.88	-	-
15 Hero Motocorp Limited	2	700	16.43	900	20.67
16 ICICI Bank Limited	2	1,500	13.16	-	-
17 ICICI Securities Limited	5	4,500	19.24	-	-
18 Infosys Limited	5	1,900	27.13	-	-
19 JSW Energy Limited	10	10,000	24.07	-	-
20 IRCON International Limited	2	-	-	28,000	11.13
21 ITC Limited	1	-	-	12,000	30.10
22 L&T Finance Holding Limited	1	17,000	13.95	-	-
23 NCC Limited	2	4,000	4.25	34,000	19.91
24 NLC India Limited	10	4,000	3.09	-	-
25 NTPC Limited	10	-	-	3,350	4.52
26 Reliance Industries Limited	10	1,100	25.64	-	-
27 RPSG Ventures Limited	10	3,756	13.67	2,000	11.71
28 Supreme Petro Chem Limited	4	-	-	602	5.57
29 Wipro Limited	2	4,000	14.61	-	-
<b>Total (A.2.2)</b>		<b>2,80,026</b>	<b>1,189.38</b>	<b>2,87,509</b>	<b>954.60</b>
<b>A.3 -Unquoted Fully Paid up Equity Shares</b>					
<b>A.3.1 -Unquoted Instrument fully paid up Equity Shares(At FVTOCI)</b>					
1 Agr -Marine Exports Limited	10	73,300	0.01	73,300	0.01
2 Asian Vegpro Industries Limited	10	1,00,000	0.01	1,00,000	0.01
3 Consolidated Containers Limited	10	12,500	-	12,500	0.00
4 Gujarat Chemical Plasto Limited	10	25,000	-	25,000	0.00
5 Hindustan Domestic Oil Limited	10	42,400	-	42,400	0.00
6 Hytaisun Magnetics Limited	10	35,500	-	35,500	0.00
7 Kumars Kotex Limited	10	3,00,100	0.03	3,00,100	0.03
8 LD Textiles Limited	10	225	-	225	0.00
9 M S Securities Limited	10	1,00,000	0.01	1,00,000	0.01
10 Manav Pharma Limited	10	24,900	-	24,900	0.00
11 Maya Agro Limited	10	99,000	0.01	99,000	0.01
12 Naraingarh Sugar Mills Limited	10	2,50,000	0.03	2,50,000	0.03
13 Noel Agritech Limited	10	1,65,200	0.02	1,65,200	0.02
14 Nortech India Limited	10	2,00,000	0.02	2,00,000	0.02
15 Nutech Organic Chemicals Limited	10	2,00,000	0.02	2,00,000	0.02
16 Omtex Limited	10	50,000	0.01	50,000	0.01
17 Pan Asia Global Limited	10	3,100	-	3,100	0.00
18 Premier Aqua Limited	10	1,75,000	0.02	1,75,000	0.02
19 Premier Vinyl Flooring Limited	10	50	-	50	-
20 Presidency Shoes Limited	10	87,100	0.01	87,100	0.01
21 Prime Solvent Extractions Limited	10	14,400	-	14,400	0.00
22 Punjab Wireless Limited	10	10,500	-	10,500	-
23 Raghuvendra Spinners Limited	10	30,000	-	30,000	0.00
24 Rajendra Mining Spares Limited	10	2,50,000	0.03	2,50,000	0.03
25 Ravi Spinning Limited	10	-	-	1,80,000	0.02
26 Sandur Laminates Limited	10	1,00,000	0.01	1,00,000	0.01
27 Sangam Healthcare Products Limited	10	97,700	0.01	97,700	0.01
28 SKR Chemicals Limited	10	1,99,800	0.02	1,99,800	0.02
29 Sonal Cosmetics Limited	10	7,500	-	7,500	0.00
30 Southern Fuel Limited	10	1,62,000	0.02	1,62,000	0.02





Particulars	Face Value	As at 31st March, 2023		As at 31st March, 2022	
		Qty.(Nos.)	Amount	Qty.(Nos.)	Amount
31 Sudev Industries Limited	10	-	-	1,24,900	0.01
32 Superior Sox Limited	10	1,00,000	0.01	1,00,000	0.01
33 Suppliment Foods Limited	10	20,000	-	20,000	0.00
34 Usha Ispat Limited	10	23,000	-	23,000	0.00
35 Viral Filaments Limited	10	1,07,100	0.01	1,07,100	0.01
36 Viral Syntex Limited	10	1,15,900	0.01	1,15,900	0.01
37 Western Foods Limited	10	84,800	0.01	84,800	0.01
38 Western Orissa Sugar Limited	10	2,950	-	2,950	0.00
39 Akshay Software Technologies Limited	10	90,117	21.29	90,117	22.36
40 Associated Infotech Limited	10	4,00,000	-	4,00,000	-
41 MF Utilities India	1	5,00,000	29.76	5,00,000	28.00
42 Amc Repo Clearing Limited	10	1,200	0.12	1,200	0.12
43 Sovika Airline Services Limited	10	3,50,000	0.96	3,50,000	-
44 Teamasia Semiconductors Limited	10	2,50,000	-	2,50,000	-
<b>Total (A.3.1)</b>		<b>48,60,342</b>	<b>52.43</b>	<b>51,65,242</b>	<b>50.83</b>
<b>A.3.2 -IN OTHER COMPANIES (At FVTOCI)</b>					
1 Shetkari Solvant Limited	10	500	-	500	-
2 Elcot Power Control Limited	10	500	-	500	-
3 RRB Securities Limited	10	3,15,584	95.68	3,15,584	96.38
4 Merrygold Investments Limited	10	52,000	0.52	52,000	0.52
5 Pronto Steerings Limited	10	3,900	0.04	3,900	0.04
6 DSE Estates Limited	10	47,044	13.57	47,044	13.03
7 QR Properties Private Limited	10	4,500	42.85	4,500	42.63
8 Kesoram Textile Limited	10	49,699	3.57	49,699	3.57
9 Harsai Investments Limited	10	2,00,000	27.80	2,00,000	25.40
<b>Total (A.3.2)</b>		<b>6,73,727</b>	<b>184.03</b>	<b>6,73,727</b>	<b>181.56</b>
<b>Total A</b>		<b>2,85,02,314</b>	<b>8,002.80</b>	<b>2,63,55,419</b>	<b>8,945.25</b>
<b>B. Investment in Preference Shares (At FVTOCI)</b>					
1 HB Estate Developers Ltd.- 9% Redeemable Non-Convertible Non-Cumulative Preference Shares-Series III	100	20,00,000	2,000.00	20,00,000	2,000.00
2 HB Estate Developers Ltd.- 9% Redeemable Non-Convertible Non-Cumulative Preference Shares-Series II	100	8,00,000	800.00	8,00,000	800.00
3 Gemini Portfolios Pvt Ltd (9% Non Cumulative)	100	4,00,000	400.00	4,00,000	400.00
4 HB Estate Developers Ltd.- 9% Redeemable Non-Convertible Non-Cumulative Preference Shares-Series II	100	1,25,000	125.00	1,25,000	125.00
5 RRB SECURITIES LIMITED 0 % Fully Convertible Preference Shares - Series II	100	3,00,000	300.00	3,00,000	300.00
<b>Total B</b>		<b>32,00,000</b>	<b>3,625.00</b>	<b>32,00,000</b>	<b>3,625.00</b>
<b>C. Investments in bonds - unquoted (measured at amortised Cost)</b>					
1 9.75% IFCI Limited	1000000	3	32.15	3	32.15
<b>Total C</b>		<b>3</b>	<b>32.15</b>	<b>3</b>	<b>32.15</b>
<b>D. Investment in Mutual Fund - unquoted (At FVTPL)</b>					
1 DSP Mutual Fund 1D Rate Liquid ETF	1,000	1,268	12.68	-	-
2 Nippon India Mutual Fund ETF Liquid BeSE	1,000	1,284	12.84	-	-
3 SBI Multipliers	10	500	0.05	500	0.05
4 Taurus Mutual Fund - CORPUS	10	-	2.00	-	2.00
5 Taurus Starshare (Multi Cap) Fund - Direct Plan - Growth	10	55,078	80.97	55,078	86.81
6 Taurus Discovery (Mid Cap) Fund - Direct Plan - Growth	10	76,033	57.13	76,033	57.71
7 Taurus Large Cap Equity Fund - Direct Plan - Growth	10	35,093	36.31	35,093	38.06
8 Taurus Infrastructure Fund - Direct Plan - Growth	10	38,335	15.39	38,335	16.04
9 Taurus Tax Shield - Direct Plan - Growth	10	93,075	118.10	93,075	111.96
10 Taurus Ethical Fund - Direct Plan - Growth	10	45,971	40.00	45,971	42.06
11 Taurus Nifty Index Fund - Direct Plan - Growth	10	3,224	1.13	3,224	1.12
12 Taurus Banking and Financial Services Fund - Direct Plan - Growth	10	42,445	17.09	42,445	15.46
13 ABSL Money Manager Fund - Direct Plan - Growth Option	10	90,229	285.30	1,48,806	444.80
<b>Total D</b>		<b>4,82,536</b>	<b>678.99</b>	<b>5,38,561</b>	<b>816.07</b>
<b>Total Investments (A+B+C+D)</b>		<b>3,33,84,853</b>	<b>12,732.28</b>	<b>3,12,93,983</b>	<b>13,930.68</b>
Total Investment at FVTOCI		<b>3,14,22,288</b>	<b>10,438.42</b>	<b>2,92,67,910</b>	<b>11,615.65</b>
Total Investment at FVTPL		<b>7,62,562</b>	<b>1,868.37</b>	<b>8,26,070</b>	<b>1,770.66</b>
Total Investment at Cost		<b>12,00,003</b>	<b>425.48</b>	<b>12,00,003</b>	<b>544.36</b>

Note:

- All above investments are in India itself
- Shares/ units of Mutual Funds having fair value of Rs. 25.52 Lakhs (Previous Year Rs. Nil) were Lying Pledged/Given as Margin as at the Year end



9. OTHER FINANCIAL ASSETS

Amount (Rs. in Lakhs)

Particulars	As at	As at
	31st March, 2023	31st March, 2022
Security Deposit*	512.18	1,077.13
Interest accrued on loans / Inter Corporate Deposits/ FDR's	120.69	75.11
Claim Recoverable-Doubtful	17.27	17.27
Less: Provision for doubtful recoverable	(17.27)	(17.27)
Other Receivable**	27.09	61.81
Term Deposits with Bank (more than 12 months maturity)	20.45	85.00
<b>Total</b>	<b>680.41</b>	<b>1,299.05</b>

(\*) \*Includes Rental Deposits given to related Party namely HB Estate Developers Ltd. Amount Rs. 345 Lakhs (Previous Year Amount Rs. 345 Lakhs)

(\*\*) \*\* Includes Advances given to related Party namely RRB Master Securities Delhi Ltd. Rs. Nil (Previous Year Rs. 20.00 Lakhs)

10. CURRENT TAX ASSETS (NET)

Amount (Rs. in Lakhs)

Particulars	As at	As at
	31st March, 2023	31st March, 2022
Advance Tax/ TDS/ Income tax Refundable (Net of Provisions)	139.95	182.39
<b>Total</b>	<b>139.95</b>	<b>182.39</b>

11. PROPERTY, PLANT & EQUIPMENT

Amount (Rs. in Lakhs)

Particulars	Leasehold Improvements	Furniture & Fixtures	Generator	Vehicles	Office Equipment	Computers	Data Processing Machine	Total
<b>GROSS BLOCK</b>								
<b>As at 1st April, 2021</b>	-	2.62	18.70	110.10	21.84	82.48	2.93	<b>238.67</b>
Additions during the year	-	-	-	151.03	1.43	4.94	1.49	<b>158.89</b>
Deletions during the year	-	-	-	-	2.16	8.27	-	<b>10.44</b>
<b>As at 31st March, 2022</b>	-	<b>2.62</b>	<b>18.70</b>	<b>261.13</b>	<b>21.10</b>	<b>79.15</b>	<b>4.42</b>	<b>387.13</b>
Additions during the year	-	-	-	-	2.03	10.28	0.50	<b>12.81</b>
Deletions during the year	-	-	-	22.12	4.46	45.15	-	<b>71.73</b>
Adjustment during the year	-	-	-	-	-	-	-	<b>-</b>
<b>As at 31st March, 2023</b>	-	<b>2.62</b>	<b>18.70</b>	<b>239.01</b>	<b>18.67</b>	<b>44.28</b>	<b>4.92</b>	<b>328.21</b>
<b>ACCUMULATED DEPRECIATION</b>								
<b>As at 1st April, 2021</b>	-	1.13	16.82	81.55	16.60	65.61	2.41	<b>184.11</b>
Depreciation Expense for the year	-	0.49	0.16	16.42	1.26	6.98	0.44	<b>25.75</b>
Adjustment during the year	-	-	-	-	1.58	7.86	-	<b>9.44</b>
<b>As at 31st March, 2022</b>	-	<b>1.62</b>	<b>16.98</b>	<b>97.97</b>	<b>16.28</b>	<b>64.73</b>	<b>2.85</b>	<b>200.42</b>
Additions during the year	-	0.21	0.10	26.29	1.30	6.49	0.75	<b>35.14</b>
Adjustment during the year	-	-	-	22.12	4.08	45.15	-	<b>71.35</b>
<b>As at 31st March, 2023</b>	-	<b>1.83</b>	<b>17.08</b>	<b>102.14</b>	<b>13.50</b>	<b>26.07</b>	<b>3.60</b>	<b>164.21</b>
<b>Net Block as at 31st March, 2023</b>	-	<b>0.79</b>	<b>1.63</b>	<b>136.87</b>	<b>5.17</b>	<b>18.21</b>	<b>1.32</b>	<b>163.99</b>
<b>Net Block as at 31st March, 2022</b>	-	<b>1.00</b>	<b>1.73</b>	<b>163.16</b>	<b>4.82</b>	<b>14.42</b>	<b>1.57</b>	<b>186.71</b>

12. OTHER INTANGIBLE ASSETS

Amount (Rs. in Lakhs)

Particulars	Computer Software
<b>Cost or deemed cost</b>	
Balance as at 1st April, 2021	7.28
Additions	1.66
Disposals	-
<b>Balance as at 31st March, 2022</b>	<b>8.94</b>
Additions	-
Disposals	-
<b>Balance as at 31st March, 2023</b>	<b>8.94</b>
<b>Accumulated amortisation</b>	
Balance as at 1st April 2021	3.65
Charge for the period	0.91
Disposals	-
<b>Balance as at 31st March, 2022</b>	<b>4.56</b>
Charge for the period	0.96
Disposals	-
<b>Balance as at 31st March, 2023</b>	<b>5.52</b>
<b>Net carrying amount</b>	
Balance as at 31st March, 2023	<b>3.42</b>
Balance as at 31st March, 2022	<b>4.38</b>
Balance as at 31st March, 2021	<b>3.63</b>

13. OTHER NON FINANCIAL ASSETS

Amount (Rs. in Lakhs)

Particulars	As at	As at
	31st March, 2023	31st March, 2022
Prepaid Expenses	49.97	60.86
Amount recoverable from employees	5.33	5.33
GST Recoverable	56.06	46.23
Other Advances	22.02	26.78
<b>Total</b>	<b>133.38</b>	<b>139.20</b>

14. TRADE PAYABLES

Amount (Rs. in Lakhs)

Particulars	As at	As at
	31st March, 2023	31st March, 2022
- total outstanding dues of micro enterprises and small enterprises; and	12.08	3.54
- total outstanding dues of creditors other than micro enterprises and small enterprises	17.84	24.93
<b>Total</b>	<b>29.92</b>	<b>28.48</b>

Trade payables are recognised at their original amounts which represents their fair value on their initial recognition. Trade payables are considered to be of short term duration and are not discounted and the carrying values are assumed to be approximate their fair values.



\* As per information available with the Company, the outstanding amounts payable towards enterprise as defined in the Micro, Small and Medium Enterprises Developments (MSMED) Act, 2006 are given below :

Particulars	As at 31st March, 2023	As at 31st March, 2022
Principal amount due and remaining unpaid	12.08	3.54
Interest due on above and unpaid interest	NIL	NIL
Amount of 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

Trade Payables aging schedule- Current reporting period/ Previous reporting period

Trade Payable Ageing Schedule

Particulars	As at 31st March, 2023 (Rs. in Lakhs)				
	Outstanding for following periods from due date of payment				
	Less Than 1 year	1-2 Years	2-3 Years	More Than 3 years	Total
MSME	12.08	-	-	-	12.08
Others	17.17	0.11	-	0.55	17.83
Disputed dues - MSME	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-

Trade Payable Ageing Schedule

Particulars	As at 31st March, 2022 (Rs. in Lakhs)				
	Outstanding for following periods from due date of payment				
	Less Than 1 year	1-2 Years	2-3 Years	More Than 3 years	Total
MSME	3.54	-	-	-	3.54
Others	21.01	-	0.79	3.13	24.93
Disputed dues - MSME	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-

15. BORROWINGS Amount (Rs. in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
<b>(A) In India</b>		
<b>At amortised cost:</b>		
<b>Term Loan From Bank</b>		
Vehicle Loan from HDFC Bank (Refer Note No. 15.1)	40.39	49.72
Vehicle Loan from HDFC Bank (Refer Note No. 15.2)	37.18	46.70
Outside India	-	-
	<b>77.57</b>	<b>96.42</b>
<b>(B) Out of above</b>		
Secured against Hypothecation of Vehicle financed	77.57	96.42
Secured- others	-	-
Unsecured	-	-
<b>Total</b>	<b>77.57</b>	<b>96.42</b>

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

	0-1 Years	1-2 Years	2-3 Years	3 & above
<sup>1</sup> - Vehicle Loan from HDFC Bank	10.01	10.74	11.51	8.13
<sup>1</sup> - Vehicle Loan from HDFC Bank	10.23	11.00	11.82	4.13

15.1 Vehicle Loan from HDFC bank is secured against vehicle financed. The Rate of interest is 7.00% P.A. The amount is repayable in 60 monthly instalments. The last instalment is due in November, 2026.

15.2 Vehicle Loan from HDFC bank is secured against vehicle financed. The Rate of interest is 7.20% P.A. The amount is repayable in 60 monthly instalments. The last instalment is due in July, 2026.

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

16. SUBORTINATED LIABILITIES Amount (Rs. in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
<b>(A) In India</b>		
<b>At amortised cost:</b>		
60,000 (60,000) Non-cumulative Redeemable Preference Shares of Rs. 10/- each fully paid up	6.00	6.00
<b>(B) Out of above</b>	-	-
<b>Total</b>	<b>6.00</b>	<b>6.00</b>

17. OTHER FINANCIAL LIABILITIES Amount (Rs. in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Unclaimed Dividend*	15.92	18.08
Expense payable	18.07	25.90
Other Payable	0.32	0.32
<b>Total</b>	<b>34.31</b>	<b>44.30</b>

\* No amount was due for transfer to investor education and protection fund as on 31st March, 2023

18. DEFERRED TAX ASETS/ (LIABILITIES) (NET) Amount (Rs. in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
<b>Deferred tax assets comprises of:</b>		
Provision for employee benefits	29.18	29.49
Temporary difference on depreciation and amortisation of tangible assets	5.54	6.07
Others	0.62	0.64
	<b>35.34</b>	<b>36.20</b>
<b>Deferred tax liability comprises of:</b>		
Fair Value Gain through profit and loss on Instruments	(23.91)	(32.78)
Fair Value Gain through other comprehensive income on Instruments	(17.82)	(34.66)
Remeasurement of Net Defined Benefit liability	(1.74)	(2.92)
	<b>(43.47)</b>	<b>(70.36)</b>
<b>Deferred taxes assets/ (Liabilities) (net)</b>	<b>(8.13)</b>	<b>(34.16)</b>

19. PROVISIONS Amount (Rs. in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
<b>Provision for Employee Benefits</b>		
Leave Encashment	62.35	58.29
Gratuity	53.58	58.88
<b>Others</b>		
Contingent Provision against Standard Assets	2.28	3.40
<b>Total</b>	<b>118.21</b>	<b>120.57</b>

20. OTHER NON-FINANCIAL LIABILITIES Amount (Rs. in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Statutory Dues Payable	29.91	34.27
Employee related payables	17.27	8.53
Advances From Customers, margin money etc.	2.49	725.56
<b>Total</b>	<b>49.67</b>	<b>768.36</b>


**21. SHARE CAPITAL**

Amount (Rs. in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
<b>a. Authorised:</b>		
2,00,00,000 Equity shares of Rs. 10/- each	2,000.00	2,000.00
2,00,00,000 Preference Shares of Rs. 10/- each	2,000.00	2,000.00
<b>Total</b>	<b>4,000.00</b>	<b>4,000.00</b>
<b>b. Issued</b>		
1,15,93,531 Equity Shares Of Rs. 10/- Each	1,159.35	1,159.35
<b>Total</b>	<b>1,159.35</b>	<b>1,159.35</b>
<b>c. Subscribed and Paid up</b>		
1,07,64,230 Equity Shares Of Rs. 10/- Each fully paid up)	1,076.42	1,076.42
	1,076.42	1,076.42
Add: Forfeited shares- 8,29,301 (8,29,301) Equity Shares (Other than Directors)	27.36	27.36
<b>Total</b>	<b>1,103.79</b>	<b>1,103.79</b>

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

Particulars	Number of Shares	Amount Rs. in Lakhs
<b>As At 01st April, 2022</b>	<b>1,07,64,230</b>	<b>1,076.42</b>
Issued during the year	-	-
<b>As At 31st March, 2022</b>	<b>1,07,64,230</b>	<b>1,076.42</b>
Issued during the year	-	-
<b>As At 31st March, 2023</b>	<b>1,07,64,230</b>	<b>1,076.42</b>

**e. Terms / Rights attached to the Equity Shares**

Issued Share capital of the Company has only one class of shares referred to as equity shares having Par value of Rs.10/. Each holder of Equity Shares is entitled to One vote per share. In the event of the Liquidation of the company, the holder of equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all Preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders. The holders of equity shares are entitled to dividends, if any, proposed by the Board of Directors and approved by shareholders at the Annual General Meeting.

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

Particulars	As at 31st March, 2023		As at 31st March, 2022	
	Number of Shares	% holding in the class	Number of Shares	% holding in the class
Lalit Bhasin	63,24,671	58.76%	63,24,671	58.76%

**g. Promoter's Shareholding as at 31st March, 2023 and percentage change in shareholding during the year as compared to previous year is as follows: -**

Promoter Name	No. of Shares as at March 31, 2023	% of total shares	% Change during the year	No. of Shares as at March 31, 2022
Lalit Bhasin	63,24,671	58.76	-	63,24,671
Manasvin Arora	56,250	0.52	-	56,250
Kanishk Kapur	56,250	0.52	-	56,250
Ayush Kapur	56,250	0.52	-	56,250
Mehar Arora	56,250	0.52	-	56,250
HB Stockholdings Limited	60,000	0.56	-	60,000
Merrygold Investments Limited	4,574	0.04	-	4,574
<b>Total</b>	<b>66,14,245</b>	<b>61.45</b>	<b>-</b>	<b>66,14,245</b>

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

- Pursuant to scheme of arrangement with HB Stockholdings Limited and HB Estate Developers Limited approved by Hon'ble NCLT, Chandigarh, Haryana vide order dated 22/12/2017, during the FY 2017-18, the Company had allotted 59,48,055 (Fifty Nine Lakhs Forty Eight Thousand Fifty Five) Equity Shares of Rs. 10 (Rupees Ten) each fully paid-up to the Shareholders of HB Stockholdings Limited in the ratio of 25 (Twenty Five) equity shares of Rs. 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 Amount (Rupees in Thousand) 1,19,923.29 comprising of 1,19,92,329 equity shares of Rs. 10/- (Rupees Ten) each fully paid up to Amount (Rupees in Thousand) 1,79,403.84 comprising of 1,79,40,384 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 had been reduced by reducing the face value of the equity shares from 1 (One) equity share of Rs. 10/- (Rupees Ten) fully paid up to 1 (One) equity shares of Rs. 6/- (Rupees Six) each fully paid up. The equity share capital of the Company so reduced had been further consolidated in such a manner that the Shareholders holding 5 (Five) equity share of Rs. 6/- (Rupees Six) each fully paid up were allotted 3 (Three) equity share of Rs. 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 Amount (Rupees in Thousand) 1,79,403.84 comprising of 1,79,40,384 equity shares of Rs. 10/- (Rupees Ten) each to Amount (Rupees in Thousand) 1,07,642.30 comprising of 1,07,64,230 equity shares of Rs. 10/- (Rupees Ten) each.

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

**j. Dividend**

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

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

**22. OTHER EQUITY**

Amount (Rs. in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
<b>a. Capital Reserve</b>		
Opening Balance	1,529.11	1,848.64
Add:	-	-
Less: Reversal of amount of Capital Reserve upto 31.03.2021	-	(319.53)
Closing Balance	1,529.11	1,529.11
<b>b. General Reserve</b>		
Opening Balance	3,136.45	3,136.45
Closing Balance	3,136.45	3,136.45
<b>c. Securities Premium Reserve</b>		
Opening Balance	3,676.10	3,676.10
Closing Balance	3,676.10	3,676.10
<b>d. Statutory Reserve</b>		
Opening Balance	2,249.63	2,061.21
Add: Transferred from surplus	-	188.42
Closing Balance	2,249.63	2,249.63
<b>e. Retained Earning</b>		
Opening Balance	5,022.88	3,526.71
Add: Profit for the current year	305.67	645.61
Realised gain on sale of investment transferred from OCI	180.21	1,040.71
Transfer to statutory reserve as per Section 45-1C of The RBI Act, 1934	0.00	(188.42)
Less -Interim Dividend-2022-23	(86.11)	-
Less: Reversal of Group Share of (Profits)/ Losses upto 31.03.2021	-	(1.73)
Closing Balance	5,422.65	5,022.88
<b>e. Other Reserves</b>		
<b>Equity Instruments through other comprehensive income</b>		
Balance as at the beginning of the year	3,791.71	57.69
Add: Net gain/(loss) on equity instruments designated at FVTOCI for the year (net of tax impacts)	(1,523.73)	4,774.73
Less: Reclassification of Realised Gain on sale of investments to retained earning	(180.21)	(1,040.71)
Closing Balance	2,087.77	3,791.71
<b>Other items of Other comprehensive income - Remeasurement gain/ (losses) on defined benefit plan</b>		
Balance as at the beginning of the year	11.62	35.72
Adjustments during the year	0.44	(24.09)
Closing Balance	12.06	11.62
<b>TOTAL OTHER EQUITY</b>	<b>18,113.78</b>	<b>19,417.50</b>


**Description of the nature and purpose of Other Equity:**
**Capital Reserve**

Capital Reserve represent the difference between the cost to the parent of the investment in subsidiary/ associates and the parent company share of equity of subsidiary/ associates on the date on which the investment in such subsidiary is done.

**General Reserve**

General Reserve represents the statutory reserve. This is in accordance with Indian Corporate Law where in a portion of profit is apportioned to General Reserve. Under Companies Act, 1956, it was mandatory to transfer amount before a company can declare dividend. However, under companies Act, 2013 transfer of any amount to general reserve is at the discretion of the company.

**Securities Premium**

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

**Statutory Reserve**

Statutory reserve represents reserve fund created pursuant to Section 45-IC of the RBI Act, 1934 through transfer of specified percentage (20%) of net profit every year before any dividend is declared. The reserve fund can be utilised only for limited purposes as specified by RBI from time to time and every such utilisation shall be reported to the RBI within specified period of time from the date of such utilisation. During the year, the company has not transferred 20% of its net profit to the statutory reserve. (Reserve Note No. 34).

**Retained Earnings**

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

**Equity Instruments through Other Comprehensive income.**

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

**Other Comprehensive Income-Remeasurement gain/ (losses) on defined benefit plan**

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

**23. INVESTMENT AND ADVISORY INCOME** Amount (Rs. in Lakhs)

Particulars	For the Year ended 31st March, 2023	For the Year ended 31st March, 2022
Interest income	472.58	428.38
Income from advisory & other Investment income	976.62	1,000.09
Net gain on Fair Value changes	190.13	428.44
<b>Total</b>	<b>1,639.33</b>	<b>1,856.91</b>

**24. SALE OF COMMODITIES** Amount (Rs. in Lakhs)

Particulars	For the Year ended 31st March, 2023	For the Year ended 31st March, 2022
Sales: -		
Copper Cathode	77.59	-
Nickel Cathode	84.29	-
Zinc Ingots	504.89	-
<b>Total</b>	<b>666.77</b>	<b>-</b>

**25. OTHER INCOME** Amount (Rs. in Lakhs)

Particulars	For the Year ended 31st March, 2023	For the Year ended 31st March, 2022
Provision no Longer required	-	0.18
Bad Debts recovered	0.20	-
Others	3.13	0.02
<b>Total</b>	<b>3.33</b>	<b>0.20</b>

**26. FINANCE COSTS** Amount (Rs. in Lakhs)

Particulars	For the Year ended 31st March, 2023	For the Year ended 31st March, 2022
Finance charges on finance Lease	-	0.20
Interest expense on vehicle loan	6.24	2.98
<b>Total</b>	<b>6.24</b>	<b>3.18</b>

**27. PURCHASE OF STOCK-IN-TRADE** Amount (Rs. in Lakhs)

Particulars	For the Year ended 31st March, 2023	For the Year ended 31st March, 2022
Purchase: -		
Copper Cathode	78.37	-
Nickel Cathode	85.14	-
Zinc Ingots	509.60	-
<b>Total</b>	<b>673.11</b>	<b>-</b>

**28. EMPLOYEE BENEFIT EXPENSES** Amount (Rs. in Lakhs)

Particulars	For the Year ended 31st March, 2023	For the Year ended 31st March, 2022
Salary & Benefits	695.28	614.33
Contribution to Provident fund and other fund	46.09	53.08
Amortisation of prepaid staff costs	1.22	0.67
Staff Welfare	17.97	16.97
<b>Total</b>	<b>760.56</b>	<b>685.05</b>

**29. OTHER EXPENSES** Amount (Rs. in Lakhs)

Particulars	For the Year ended 31st March, 2023	For the Year ended 31st March, 2022
Rent/Facility Charges	71.32	67.59
Vehicle Running and Maintenance	6.28	3.95
Insurance	1.91	1.05
Travelling & Conveyance	21.34	24.78
Communication	19.15	18.09
Printing & Stationery	5.17	5.55
Legal & Professional	51.48	64.79
Listing Fee	3.00	3.00
Advertisement & Promotion	16.37	21.05
Director Sitting fees	46.45	33.65
Depository and Custodial and CDSL and NSDL Fees	0.81	0.88
Meeting Expenses	0.22	0.21
Subscription & Membership	19.39	19.27
Information Technology	22.52	37.22
Recruitment charges	7.43	6.75
Electricity charges	25.88	21.30
Repairs and maintenance		
- Vehicles	2.69	2.50
- Others	34.99	33.65
Office expenses	6.48	3.57
Outsourced professional service costs	38.46	37.47
Insurance	10.05	10.79
Loss on disposal of assets (net)	0.23	0.58
Rates and taxes	0.92	2.66
Mutual fund expenses (Refer Note No. 40)	34.51	16.16
Postage Telegram & Telephone	0.61	0.30
Corporate Social Responsibility Expenditure (Note no.: 47)	11.00	-
Bank Charges	2.61	1.73
Demat charges	0.11	0.11
Miscellaneous	7.74	8.40
Bad Debts written off	-	2.41
Broker Note Stamps	-	2.05
<b>Auditors Remuneration</b>		
-Audit Fees	8.70	8.70
-Tax Audit Fees	0.75	0.75
-Limited Review Reports	0.30	0.30
-Certification and others	0.82	1.08
<b>Total</b>	<b>479.69</b>	<b>462.36</b>


**30. EARNING PER SHARE (EPS)**

Particulars	For the Year ended 31st March, 2023	For the Year ended 31st March, 2022
Profit for the year (Rs. in Lakhs)	294.38	627.57
Weighted average number of Equity Shares used in computing basic EPS	1,07,64,230	1,07,64,230
Weighted average number of Equity Shares used in computing diluted EPS	1,07,64,230	1,07,64,230
<b>Basic Earnings per share (Rs.)</b>	<b>2.73</b>	<b>5.83</b>
<b>Diluted Earnings per share (Rs.)</b>	<b>2.73</b>	<b>5.83</b>
Face value per share (Rs.)	10.00	10.00

**31. RELATED PARTY TRANSACTIONS**
**31.1 List of Related Parties with whom transactions have taken place and relationship:**

Current Year	Previous Year
<b>HB PORTFOLIO LIMITED</b>	
1. Mr. Anil Goyal (Managing Director)	1. Mr. Anil Goyal (Managing Director)
2. Mr. Ajay Kumar Mohanty (Company Secretary) upto 31st Jan, 2023	2. Mr. Dinesh Kapoor (Company Secretary) upto 30th June, 2021
3. Mr. Ashok Kumar (Chief Financial Officer)	3. Mr. Ajay Kumar Mohanty (Company Secretary) w.e.f. 2nd Aug, 2021
	4. Mr. Ashok Kumar (Chief Financial Officer) w.e.f. 7th Jun, 2021
<b>TAURUS ASSET MANAGEMENT COMPANY LIMITED (SUBSIDIARY)</b>	
1. Mr. R.K. Gupta (Managing Director)	1. Mr. R.K. Gupta (Managing Director)
2. Ms Priyanka Walia (Company Secretary) w.e.f 27th Feb 2023	2. Mr. Waqar Naqvi (Chief Executive Officer) up to 30th Sep, 2021
3. Ms. Prasanna Pathak (Chief Executive Officer) till 23rd March 2023	3. Ms.. Prasanna Pathak (Chief Executive Officer) w.e.f. 1st Oct, 2021
4. Mrs Jinal patel (Chief Financial Officer)	4. Mrs Jinal patel (Chief Financial Officer)
5. Mrs. Anu Suri (Company Secretary) till 27th Feb 2023	5. Mrs. Anu Suri (Company Secretary)

**31.2. Transactions during the financial year ended 31.03.2023 with related Parties as under.**
**Amount (Rs. in Lakhs)**

Sr. No.	Particulars	Nature of Transaction	For the year ended 31st March, 2023	For the year ended 31st March, 2022
1	Anil Goyal	Remuneration and other services	98.32	69.96
2	Dinesh Kapoor	Remuneration and other services	0.00	5.38
3	Ajay Kumar Mohanty	Remuneration and other services	15.02	14.26
4	Ashok Kumar	Remuneration and other services	12.12	8.16
5	R.K. Gupta	Remuneration and other services	58.93	48.35
6	Waqar Naqvi	Remuneration and other services	0.00	110.52
7	Prasanna Pathak	Remuneration and other services	67.45	33.41
8	Anu Suri	Remuneration and other services	11.48	11.09
9	Jinal Patel	Remuneration and other services	19.32	14.36
10	Priyanka walia	Remuneration and other services	0.59	0.00
11	Anita Jain	Sitting Fees	1.70	1.75
12	R K Bhargava	Sitting Fees	1.90	2.35
13	R.C. Sharma	Sitting Fees	0.00	0.70
14	RP Tulsian	Sitting Fees	6.30	4.60
15	Ashok Aggarwal	Sitting Fees	5.90	3.60
16	Harbans Lal	Sitting Fees	7.45	6.45
17	KK Narula	Sitting Fees	3.90	3.50
18	Ravinder Kumar Jain	Sitting Fees	1.90	0.00
19	Lalit Bhasin	Sitting Fees	1.80	2.20
		Interim Dividend Paid	50.60	0.00
20	RRB Master Securities Delhi Ltd.	Depository Charges received	0.27	0.28
		Sale of Investment/Securities through them	771.28	1181.11
		Purchase of Investment/Securities through them	990.56	1125.37
		Transaction charges received	6.60	4.80
		Margin/ Advance Received/ (Paid) (Net)	(721.75)	291.50
21	Kanishk Kapur	Interim dividend paid during the year	0.45	0.00
		Sitting Fees	4.40	0.10

**b) Directors**

- R K Bhargava (Independent Director)
- Harbans Lal (Independent Director)
- R.C. Sharma (Independent Director)
- Anita Jain
- Lalit Bhasin (also see Para 'd' below)
- R.P. Tulsian (Independent Director)
- K.K. Narula (Independent Director)
- Ashok Aggarwal (Independent Director)
- Kanishk Kapur (also see Para 'g' below)
- Ravinder Kumar Jain

**c) Associates:**

- Merwanjee Securities Ltd.

**d) Person having control/significant influence/major shareholders**

- Mr. Lalit Bhasin

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

- RRB Master Securities Delhi Ltd.

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

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

**g) Persons in Promoter's Group-**

- Merry gold Investment Ltd.
- Kanishk Kapur
- Ayush Kapur
- Mehar Arora
- Manasvin Arora



Sr. No.	Particulars	Nature of Transaction	For the year ended 31st March, 2023	For the year ended 31st March, 2022
22	Ayush Kapur	Interim dividend paid during the year	0.45	0.00
23	Mehar Arora	Interim dividend paid during the year	0.45	0.00
24	Manasvin Arora	Interim dividend paid during the year	0.45	0.00
25	Merry gold Investment Ltd.	Interim dividend paid during the year	0.04	0.00
26	HB Stockholdings Ltd.	Interim dividend paid during the year	0.48	0.00
		Depository Charges received	2.17	5.46
27	HB Estate Developers Ltd.	Rent paid	25.18	25.18
		Reimbursement of Electricity Charges	15.66	11.69
		Depository Charges received	0.00	0.01
28	HB Leasing & Finance Co. Ltd.	Depository Charges received	0.00	0.04
29	RRB Securities Ltd.	Depository Charges received	0.39	0.86
30	Merwanjee Securities Ltd.	Sale of Investment/Securities through them	0.00	1447.94
		Purchase of Investment/Securities through them	-	466.33
		Services Charges for support services received	30.00	30.00
<b>Related Party Balances: as at the year end</b>				
Sr. No.	Particulars	Nature of Transaction	As on 31 March, 2023	As on 31 March, 2022
1	HB Estate Developers Ltd.	Security deposit outstanding for premises on Rent	345.00	345.00
		Electricity charges payable at the year end	0.66	0.79
2	RRB Master Securities Delhi Ltd.	Margin/ Advance	-	721.75
<b>Investment as at year end: -</b>				
Sr. No.	Particulars	Nature of Transaction	As on 31 March, 2023	As on 31 March, 2022
1	HB Estates Developers Ltd.	Investment in shares as at year end	112.27	104.99
2	HB Stockholdings Ltd.	Investment in shares as at year end	9.42	9.9918
3	RRB Securities Limited	Investment in shares as at year end	95.68	96.38

**32. RETIREMENT BENEFIT OBLIGATIONS**

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

**A) Defined Contributions Plans:**

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

Amount (Rs. in Lakhs)

Particulars	Current Year	Previous Year	Head under which shown in Profit & Loss Account
Contribution to Provident Fund	31.67	39.05	Contribution to Provident fund and other fund.
Contribution to superannuation fund	1.00	0.75	Contribution to Provident fund and other fund.
Contribution to ESIC	0.17	0.23	Contribution to Provident fund and other fund.

**B) Defined Benefit Plans**

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

**(i) Movement in defined benefit obligation**

Amount (Rs. in Lakhs)

Particulars	Gratuity (Funded)		Leave Encashment (Unfunded)	
	Year ended 31st March, 2023	Year ended 31st March, 2022	Year ended 31st March, 2023	Year ended 31st March, 2022
<b>Present value of obligation -at the beginning of the period</b>	<b>147.05</b>	156.27	<b>57.99</b>	66.63
Interest cost	10.66	10.95	4.23	4.55
Current service cost	9.10	8.77	6.68	5.54
Benefits paid	(16.58)	(44.18)	(9.74)	(28.64)
Remeasurements - actuarial (gain)/ loss	(2.81)	15.24	2.89	9.92
<b>Present value of obligation -at the end of the period</b>	<b>147.42</b>	147.05	<b>62.05</b>	57.99

**(ii) The amount to be recognised in the Balance Sheet**

Amount (Rs. in Lakhs)

Particulars	Gratuity (Funded)		Leave Encashment (Unfunded)	
	Year ended 31st March, 2023	Year ended 31st March, 2022	Year ended 31st March, 2023	Year ended 31st March, 2022
Present value of obligation -at the end of the period	(60.09)	147.05	(57.99)	57.99
Fair value of plan assets at end of year	98.29	86.96	10.20	-
Net liability/(asset) recognized in Balance Sheet	(9.22)	60.09	12.92	57.99
<b>Funded Status- Surplus/ (Deficit)</b>	<b>9.22</b>	(60.09)	<b>(12.92)</b>	(57.99)



(iii) Expense recognised in the statement of Profit and Loss:

Amount (Rs. in Lakhs)

Particulars	Gratuity (Funded)		Leave Encashment (Unfunded)	
	Year ended 31st March, 2023	Year ended 31st March, 2022	Year ended 31st March, 2023	Year ended 31st March, 2022
Interest cost	10.04	10.95	4.23	4.55
Current Service cost	9.10	8.77	6.68	5.54
Expected return on plan assets	(5.83)	(5.92)	0.00	0.00
<b>Expenses to be recognised in P&amp;L</b>	<b>13.31</b>	<b>13.79</b>	<b>10.91</b>	<b>10.09</b>

(iv) Recognised in other comprehensive income

Amount (Rs. in Lakhs)

Particulars	Gratuity (Funded)		Leave Encashment (Unfunded)	
	Year ended 31st March, 2023	Year ended 31st March, 2022	Year ended 31st March, 2023	Year ended 31st March, 2022
Cumulative unrecognized actuarial (gain)/loss opening: B/F	(29.45)	(45.40)	15.98	6.06
Remeasurement - Actuarial (gain)/loss -Obligation	(2.81)	15.24	2.89	9.92
Remeasurement - Actuarial (gain)/loss -Plan assets	0.71	0.71	-	-
Total Actuarial (gain)/loss	(2.10)	15.95	2.89	9.92
<b>Cumulative unrecognized actuarial (gain)/loss opening: C/F</b>	<b>(31.55)</b>	<b>(29.45)</b>	<b>18.87</b>	<b>15.98</b>

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

Weighted average actuarial assumptions	Gratuity (Funded)		Gratuity		Gratuity (Funded)	
	HB Portfolio Limited (Holding Company)		Taurus Assests Management Company Limited (Subsidiary Company)		HB Securities Limited (Subsidiary Company)	
	Year ended 31st March, 2023	Year ended 31st March, 2022	Year ended 31st March, 2023	Year ended 31st March, 2022	Year ended 31st March, 2023	Year ended 31st March, 2022
Discount Rate	7.25 % per anum	7.25 % per anum	7.40 % per anum	7.25 % per anum	7.50 % per anum	7.25 % per anum
Expected Rate of increase in salary	6.00 % per anum	6.00 % per anum	5.50 % per anum	5.25 % per anum	6.00 % per anum	6.00 % per anum
Mortality rate	IALM 2012-14	IALM 2012-14	100% of 'IALM (2012-14)	100% of 'IALM (2012-14)	IALM 2012-14	IALM 2012-14
Withdrwal Rate- 18 to 30 Years	5.00 % p.a.	5.00 % p.a.	3.00 % p.a.	3.00 % p.a.	5.00 % p.a.	5.00 % p.a.
- 30 to 44 Years	3.00 % p.a.	3.00 % p.a.	2.00 % p.a.	2.00 % p.a.	3.00 % p.a.	3.00 % p.a.
- 44 to 70 Years	2.00 % p.a.	2.00 % p.a.	1.00 % p.a.	1.00 % p.a.	2.00 % p.a.	2.00 % p.a.

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

Amount (Rs. in Lakhs)

Weighted average actuarial assumptions	Leave Encashment (Unfunded)					
	HB Portfolio Limited (Holding Company)		Taurus Assests Management Company Limited (Subsidiary Company)		HB Securities Limited (Subsidiary Company)	
	Year ended 31st March, 2023	Year ended 31st March, 2022	Year ended 31st March, 2023	Year ended 31st March, 2022	Year ended 31st March, 2023	Year ended 31st March, 2022
Discount Rate	7.25 % per annum	7.25 % per annum	7.40 % per anum	7.25 % per anum	7.25 % per annum	7.25 % per annum
Expected Rate of increase in salary	6.00 % per annum	6.00 % per annum	5.50 % per anum	5.25 % per anum	6.00 % per annum	6.00 % per annum
Mortality rate	IALM 2012-14	IALM 2012-14	100% of 'IALM (2012-14)	100% of 'IALM (2012-14)	IALM 2012-14	IALM 2012-14
Withdrwal Rate- 18 to 30 Years	5.00 % p.a.	5.00 % p.a.	3.00 % p.a.	3.00 % p.a.	5.00 % p.a.	5.00 % p.a.
- 30 to 44 Years	3.00 % p.a.	3.00 % p.a.	2.00 % p.a.	2.00 % p.a.	3.00 % p.a.	3.00 % p.a.
- 44 to 70 Years	2.00 % p.a.	2.00 % p.a.	1.00 % p.a.	1.00 % p.a.	2.00 % p.a.	2.00 % p.a.

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

(vi) Sensitivity analysis

For the year ended 31st March, 2023

Amount (Rs. in Lakhs)

Particulars	Change in assumption	HB Portfolio Limited (Holding Company)		HB Securities Limited (Subsidiary Company)	
		Effect on Gratuity	Effect on leave encashment	Effect on Gratuity	Effect on leave encashment
Discount rate	+1%	(4.71)	(1.03)	(0.46)	(0.12)
	-1%	5.08	1.14	0.78	0.14
Salary Growth rate	+1%	5.09	1.14	0.54	0.14
	-1%	(4.80)	(1.05)	(0.47)	(0.12)
Attrition Rate	+1%	0.19	0.06	0.06	0.01
	-1%	(0.21)	(0.07)	(0.06)	(0.02)

Amount (Rs. in Lakhs)

Particulars	Change in assumption	Taurus Assests Management Company Limited (Subsidiary Company)	
		Effect on Gratuity	Effect on leave encashment
Discount rate	+0.50%	(1.92)	(0.70)
	-0.50%	1.77	0.95
Salary Growth rate	+0.50%	1.81	(0.72)
	-0.50%	(1.97)	0.98

Amount (Rs. in Lakhs)

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

Particulars	HB Portfolio Limited (Holding Company)		Taurus Assests Management Company Limited (Subsidiary Company)		HB Securities Limited (Subsidiary Company)	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment	Gratuity	Leave Encashment
Short Term	3.21	0.64	20.58	32.64	-	0.04
Long Term	4.25	16.94	34.75	10.95	-	1.14




**33. Capital Management**

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

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

**34. Financial Risk Management**
**Financial risk factors**

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

**I. Market Risk**

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

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

**Interest Rate Risk**

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

**Currency risk**

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

**Other Price Risk**

Other Price risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market trade price/ quoted price/ declared NAV. The company is exposed to price risk arising mainly from Investment in Equity shares and Mutual Funds. The investment of the company in equity shares is measured at fair value through Profit or loss/ fair value through OCI which falls in medium risk category and also mutual funds are measured at fair value through profit or losses/ fair value through OCI and fall in medium risk category.

**II. Credit risk**

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

**III. Liquidity risk**

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

The following is the contractual maturities of the financial liabilities:

Amount (Rs. in Lakhs)

As at 31st March, 2023	Within 12 Months	After 12 Months	Total
<b>Financial Liabilities</b>			
Trade/ Other payable	29.92	-	29.92
Borrowings	20.24	57.33	77.57
Subordinate liabilities	-	6.00	6.00
Other financial liabilities	34.31	-	34.31
<b>Total</b>	<b>84.47</b>	<b>63.33</b>	<b>147.80</b>

Amount (Rs. in Lakhs)

As at 31st March, 2022	Within 12 Months	After 12 Months	Total
<b>Financial Liabilities</b>			
Trade/ Other payable	28.47	-	28.47
Borrowings	18.86	77.56	96.42
Subordinate liabilities	-	6.00	6.00
Other financial liabilities	44.30	-	44.30
<b>Total</b>	<b>91.63</b>	<b>83.56</b>	<b>175.19</b>

**35. MATURITY ANALYSIS OF ASSETS AND LIABILITIES:**

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

Amount (Rs. in Lakhs)

Particulars	31st March, 2023			31st March, 2022		
	Within 12 Months	After 12 Months	Total	Within 12 Months	After 12 Months	Total
<b>ASSETS</b>						
<b>Financial Assets</b>						
Cash and cash equivalents	286.10	-	286.10	496.09	-	496.09
Bank Balance other than above	928.92	-	928.92	969.48	-	969.48
Trade Receivables	76.10	-	76.10	91.75	-	91.75
Loans	4,410.00	25.10	4,435.10	4,350.00	7.89	4,357.89
Investments	1,900.52	10,831.76	12,732.28	1,802.82	12,127.86	13,930.68
Other Financial Assets	680.41	-	680.41	1,299.05	-	1,299.05
<b>Non-Financial Assets</b>						
Current tax assets (Net)	139.95	-	139.95	182.39	-	182.39
Property, Plant and Equipment	-	163.99	163.99	-	186.71	186.71
Other intangible assets	-	3.42	3.42	-	4.38	4.38
Other non -financial assets	133.38	-	133.38	139.20	-	139.20
<b>TOTAL ASSETS</b>	<b>8,555.38</b>	<b>11,024.27</b>	<b>19,579.65</b>	<b>9,330.78</b>	<b>12,326.84</b>	<b>21,657.62</b>
<b>LIABILITIES</b>						
<b>Financial Liabilities</b>						
Trade Payables	29.92	-	29.92	28.47	-	28.47
Borrowings	20.24	57.33	77.57	18.86	77.56	96.42
Subordinated liabilities	6.00	-	6.00	6.00	-	6.00
Other financial liabilities	34.31	-	34.31	44.30	-	44.30
<b>Non Financial Liabilities</b>						
Deferred tax liabilities (Net)	8.13	-	8.13	34.16	-	34.16
Provisions	56.18	62.03	118.21	60.74	59.82	120.57
Other non-financial liabilities	49.67	-	49.67	768.36	-	768.36
<b>TOTAL LIABILITIES</b>	<b>204.46</b>	<b>119.36</b>	<b>323.81</b>	<b>960.88</b>	<b>137.38</b>	<b>1,098.28</b>
<b>Net</b>	<b>8,350.93</b>	<b>10,904.91</b>	<b>19,255.84</b>	<b>8,369.89</b>	<b>12,189.45</b>	<b>20,559.34</b>

**36. Fair values**

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

**37. Fair value hierarchy**

The company determines fair values of its financial instruments according to the following hierarchy:

**Level 1:** quoted (unadjusted) prices in active markets for identical assets or liabilities.

**Level 2:** other techniques for which all inputs have a significant effect on the recorded fair value are observable, either directly or indirectly.

**Level 3:** techniques which use Inputs that have a significant effect on the recorded fair value that are not based on observable market data.

The following table presents the carrying value and fair value of each category of financial assets and liabilities as at 31st March, 2023:

**Amount (Rs. in Lakhs)**

Particulars	Ammortised cost	Fair value through OCI	Fair value through P & L	Total carrying value	Total Fair value	Fair value			
						Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>									
Cash and cash equivalents	286.10	-	-	286.10	286.10	-	-	-	-
Bank Balance other than above	928.92	-	-	928.92	928.92	-	-	-	-
Trade Receivables	76.10	-	-	76.10	76.10	-	-	-	-
Loans	4,435.10	-	-	4,435.10	4,435.10	-	-	-	-
Investments	425.48	10,438.42	1,868.37	12,732.28	12,732.28	7,766.34	-	4,965.94	12,732.28
Other Financial Assets	680.41	-	-	680.41	680.41	-	-	-	-
	<b>6,832.11</b>	<b>10,438.42</b>	<b>1,868.37</b>	<b>19,138.91</b>	<b>19,138.91</b>	<b>7,766.34</b>	<b>-</b>	<b>4,965.94</b>	<b>12,732.28</b>
<b>Financial Liabilities</b>									
Trade Payables	29.92	-	-	29.92	29.92	-	-	-	-
Borrowings	77.57	-	-	77.57	77.57	-	-	-	-
Subordinated liabilities	6.00	-	-	6.00	6.00	-	-	-	-
Other financial liabilities	34.31	-	-	34.31	34.31	-	-	-	-
	<b>117.88</b>	<b>-</b>	<b>-</b>	<b>117.88</b>	<b>117.88</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

The following table presents the carrying value and fair value of each category of financial assets and liabilities as at 31st March, 2022:

**Amount (Rs. in Lakhs)**

Particulars	Ammortised cost	Fair value through OCI	Fair value through P & L	Total carrying value	Total Fair value	Fair value			
						Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>									
Cash and cash equivalents	496.09	-	-	496.09	496.09	-	-	-	-
Bank Balance other than above	969.48	-	-	969.48	969.48	-	-	-	-
Trade Receivables	91.75	-	-	91.75	91.75	-	-	-	-
Loans	4,357.89	-	-	4,357.89	4,357.89	-	-	-	-
Investments	544.36	11,615.65	1,770.66	13,930.68	13,930.68	8,712.85	-	5,217.83	13,930.68
Other Financial Assets	1,299.05	-	-	1,299.05	1,299.05	-	-	-	-
	<b>7,758.62</b>	<b>11,615.65</b>	<b>1,770.66</b>	<b>21,144.94</b>	<b>21,144.94</b>	<b>8,712.85</b>	<b>-</b>	<b>5,217.83</b>	<b>13,930.68</b>
<b>Financial Liabilities</b>									
Trade Payables	28.48	-	-	28.48	28.48	-	-	-	-
Subordinated liabilities	6.00	-	-	6.00	6.00	-	-	-	-
Other financial liabilities	44.30	-	-	44.30	44.30	-	-	-	-
	<b>50.30</b>	<b>-</b>	<b>-</b>	<b>50.30</b>	<b>50.30</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**38. Contingent Liabilities and Commitments (To the extent not provided for): -**

Contingent Liabilities: - Rs. Nil (Previous Year Rs. Nil)

**39.** The debt schemes of Taurus Mutual Fund had invested in Commercial Papers of Ballarpur Industries Limited ("BILT") a group company of Avantha Holding Limited ("AHL") against which full provision was made consequent to default in payment of maturity proceeds during F.Y. 2016-17 which resulted in erosion in net asset value of the mutual fund investment held by the Company. In terms of agreement, AHL agreed to pay the balance amount along with interest in a phased manner. The Boards of Trustee and AMC decided that the recovery proceeds including interest payable by AHL will be paid to all the investors holding investment in the Debt Schemes of Taurus Mutual Fund, when NAV was reduced due to mark-down of BILT Commercial Paper. The amount, if any, received from Taurus Mutual Fund on recovery made from AHL is treated as miscellaneous income by the company in the year of receipt of such amount. No amount has been received during the Current year and previous year.

**40. Mutual fund expenses (Refer Note No. 29)**

- Mutual fund expenses include Rs. 2.82 lakhs (previous year Rs 3.09 Lakhs) being expenses of the mutual fund schemes managed by the Company in excess of the limits specified in SEBI Regulations 52(4) which are borne by the Company.
- Vide SEBI Circular dated 22 October 2018 and subsequent clarification vide SEBI letter dated 21 February 2019 & 25 March 2019, all scheme related expenses including commission paid to distributors, by whatever name it may be called and in whatever manner it may be paid, shall necessarily be paid from the scheme only within the regulatory limits and not from the books of the Asset Management Company, its Associate, sponsor, Trustee or any other entity through any route. Accordingly, all expenses related to schemes of Taurus Mutual funds have been borne by the Company till 21 October 2018 upto financial year 2018-19.


**41. Lease:**

Expenses recognised in the statement of profit & loss in respect of short term lease for Rs. 71.32 Lakhs (PY Rs. 67.59 Lakhs)

**42. Segment Reporting:**
**Operating Segments: -**

In accordance with Ind AS 108 on Segment Reporting, the Group has identified three business segments i.e. Investment and advisory services and Commodities Trading. These divisions offer different products and services, and are managed separately based on the Group management.

Amount (Rs. in Lakhs)

Particulars		For the year ended 31st March, 2023	For the year ended 31st March, 2022
<b>I</b>	<b>Segment Revenue</b>		
a)	Financial Services	1642.66	1857.11
b)	Commodities Trading	666.77	-
c)	Unallocated	-	-
	<b>Total</b>	<b>2309.43</b>	<b>1857.11</b>
<b>II</b>	<b>Segment Expenses</b>		
a)	Investment and advisory Services	1281.46	1184.54
b)	Commodities Trading	673.11	-
c)	Unallocated	-	-
	<b>Total</b>	<b>1954.57</b>	<b>1184.54</b>
<b>III</b>	<b>Segment Results</b>		
a)	Investment and advisory Services	361.20	672.57
b)	Commodities Trading	(6.34)	-
c)	Unallocated	-	-
	<b>Profit before tax</b>	<b>354.86</b>	<b>672.57</b>
	Less: - Provision for Tax	60.48	45.00
	<b>Profit after Tax</b>	<b>294.38</b>	<b>627.57</b>

Particulars		For the year ended 31st March, 2023	For the year ended 31st March, 2022
<b>IV</b>	<b>Segments Assets</b>		
a)	Investment and advisory Services	19439.25	21475.23
b)	Commodities Trading	0.45	-
c)	Unallocated	139.95	182.39
	<b>Total</b>	<b>19579.65</b>	<b>21657.62</b>
<b>V</b>	<b>Segments Liabilities</b>		
a)	Investment and advisory Services	197.47	943.56
b)	Commodities Trading	-	-
c)	Unallocated	126.34	154.73
	<b>Total</b>	<b>323.81</b>	<b>1098.29</b>

43. In the earlier years, the Holding Company had made an application to Reserve Bank of India (RBI) for issue of Certificate of Registration under Section 45IA of the Reserve Bank of India Act, 1934 as a Non Banking Financial Company (NBFC). However, Reserve Bank of India advised the Company to resubmit the application with some documents and latest financials which the company complied. Subsequently, Reserve Bank of India asked the company to re-submit the application due to some procedural issues which was also done by the company. So far, the Company has not received any reply from the Reserve Bank of India. To ensure the Company's well being and its growth, the Board of Directors of the Company in the earlier years took steps to diversify its business and the Company altered the object clause of Memorandum and Articles of Association by including commodity trading business besides investment and finance.

Consequent to the above mentioned diversification of business, the company does not require registration under section 45IA of the Reserve Bank of India Act, 1934 and the provisions of "Non-Banking Financial Company -Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016 and other regulation as applicable to the NBFC including disclosure requirement are not applicable.

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

**45. 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		Share in Other Comprehensive income		Total Comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated Profit/Loss	Amount	As % of consolidated Profit/Loss	Amount	As % of consolidated Profit/Loss	Amount
1	2	3	4	5	6	7	8	9
<b>Parent</b>								
HB Portfolio Ltd.	54.62 (57.65)	10517.34 (11851.75)	(37.82) (8.55)	(115.61) (55.18)	96.60 (93.18)	(1471.31) (4427.04)	130.35 (81.01)	(1586.93) (4371.86)
<b>Subsidiary (Indian)</b>								
HB Securities Ltd	4.44 (4.31)	854.29 (885.92)	0.92 (1.12)	2.80 (7.24)	2.26 (0.11)	(34.44) (5.32)	2.60 (0.23)	(31.64) (12.57)
HB Corporate Services Ltd	2.50 (2.31)	481.44 (475.22)	(0.16) (0.08)	(0.49) (0.51)	(0.44) (0.22)	6.71 (10.23)	(0.51) (0.18)	6.22 (9.72)
Taurus Investment Trust Co. Ltd.	0.62 (0.58)	120.24 (120.20)	0.01 (0.07)	0.04 (0.48)	- (0.00)	- (0.00)	(0.00) (0.01)	0.04 (0.48)
Taurus Asset Management Co. Ltd.	35.58 (32.47)	6850.92 (6675.99)	133.33 (104.61)	407.60 (675.46)	(6.96) (2.42)	105.96 (114.94)	(42.18) (14.65)	513.56 (790.40)
<b>Non- Controlling Interest</b>	0.20 (0.19)	38.27 (38.05)	0.01 (0.01)	0.04 (0.09)	(0.01) (0.01)	0.18 (0.27)	(0.02) (0.01)	0.22 (0.35)
<b>Associates (Investments as per Equity method)</b>								
Merwanjee Securities Ltd.	2.04 (2.49)	393.33 (512.21)	3.71 (2.81)	11.33 (18.13)	8.55 (4.06)	(130.21) (193.10)	9.76 (3.91)	(118.88) (211.23)
<b>Total</b>	100.00 (100.00)	19255.84 (20559.34)	100.00 (100.00)	305.71 (645.71)	100.00 (100.00)	(1,523.11) (4750.90)	100.00 (100.00)	(1,217.40) (5396.61)

\* Figure in bracket relates to previous year.

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



47. The Group is required to spent Rs. 8.69 Lakhs (Previous year Rs. Nil) on Corporate Social Responsibility(CSR) activities during the year. Amount spent during the year Rs. 11.00 lakhs (Previous Year Rs. Nil).

Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
i Amount required to be spent by the Group during the year	8.69	-
ii Gross amount spent by the Group during the year	11.00	-
iii Shortfall/(Excess) for the year (-ii)	(2.31)	-
iv Total of previous years shortfall	-	-
v Previous year shortfall spent during the year	-	-
vi Reason for Shortfall	NA	NA
vii Nature of CSR activities: - Promoting education and employment enhancing vocation skills		
viii CSR activities with Related Parties	NA	NA
ix <b>Movement of CSR Provisions: -</b>		
Opening Provision	-	-
Created during the year	8.69	-
Utilized during the year	11.00	-
<b>Closing Provision</b>	<b>(2.31)</b>	<b>-</b>

48. The Company holds 28094 equity shares in its name as trustee in its depository account. These shares are a result of fractional entitlement under its Scheme of Arrangement.

**49. Other statutory information**

- i The Group does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.
- ii The Group does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- iii The Group has performed an assesment to identify transactions with Struck off Companies as at 31st March, 2023 and the details of which are as under: -

Sr. No.	Name of Struck of Company	Nature of transactions	At at 31st March, 2023 (Rs. in Lakhs)	At at 31st March, 2022 (Rs. in Lakhs)	Relationship with the Struck off Company
1	Tripurari Finance Private Limited	Shares held by struck off Company	0.06	0.06	Equity Shareholder
2	YASBEE Finance Private Limited	Shares held by struck off Company	0.06	0.06	Equity Shareholder
3	Mega Heighly Realtors Private Limited	Shares held by struck off Company	0.02	0.02	Equity Shareholder
4	Chitra Finance and Investment Private Limited	Shares held by struck off Company	0.02	0.02	Equity Shareholder
5	Daman Investments and Securities Private Limited	Shares held by struck off Company	0.01	0.01	Equity Shareholder
6	Touchstone Stock Management Private Limited	Shares held by struck off Company	0.01	0.01	Equity Shareholder
7	Aggarwal Securities Private Limited	Shares held by struck off Company	0.00	0.00	Equity Shareholder
8	ZION Financial Services Private Limited	Shares held by struck off Company	0.00	0.00	Equity Shareholder
9	First Choice Financial Services Private Limited	Shares held by struck off Company	0.00	0.00	Equity Shareholder
10	Menon and Associates Private Limited	Shares held by struck off Company	0.00	0.00	Equity Shareholder
11	DEE GEE Credits and Hire Purchase Limited	Shares held by struck off Company	0.00	0.00	Equity Shareholder
12	Veda Sai Investments Private Limited	Shares held by struck off Company	0.00	0.00	Equity Shareholder
13	Ketso Investments and Trading Private Limited	Shares held by struck off Company	0.00	0.00	Equity Shareholder
14	Surya Kiran Securities Limited	Shares held by struck off Company	0.00	0.00	Equity Shareholder
15	SRF Superior Holdings Private Limited	Shares held by struck off Company	0.00	0.00	Equity Shareholder
16	Kamni Investment Limited	Shares held by struck off Company	0.00	0.00	Equity Shareholder
17	Ripe Investments Company Private Limited	Shares held by struck off Company	0.00	0.00	Equity Shareholder
18	Bhawani Leasing (India) Private Limited	Shares held by struck off Company	0.00	0.00	Equity Shareholder
19	Shree Greengold Investments Private Limited	Shares held by struck off Company	0.00	0.00	Equity Shareholder
20	Vaishak Shares Limited	Shares held by struck off Company	0.00	0.00	Equity Shareholder
21	Omtex Limited	Investment in securities	0.01	-	Not applicable
22	Western Foods Limited	Investment in securities	0.01	-	Not applicable
23	Maya Agro Limited	Investment in securities	0.01	-	Not applicable

\* 0.00 denotes amount less than Rs. 1.00 Thousand

Note: - In the absence of purchase price of share held by struck off companies face value is considered for reporting purpose.

- iv The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- v The Group has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- vi The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
  - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or
  - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- vii The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:
  - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
  - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,
- viii The Group has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017 for the financial years ended 31st March, 2023 and 31st March,2022.
- ix The Group does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961

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

*As Per our Report of even date attached*

**FOR N. C. AGGARWAL & CO.**  
**CHARTERED ACCOUNTANTS**  
 Firm Registration Number : 003273N

**FOR AND ON BEHALF OF THE**  
**BOARD OF DIRECTORS OF**  
**HB PORTFOLIO LIMITED**

Sd/-  
**G. K. AGGARWAL**  
 (PARTNER)  
 Membership No. : 086622

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

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

Sd/-  
**ASHOK KUMAR**  
 (CHIEF FINANCIAL OFFICER)

Sd/-  
**MOHIT CHAUHAN**  
 (COMPANY SECRETARY)  
 (M. No.: ACS-53839)

Place: Gurugram  
 Date : 26th May, 2023



**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 Lakhs)

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	820.76	437.13	1693.12	9.81
5.	Reserves & Surplus	33.53	44.32	5157.80	110.43
6.	Total Assets	862.05	489.42	7053.43	121.06
7.	Total Liabilities	862.05	489.42	7053.43	121.06
8.	Investments	605.25	488.37	2260.27	NIL
9.	Turnover	50.35	0.20	1197.62	7.01
10.	Profit before taxation	2.98	(0.48)	416.86	0.05
11.	Provision for taxation / Deferred tax	0.18	NIL	9.25	0.01
12.	Profit after taxation	2.80	(0.48)	407.60	0.04
13.	Proposed Dividend	NIL	NIL	NIL	NIL
14.	% of Shareholding (Equity)	100%	97.40%	99.99%	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

**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 Lakhs)

Sl. No.	Name of Associates	Merwanjee Securities Ltd. *
1.	Latest Audited Balance Sheet Date #	31st March, 2023
2.	Shares of Associate held by the Company on the year end	
	No.	12,00,000
	Amount of Investment in Associates	1,20,00,000
	Extend of Holding%	48.00
3.	Description of how there is significant influence	Shareholding/Voting Power
4.	Reason why the Associate / Joint Venture is not consolidated	Not Applicable
5.	Net worth attributable to Shareholding as per latest Audited Balance Sheet #	393.34
6.	Profit / Loss for the year	23.59
	i. Considered in Consolidation #	11.32
	ii. Not Considered in Consolidation	12.27

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

(#) Refer Note No. 3 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)

Sd/-  
LALIT BHASIN  
(DIRECTOR)

Sd/-  
ASHOK KUMAR  
(CHIEF FINANCIAL OFFICER)

Sd/-  
MOHIT CHAUHAN  
(COMPANY SECRETARY)

## **HB PORTFOLIO LIMITED**

Plot No. 31, Echelon Institutional Area,  
Sector-32, Gurugram - 122 001, Haryana  
Ph : 0124-4675500, Fax : 0124-4370985  
Email : [corporate@hbportfolio.com](mailto:corporate@hbportfolio.com)  
CIN: L67120HR1994PLC034148