

28th Annual Report 2010 - 11



HB LEASING AND FINANCE COMPANY LIMITED



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

CHIEF FINANCIAL OFFICER

Mr. C. P. Singh

COMPANY SECRETARY

Ms. Rainy Pahuja

AUDITORS

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

REGISTERED OFFICE

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

WEBSITE

www.hbleasing.com

REGISTRAR & SHARE TRANSFER AGENT

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

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HB LEASING AND FINANCE COMPANY LIMITED

NOTICE

NOTICE is hereby given that the 28th Annual General Meeting of the Company will be held as follows:

Day : Wednesday
Date : 7th September 2011
Time : 12.00 Noon
Place : GIA House I.D.C. Mehrauli Road, Opp. Sector-14, Gurgaon-122001, Haryana

To transact the following business:

AS ORDINARY BUSINESS (S):

- To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2011 and the Profit & Loss Account for the year ended on that date together with the Reports of Directors and Auditors thereon.
- To appoint Director in place of Dr. M.P Jain, who retires by rotation and being eligible offers himself for reappointment.
- To appoint Auditors and to fix their remuneration.

BY THE ORDER OF THE BOARD
For HB LEASING & FINANCE CO. LTD.

Place : Gurgaon
Date : 28.05.2011

RAINY PAHUJA
COMPANY SECRETARY

NOTES:

- A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER. A PROXY IN ORDER TO BE EFFECTIVE MUST BE LODGED AT THE REGISTERED OFFICE OF THE COMPANY AT LEAST 48 HOURS BEFORE THE TIME OF THE MEETING.
- The Register of Members and Share Transfer Books of the Company shall remain closed from 2nd September, 2011 to 7th September, 2011 (both days inclusive).
- Members/Proxies should bring Attendance Slips duly filled in for attending the meeting.

- Shareholders seeking any information with regard to Accounts are requested to write to the Company at least 7 days before the date of the meeting so as to enable the management to keep the information ready.

- Members are requested to:

(a) Notify any change in their address (including PINCODE) to the Company or to the Registrar and Share Transfer Agent of the company namely, RCMC Share Registry Pvt. Ltd., B-106, Sector 2, Noida-201301.

Phone: 0120-4015880; Fax: 0120-2444346; E-mail: shares@rcmodelhi.com

(b) Bring their copies of Annual Report with them to the meeting, as the same will not be supplied again at the Meeting as a measure of economy.

- All the material documents referred to in the Notice including the Memorandum & Articles of Association of the Company are available for inspection by the members of the Company are available for inspection by the members of the Company at its Registered / Corporate Office during the normal business hours on any working day.

- Details of the Directors seeking appointment/reappointment in the ensuing Annual General Meeting (Pursuant to Clause 49 of the Listing Agreement).

- The Company is implementing the "Green Initiative" as per Circular Nos. 17/2011 dated April 21, 2011 and 18/2011 dated April 29, 2011 issued by the Ministry of Corporate Affairs (MCA) to enable electronic delivery of notices/ documents and annual reports to shareholders. Henceforth, the email addresses indicated in your respective Depository Participant (DP) accounts which will be periodically downloaded from NSDL/ CDSL will be deemed to be your registered email address for serving notices/ documents including those covered under Section 219 of the Companies Act, 1956. The Notice of AGM and the copies of audited financial statements, directors report, auditors report etc. will also be displayed on the website www.hbleasing.com of the Company and the other requirements of the aforesaid MCA circular will be duly complied with.

Members holding shares in electronic mode are therefore requested to ensure to keep their email addresses updated with the Depository Participants.

Members holding shares in physical mode are also requested to update their email addresses by writing to the Registrar and Transfer Agent of the Company at the address mentioned in 5(a) above quoting their folio number(s)

ANNEXURE

TO THE NOTICE

Notes on director seeking appointment / re-appointment as required under Clause 49 of the Listing Agreement entered in to with the Stock Exchange.

PROFILE OF DIRECTOR SEEKING APPOINTMENT / REAPPOINTMENT

AT THE ENSUING (28TH) AGM (Refer Note 7 of the Notice for AGM)

Name of the Director	Dr. M. P. Jain
Date of Birth	1st July 1938
Date of Appointment	16-01-1984
Profile/ Expertise in Specific functional Areas.	He is a technocrat and renowned industrialist with more than 2 decades of experience.
List of directorship in other Public Companies. (As on 31 st March 2011)	Kendall Premium Healthcare Products Ltd.
Chairman/Membership of Committee of the Board in other Public Companies (As on 31 st March 2011)	Nil
Shares held by the Director	Nil


DIRECTORS' REPORT

To the Members,

The Directors have pleasure in presenting the 28th Annual Report of your Company together with the Audited Accounts for the year ended March 31, 2011.

FINANCIAL RESULTS

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

(Rs. in Lakhs)

PARTICULARS	Year Ended 31.03.2011	Year Ended 31.03.2010
Profit/(Loss) before Depreciation & Tax	6.00	194.34
Depreciation	0.75	3.2
Profit/(Loss) before Tax	5.25	191.14
Provision for Income Tax		
– Current	2.00	15.00
– Deferred Tax charge/ (credit)	(3.15)	0.92
– Fringe Benefit Tax	0.00	0.00
– Tax Adjustment for earlier years	1.40	0.57
Net Profit/(Loss)	5.00	174.65
Appropriation - Add/(Less)		
a) Profit/(Loss) brought forward	(1294.65)	(1434.37)
b) Transfer to Statutory Reserve Fund	1.00	(34.93)
c) Profit/(Loss) carried forward	(1290.65)	(1294.65)

DEMISE OF SHRI HARISH CHANDER BHASIN, FOUNDER CHAIRMAN OF THE COMPANY.

The Directors expressed their sorrow and deep sense of loss on the passing away on 7th December, 2010, of Sh. Harish Chander Bhasin, the Founder Chairman of the Company. Poignant and heartfelt tributes were paid to the extraordinary pioneer in the field of Financial Services, whose remarkable vision and keen interest in the affairs of the Company steered it to its illustrious position in the business world.

DIVIDEND

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

PERFORMANCE REVIEW & OUTLOOK

During the year, the BSE Sensitive Index which was 17,692 at the start of the financial year, made a low of 15,960 in May 2010 and a high of 21,108 in November 2010, ended at 19,445 on 31st March, 2011. The year was marked by high volatility in the stock market. During the year, the Divestment/ Investment activity of the company was curtailed due to extreme volatile market conditions. As a result the Company posted Net Profit of Rs.5.00 lakhs compared to Rs 174.65 lakhs in previous year.

The economic scenario at present is not very positive due to inflationary pressure. Despite the Reserve Bank's ongoing tightening policy to curb the rising inflation, the high prices of oil, food and other commodities in India has helped push inflation to almost 9%. Over the last one year, RBI has increased the repo rate (rate at which the RBI lends to banks) nine times since March 2010 to tame demand as a means of fighting inflation. The repo rate which was 4.75% in March 2010, now stands at 7.25% in May, 2011. With the declining growth in profitability of the Indian corporate sector due to tight monetary policies and turmoil in the International financial and credit market, there is a reduced risk appetite for Indian equities.

It is however believed that the Indian economy will do reasonably well with its own sturdy domestic demand inspite of all these odds over the long term.

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

During the year under review your Company has not accepted any deposits from the public.

The particulars under Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 on conservation of energy, technology absorption are not applicable to your Company. During the year under review, there were no earnings or outgo in foreign exchange.

The provisions of Sec 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 as amended, are not applicable, as there is no such employee who were drawing/ in receipt of remuneration of prescribed amount during the period under review.

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

REPORT ON CORPORATE GOVERNANCE

The report of Corporate Governance for the year under review is annexed hereto and forms a part of the Director's Report.

STATEMENT PURSUANT TO LISTING AGREEMENT

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

AUDITORS' REPORT

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

AUDITORS

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

DIRECTORS

Dr. M.P Jain being longest in the office of director, retire by rotation at the ensuing Annual General Meeting and being eligible offer himself for reappointment.

ACKNOWLEDGEMENTS

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

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Place : Gurgaon
Date : 28/05/2011

LALIT BHASIN
CHAIRMAN



MANAGEMENT'S DISCUSSION AND ANALYSIS

1. Operating Results

The company earned a gross income of Rs.55.38 Lakhs during the year under review compared to Rs. 238.03 lakhs in the previous year. Gross and the net profit earned by the Company during the current year were Rs. 6.00 lakhs and Rs. 5.00 lakhs respectively (Rs. 194.34 Lakhs & Rs. 174.65 Lakhs respectively during the previous year)

2. Industry Trends and Business Analysis

During the year under review 2010-11, Indian stock market was volatile and the BSE Sensitive Index which was 17,692 at the start of the financial year, made a low of 15,960 in May 2010 and a high of 21,108 in November, 2010, ended at 19,445 on 31st March, 2011.

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

3. Opportunities and Threats

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

Current elevated rates of inflation pose significant risks to future growth. With the attention of Government focused in containing the inflation, the economic growth may see a deceleration with corporates turning in moderate growth.

4. Future Prospects and Outlook

Though the Indian economy is one of the fastest growing economies to recover from the global crisis, the overall risks to the outlook however remain slanted to the downside. High oil and other commodity prices and the impact of the Reserve Bank's anti-inflationary monetary policy will moderate growth. High inflation is inimical to sustained growth as it harms investment by creating uncertainty.

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

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.

The Company is confident of managing these risks by maintaining a conservative financial profile, and by following prudent business and risk management practices.

6. Internal control system 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.

Besides, 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 2011 stood at Rs.1100.41 lakhs comprising of 11062731 Equity Shares of Rs. 10 each (excluding allotment money receivable of Rs. 5.86 lakhs). Though the Board of Directors have obtained necessary approval from the shareholders under Section 81(1A) of the Companies Act 1956, for issuing Redeemable Preference Shares, has still not proceeded with the issue of preference shares.

b) Reserves and Surplus: During the year under review, the reserves and surplus increased to Rs. 2024.80 lakhs as against Rs. 2023.81 Lakhs during previous year.

c) Current Assets & Current Liabilities: The current assets and current liabilities at the end of the year under review stood at Rs. 447.25 Lakhs and Rs.409.65 lakhs respectively against Rs. 409.26 lakhs and Rs. 374.67 lakhs for the last year.

8. Human Resources

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

9. Cautionary Statement

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

REPORT ON CORPORATE GOVERNANCE

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

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

Size and Composition of the Board

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

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

4 Meetings of the Board of Directors of the Company were held during the year under review (i.e. from 01.04.2010 to 31.03.2011) on 27th May, 2010, 12th August, 2010, 8th November, 2010 and 29th January, 2011. The Particulars regarding composition of the Board of Directors and their attendance in the Meetings held during the year under review are given hereunder:

Name of the Director	Category	*Other Directorships		*Committee Membership in Other companies		Board Meetings during the period		Attended Last AGM	Shares held in the Company & % to the Subscribed capital
		Total	As Chairman	Total	As Chairman	Held	Attended		
Mr. Lalit Bhasin	Non-Executive Promoter	14	4	5	Nil	4	4	Yes	1871964 (16.92%)
Mr. Anil Goyal	Executive Director	11	Nil	5	1	4	4	Yes	150 (Insignificant)
Dr. M.P Jain	Independent & Non Executive	1	Nil	Nil	Nil	4	Nil	No	Nil
Mr. Arvind Kohli	Independent & Non Executive	Nil	Nil	Nil	Nil	4	4	Yes	Nil
Mr L.N Malik	Independent & Non Executive	Nil	Nil	Nil	Nil	4	4	No	300 (Insignificant)

* As on 31st March 2011

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

AUDIT COMMITTEE

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

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

- To consider and set up adequate internal control system and review the monitor the same in consultation with the internal auditors and the auditors of the Company and ensure compliance of the same,
 - To receive, discuss and consider the observations and reports of the internal auditors and auditors of the Company from time to time,
 - To review and investigate on the matter of financial nature, as and when deemed necessary and expedient,
 - To give report and/or recommendations to the Board on the matters concerning financial operations of the Company,
 - To invite, summon any executive of the Company and/or appoint experts, wherever necessary, and discuss with them the matters relating to the finance, audit and internal control system etc.,
 - To obtain legal and professional advise wherever found necessary and expedient,
 - To consider and act on any matters as or included Under Clause 49 of the Listing Agreement and/or as may be so included from time to time, whether provided here in above or not,
 - To deal with any other matters related and/or incidental to the above or as may be assigned, in addition to the aforesaid by the Board from time to time.
- During the year under review, 4 meetings of the Audit Committee were held on 27th May, 2010; 12th August, 2010; 8th November, 2010; and 29th January, 2011 and same were attended by all the committee members.



SHAREHOLDERS / INVESTORS GRIEVANCE COMMITTEE

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

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

During the year under review, 5 Meetings of the Committee were held for considering/ approving the requests received from the shareholders for issue of new shares on replacement / dematerialisation / duplicate issue etc. Mr. Anil Goyal, Managing Director, has however been authorised to approve transfer of shares of the Company upto 2,000 equity shares under one folio at a time. The meetings were attended by all the committee members.

DIRECTOR'S REMUNERATION

Sitting Fees

An amount of Rs.1, 40,000/- was paid as sitting fees towards attending of Meetings of the Company to the Directors during the year are given below:

Name	Board Meeting	Audit Committee Meeting	Shareholders'/ Investors/Grievance Committee Meeting	Total
Mr. Lalit Bhasin	20000/-	20000/-	10000/-	50000/-
Mr. Anil Goyal	Nil	Nil	Nil	Nil
Dr.M.P. Jain	Nil	Nil	Nil	Nil
Mr. Arvind Kohli	20000/-	20000/-	10000/-	50000/-
Mr.L.N Malik	20000/-	20000/-	Nil	40000/-

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

General Body Meetings

(A) Details of Annual General Meetings:

(i) Location and time at the last 3 AGM's

Year	Type	Location	Date	Time
2009-2010	AGM	GIA House, I.D.C., Mehrauli Road, Opp.: Sector 14, Gurgaon-122001.	20.08.2010	12:00 Noon
2008-2009	AGM	GIA House, I.D.C., Mehrauli Road, Opp.: Sector 14, Gurgaon-122001.	25.08.2009	11:30 A.M.
2007-2008	AGM	GIA House, I.D.C., Mehrauli Road, Opp.: Sector 14, Gurgaon-122001.	11.09.2008	11.00 A.M.

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

Disclosures

- There have been no materially significant related party transactions, pecuniary transactions or relationships other than those disclosed in the financial statements for the year ended 31st March 2011 (Note No. 5 of schedule J forming part of Balance Sheet and Profit & Loss Account). Accordingly, the same have not been reproduced here.
- No penalty has been imposed nor any strictures have been passed by the Stock Exchanges or SEBI or any other Statutory Authority on any matter related to Capital Markets during the last three years.
- The company has adopted a Code of Conduct applicable to all Directors and Senior Management personnel of the company and the same has been posted in the website of the company www.hbleasing.com. For the year under review, all Directors and senior management personnel have confirmed their adherence to the provisions of said Code. A declaration to this effect from Managing Director of the Company is also given to this effect from Managing Director of the Company is also given to this effect at the end of this report.
- Risk Assessment and Minimisation procedures are in the existence and reviewed periodically.
- The Managing Director (CEO) and the Chief Financial Officer (CFO), have as required under Clause 49 of the Listing Agreement, given their certification on the review of financial statements, including cash flow, for the year ended 31.03.2011 to the Board of Directors.
- Remuneration Committee has not been constituted and Whistle Blower Policy has not been adopted by the Company being non mandatory requirements.
- All the mandatory requirements under Clause 49 (relating to Corporate Governance norms) of the Listing Agreement are being adhered to/complied.

Means of Communication

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

General Shareholder Information

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

Date	: 7th September, 2011
Time	: 12.00 Noon
Venue	: GIA House, I.D.C., Mehrauli Road, Opp. Sector 14, Gurgaon (Haryana) - 122 001

- Financial Year: : 31st March 2011
- Date of Book Closure : 2nd September, 2011 to 7th September, 2011 (both days inclusive)
- Dividend Payment Date : No dividend is being declared for year under review.
- Listing on Stock Exchanges

The Company's equity shares are listed at Bombay Stock Exchange Limited. Mumbai (BSE)

- Stock Code: The company's scrip code of BSE is 508956
- Dematerialisation of Share and Liquidity

The trading in the Equity Shares of the Company has come under compulsory dematerialization w.e.f. 29th January 2001 in terms of the SEBI - Notification No. SMDRP/ POLICY/CIR-23/2000 dated 29th May 2000.

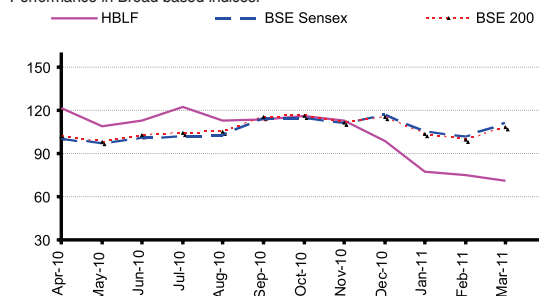
The company has joined the National Securities Depository Ltd (NSDL) and Central Depository Services (India) Ltd (CDSL). The ISIN No. allotted to the company is INE549B01016.

As at 31st March 2011, 7310470 Equity Shares of the Company are held in dematerialised form constituting 66.08% of the Company's subscribed share capital.

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

Month	High Price	Low Price	Close Price	Volume
April-2010	8.40	6.00	7.54	91,907
May-2010	7.80	6.20	6.80	55,519
June-2010	7.37	6.00	7.01	44,304
July-2010	9.30	6.00	7.61	2,71,431
August 2010	8.72	6.65	7.00	57,630
September-2010	7.78	6.52	7.05	70,322
October 2010	8.08	6.75	7.20	74,234
November-2010	8.35	6.54	7.00	43,255
December-2010	7.09	5.56	6.14	14,634
January 2011	6.00	4.76	4.80	15,198
February 2011	5.51	4.47	4.66	19,722
March-2011	4.89	3.88	4.41	22,594

- Performance in Broad based indices:



- Stock Performance-Absolute returns

1 YEAR	
HB Leasing	(32.98%)
BSE Sensex	9.91%
BSE 200	7.27%

- Share Transfer System

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

- The status of Investor's Grievance Redressal during the year 01-04-2010 to 31-03-2011.

Nature of Grievance	Received during the year	Cleared during the year
Non receipt of dividend	6	6
Non receipt of share certificate(s) after transfer / exchange	7	7
Non receipt of interest on debenture / in exchange of LOA	1	1
Non receipt of Annual Reports	7	7
Total	21	21



XIII. The distribution of shareholdings of the company as on 31st March 2011 is as under:

No. of Shares	Shareholders		Shareholding	
	Numbers	% to total	Numbers	% to total
1-5000	35846	97.40	4539431	41.03
5000-10000	542	1.47	413938	3.74
10001-20000	246	0.67	359792	3.25
20000-30000	62	0.17	158695	1.43
30001-40000	40	0.11	141469	1.28
40001-50000	6	0.02	28676	0.26
50001-100000	23	0.06	163086	1.47
100001 and Above	39	0.11	5257644	47.53
Total	36804	100.00	11062731	100.00

The category-wise distribution of Shareholders as on 31st March, 2011 is as follows:

Category	No. of Shares held	% of share-holding
A. PROMOTERS HOLDING		
1. Indian Promoter	3946877	35.68
2. Foreign Promoter	—	—
B. PUBLIC SHAREHOLDING (Institutions)		
1. Mutual Funds and UTI	1570	0.01
2. Banks/Financial Institutions	510	0.00
3. Foreign Institutional Investors	—	—
C. NON INSTITUTIONAL		
1. Bodies Corporate	911910	8.24
2. NRIs	153166	1.38
3. Indian Public	6040736	54.60
4. Clearing Members/ Intermediaries.	7962	0.07
TOTAL	11062731	100

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

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

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

XVII. Address for Correspondence

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

MANAGING DIRECTOR'S DECLARATION ON CODE OF CONDUCT

To

The Members of
HB Leasing & Finance Company Limited

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

For HB Leasing & Finance Company Limited

Place : Gurgaon
Date : 28.05.2011

ANIL GOYAL
Managing Director

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

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

CERTIFICATE

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

We have examined the compliance of conditions of Corporate Governance by **HB Leasing & Finance Co. Ltd.** for the year ended on 31st March 2011, as stipulated in clause 49 of the Listing Agreement of the Company with the Stock Exchanges.

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

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

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

FOR P. BHOLUSARIA & CO.
CHARTERED ACCOUNTANTS

Place: Gurgaon
Date: 28th May, 2011

(AMIT GOEL)
PARTNER
(Membership No. 92648)



HB LEASING AND FINANCE COMPANY LIMITED

AUDITOR'S REPORT

THE MEMBERS OF HB LEASING & FINANCE COMPANY LIMITED

We have audited the attached Balance Sheet of M/s. **HB LEASING & FINANCE COMPANY LIMITED** as at 31st March, 2011 and also the Profit and Loss Account and Cash flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

1. As required by Companies (Auditor's Report) Order, 2003 (as amended) issued by the Central Government of India in terms of section 227 (4A) of the Companies Act, 1956, we annex hereto a statement on the matters specified in paragraphs 4 and 5 of the said order to the extent applicable.
2. Further to our comments in the Annexure referred to in paragraph 1 above, we report that :-
 - a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - b) In our opinion proper books of account as required by law have been kept by the company so far, as appears from our examination of the said books;
 - c) The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - d) In our opinion, the Balance Sheet, Profit & Loss Account and Cash Flow Statement comply with the accounting Standards referred to in Sub Section (3C) of section 211 of the Companies Act, 1956.
 - e) As informed and explained to us, none of the directors of the company is disqualified as on 31st March, 2011 from being appointed as director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.
 - f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts and read together with significant accounting policies and notes (particularly Note No. 11) thereon give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India :-
 - i) In the case of the Balance Sheet of the State of Affairs of the Company as at 31st March, 2011 and
 - ii) In the case of the Profit & Loss account of the Profit for the year ended on that date and
 - iii) In the case of Cash Flow Statement, of the Cash Flow for the year ended on that date.

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

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

**Place : Gurgaon
Date : 28th May, 2011**

Annexure to Auditors' Report

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

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

nature of its business for the purchases of inventory and fixed assets and for sale of goods. During the year there was no sale of services. During the course of our audit, we have neither come across nor we have been informed of any instance of major weakness in the aforesaid internal control system.

5. a. In our opinion and according to the information and explanations given to us, the particulars of contracts for arrangements referred to in Section 301 of the Companies Act, 1956 have been entered into in the register required to be maintained under that Section.
- b. In our opinion and according to the information and explanations given to us, the transactions made in pursuance of such contracts or arrangements have been made at a price which are reasonable having regard to the market price prevailing at the relevant time.
6. The Company has not accepted any deposits from the public during the year.
7. In our opinion the internal audit system of the Company is commensurate with its size and nature of its business.
8. The nature of the company's business/activities is such that Clause 4(viii) of the Companies(Auditor's Report) Order 2003 regarding maintenance of Cost Records is not applicable to the company.
9. a. According to the records of the Company, undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales-Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Cess and other statutory dues as applicable have been generally regularly deposited by the company during the year with the appropriate authorities. According to the information and explanation given to us, no undisputed amount payable in respect of the aforesaid dues were outstanding as at 31st March 2011 for a period of more than Six months from the date of becoming payable.
- b. The disputed statutory dues aggregating to ₹ 20,70,090/- that have not been deposited on account of matters pending before appropriate authorities are as under:

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

10. The accumulated losses of the company at the Financial year end are less than fifty percent of its net worth. The company has not incurred cash losses during the financial year covered by our audit or in the immediately preceding financial year.
11. Based on our audit procedures and according to the information and explanation given to us, we are of the opinion that the Company has not defaulted in repayment of dues to financial institutions, banks or debenture holders during the year.
12. In our opinion and according to the information and explanation given to us, no loans and advances have been granted by the Company on the basis of security by way of pledge of shares, debentures and other securities.
13. In our opinion, the Company is not a chit fund or a nidhi/mutual benefit fund/society. Therefore, clause 4(xiii) of the Companies (Auditor's Report) order 2003 is not applicable to the company.
14. The Company has maintained proper records of transactions and contracts in respect of trading/ investments in shares, securities, debentures and other investments and timely entries have been made therein. All shares, securities, debentures and other investments have been held by the Company in its own name except for shares given as margin/pledged or bad deliveries pending for rectification.
15. The Company has given guarantee in respect of loan taken from bank by two companies. In the opinion of management, as explained in note no. 2(c) of Schedule – 'J', the terms and conditions of guarantee given are not prejudicial to the interest of the company. However, we are unable to comment about the same.
16. The Company has not raised any term loans during the year.
17. According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we report that the company has not raised any funds during the year either on long term or on short term basis.
18. During the year, the Company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under Section 301 of the Companies Act, 1956.
19. The Company has neither issued any debentures during the years nor there are any old debentures outstanding, and hence the question of Creating Securities in respect thereof does not arise.
20. The Company has not raised any money by way of public issue during the year.
21. In our opinion and according to the information and explanation given to us, no fraud on or by the Company has been noticed or reported during the year.

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

**Place : Gurgaon
Date : 28th May, 2011**

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

HB LEASING AND FINANCE COMPANY LIMITED



BALANCE SHEET AS AT 31ST MARCH 2011

Particulars	Schedule	As at	
		31.03.2011 (in Rs.)	31.03.2010 (in Rs.)
SOURCES OF FUNDS			
Shareholders Funds			
a) Share Capital	A	110041095	110041095
b) Reserves & Surplus	B	202480928	312522023
Deferred Tax Liability (Net)		—	91759
TOTAL		312522023	312513742
APPLICATION OF FUNDS			
Fixed Assets			
Gross Block	C	1265527	1265527
Less : Depreciation		939683	864031
Net Block		325844	401496
Investments	D	179146870	179187686
Deferred Tax Assets (Net)		223647	0
Current Assets, Loans & Advances			
a) Stock-in-Trade	F	14109189	9412654
b) Sundry Debtors		10822322	10822322
c) Cash & Bank Balances		1631041	2408634
d) Loans and Advances		18163157	18282478
		44725709	40926088
Less : Current Liabilities & Provisions			
a) Liabilities	G	28321574	23512962
b) Provisions		12643612	13953866
		40965186	37466828
Net Current Assets		3760523	3459260
Profit & Loss Account		129065139	129465301
(As Per Annexed Account)			
TOTAL		312522023	312513742

Notes on Accounts and Significant Accounting Policies J

As per our Report attached of even date

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

Amit Goel Partner (M. No. 92648) Place : Gurgaon Date : 28-05-2011

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

For and on behalf of the Board

Anil Goyal Managing Director

Lalit Bhasin Chairman

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2011

Particulars	Schedules	Current Year	
		31.03.11 (in Rs.)	Previous Year 31.03.10 (in Rs.)
INCOME			
Income from Operation & Other Income	H	5538606	23803507
TOTAL		5538606	23803507
EXPENDITURE			
Administrative & Other Expenses	I	4937530	4368703
Depreciation		75652	321152
TOTAL		5013182	4689855
Profit for the year before Taxation		525424	19113652
Provision For Taxation			
- Current		200000	1500000
- Deferred (Credit)		-315405	91759
Tax Adjustment for Earlier Year		140628	56978
Profit for the year after Taxation		500201	17464915
Transferred to Statutory Reserve Fund		100040	3492983
Balance Brought Forward		-129465300	-143437232
Balance Carried to Balance Sheet		-129065139	-129465300
Basic & Diluted Earning Per Share In Rs.		0.05	1.58

Notes on Accounts and Significant Accounting Policies J

As per our Report attached of even date

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

Amit Goel Partner (M. No. 92648)

C. P. Singh Chief Financial Officer

Anil Goyal Managing Director

Lalit Bhasin Chairman

Place : Gurgaon Date : 28-05-2011

Rainy Pahuja Company Secretary

For and on behalf of the Board

SCHEDULE 'A' : SHARE CAPITAL

Particulars	As at	
	31.03.2011 (in Rs.)	31.03.2010 (in Rs.)
AUTHORISED		
2,00,00,000 Equity Shares of Rs.10/-each	200000000	200000000
50,00,000 Redeemable Preference Shares of Rs.10/-each	50000000	50000000
	250000000	250000000
ISSUED		
1,11,83,681 Equity Shares of Rs.10/- each	111836810	111836810
SUBSCRIBED, CALLED-UP AND PAID-UP		
1,10,62,731 Equity shares of Rs.10/- each	110627310	110627310
LESS :		
Allotment Money Receivable (Other than Directors)	586215	586215
TOTAL	110041095	110041095

SCHEDULE 'B': RESERVES AND SURPLUS

Particulars	As at	
	31.03.2011 (in Rs.)	31.03.2010 (in Rs.)
SHARE PREMIUM A/C		
As Per Last Year	182029190	182029190
Less : Allotment Money Receivable (Other than Directors)	1432491	1432491
	180596699	180596699
INVESTMENT ALLOWANCE (UTILISED) RESERVE A/C		
As Per Last Year	2020864	2020864
CAPITAL RESERVE		
As Per Last Year	99875	99875
STATUTORY RESERVE FUND*		
As Per Last Year	19663450	16170467
Addition During the Year	100040	3492983
	19763490	19663450
TOTAL	202480928	202380888

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

SCHEDULE "C" FIXED ASSETS AS ON 31.03.2011

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	Opening As at 1.04.2010	Additions during the year	Deletions during the year	As on 31.03.2011	Upto 31.03.2010	For the year	Adjustments	Total upto 31.03.2011	As at 31.03.2011	As at 31.03.2010
Office Equipments	602430	—	—	602430	464293	28615	—	492908	109522	138137
Vehicles	50533	—	—	50533	8260	4801	—	13061	37472	42273
Furniture & Fixture	46299	—	—	46299	7580	2931	—	10511	35788	38719
Data Processing Machinery	108265	—	—	108265	57679	17550	—	75229	33036	50586
Air Conditioners	458000	—	—	458000	326219	21755	—	347974	110026	131781
TOTAL	1265527	0	0	1265527	864031	75652	0	939683	325844	401496
PREVIOUS YEAR	5766458	37000	4537931	1265527	5080810	321152	4537931	864031	401496	685648

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

S. No.	Name of the Company	Face Value (Rs.)	As at 31st March, 2011		As at 31st March, 2010	
			Qty.(Nos.)	Amount(Rs.)	Qty.(Nos.)	Amount(Rs.)
A. QUOTED FULLY PAID UP EQUITY SHARES						
1.	Crompton Greaves Ltd	2	60750	99184	85750	140000
2.	Unitech Ltd	2	361606	174047686	361606	174047686
SUB TOTAL (A)			422356	174146870	447356	174187686
B. UNQUOTED FULLY PAID-UP REDEEMABLE PREFERANCE SHARES						
1.	HB Securities Ltd(6% Cumulative) (A Company under the same Management)	1000	5000	5000000	5000	5000000
SUB TOTAL (B)			5000	5000000	5000	5000000
GRAND TOTAL (A + B)			427356	179146870	452356	179187686

- Market Value of Quoted Investments ₹ 3,12,08,675/-(Previous Year ₹ 4,89,31,205/-)
- Aggregate cost of Unquoted Investments ₹ 50,00,000/-(Previous Year ₹ 50,00,000/-)
- Investments costing ₹ 14,44,92,184/- were lying as margin /pledged as at the year end (Previous Year ₹ 4,82,71,858/-).

SCHEDULE 'E' : CURRENT ASSETS, LOANS AND ADVANCES

Particulars	As at	As at
	31.03.2011 (in Rs.)	31.03.2010 (in Rs.)
A. CURRENT ASSETS		
Closing Stock of Shares/Debentures (as per Schedule F) as taken, valued and certified by the Management)	14109189	9412654
	14109189	9412654
Sundry Debtors (Unsecured considered good unless otherwise stated) Outstanding Exceeding Six Months Considered Doubtful		
	10822322	10822322
	10822322	10822322
Cash in Hand (As certified by Management) Bank balances with Scheduled Banks:		
- In Current Accounts	248046	1072185
- In FDR's Accounts-(Lying Pledged with bank)	1000000	1000000
- Interest Accrued on FD	19110	2564
	1631041	2408634
TOTAL 'A'	26562552	22643611

SCHEDULE 'F' - STOCK - IN - TRADE
SCHEDULE 'E' : CURRENT ASSETS, LOANS AND ADVANCES (Contd...)

Particulars	As at	As at
	31.03.2011 (in Rs.)	31.03.2010 (in Rs.)
B. LOANS AND ADVANCES (Unsecured considered good, unless otherwise stated)		
Dividend Receivable	45450	0
Advance recoverable in Cash or in Kind or for value to be received		
Considered Good	95128	265255
Considered Doubtful	1372176	1372176
Advance Tax & Tax Deducted at Source	5076698	5069362
Security Deposits (Including Margin Money Deposits)	11573705	11575685
TOTAL 'B'	18163157	18282478
TOTAL 'A'+ 'B'	44725709	40926088

S. No.	Name of the Company	Face Value (Rs.)	As at 31st March, 2011		As at 31st March, 2010	
			Qty.(Nos.)	Amount(Rs.)	Qty.(Nos.)	Amount(Rs.)
QUOTED FULLY PAID UP EQUITY SHARES						
1	Agrotech India Ltd.	10	40400	0	40400	0
2	Andhra Cement Co.Ltd.	10	550	0	550	0
3	Baroda Rayon Corp. Ltd.	10	7055	0	7055	0
4	B.A.G .Films & Media Ltd	2	40000	292000	0	0
5	Delta Corp. Ltd	1	32000	2411200	0	0
6	Digital World India Ltd	10	127900	0	127900	0
7	EIH Ltd.	2	573	8543	375	8544
8	Essar Oil Ltd	10	177	22037	2177	301188
9	Graphite India Ltd	2	11500	1072950	0	0
10	Haryana Petro Ltd	10	1200	0	1200	0
11	Hotline Glass Ltd.	10	400	0	400	0
12	Jupitor Bioscience Ltd	10	4500	89325	0	0
13	Kalyan Sundram Cement Ltd.	10	8970	0	8970	0
14	K.S. Oils Ltd	1	22000	712800	0	0
15	Malanpur Steel Ltd.	10	1968	0	1968	0
16	Mansingha Oil Products Ltd.	10	300100	0	300100	0
17	Mawana Sugar Ltd.	10	21590	476060	43590	1266289
18	Modi Rubber Ltd.	10	5906	0	5906	0
19	Mohan Meakin Ltd.	5	800	0	800	0
20	Oswal Agro Mills Ltd.	10	192800	0	192800	0
21	P.N.B Gilts Ltd	10	20000	474000	0	0
22	Prakash Industries Ltd	10	50	1100	50	1100
23	Reliance Communications Ltd.	5	14	1508	14	2389
24	Reliance Industries Ltd.	10	28	1985	28	1985
25	Royal Orchid Hotels Ltd.	10	496	32265	496	37944
26	RRB Securities Ltd.	10	100000	3450000	100000	3450000
27	S.R.F. Ltd.	10	0	0	170	33549
28	STI Granite Ltd.	10	60000	0	60000	0
29	Tanla Solutions Ltd	1	45000	753750	0	0
QUOTED PARTLY PAID UP EQUITY SHARES						
1	Baroda Rayon Corp Ltd.	10	3527	0	3527	0
2	Ceat Ltd.	10	650	0	650	0
3	Kalyan Sundram Cement Ltd.	10	182060	0	182060	0
4	Nahar International Ltd.	10	41300	0	41300	0
SUB TOTAL (A)			1273514	9799523	1122486	5102988



S. No.	Name of the Company	Face Value (Rs.)	As at 31st March, 2011		As at 31st March, 2010	
			Qty.(Nos.)	Amount(Rs.)	Qty.(Nos.)	Amount(Rs.)
UNQUOTED FULLY PAID UP EQUITY SHARES						
1	Taurus Investment Trust Co. Ltd.	10	14380	149800	14380	149800
2	Harsai Investments Co. Ltd.	10	200000	0	200000	0
3	QR Properties Pvt. Ltd.	10	5900	59000	5900	59000
UNQUOTED FULLY PAID-UP PREF.SHARES						
1	HB Tele Communications Ltd. (2% Non Cumulative)	10	10000	100000	10000	100000
UNQUOTED SHARE APPLICATION						
1	Core Telecom Pvt. Ltd.	10	250000	0	250000	0
2	Solid Portfolio Pvt. Ltd.	10	250000	0	250000	0
WITH MUTUAL FUND - (Unquoted)						
1	Taurus Mutual Fund-Libra Tax Shield-96	10	400000	4000000	400000	4000000
2	UTI Master Gain	10	26100	866	26100	866
SUB TOTAL (B)			1156380	4309666	1156380	4309666
GRAND TOTAL (A + B)			2429894	14109189	2278866	9412654

SCHEDULE 'G': CURRENT LIABILITIES AND PROVISIONS

Particulars	As at 31.03.2011 (in Rs.)	As at 31.03.2010 (in Rs.)
A. CURRENT LIABILITIES		
i) Sundry Creditors		
- Due to Micro & Small Enterprises	-	-
- Others	229442	183488
ii) Advances received	28000000	23250000
iii) Other Liabilities	92132	79474
TOTAL (A)	28321574	23512962
B. PROVISIONS		
i) For Sub Standard/ Doubtful Assets	12194498	12194498
ii) For Gratuity	43165	0
iii) For Leave Encashment	205949	197819
iv) For Loss on Equity Derivative Instruments	0	61549
v) For Income Tax	200000	1500000
TOTAL (B)	12643612	13953866
TOTAL (A + B)	40965186	37466828

SCHEDULE 'H' - INCOME FROM OPERATIONS & OTHER INCOME

Particulars	Current Year (in Rs.)	Previous Year (in Rs.)
Profit on Sale/Purchase of Shares and Valuation Profit/Loss(Net)	-549870	14171187
Profit on Sale of Long Term Investments (Other than trade)	6456032	0
Profit(-Loss) in Securities/Equity Derivative Dealings (Net)	-883557	9106575
Dividend Income -On Stock in Trade	208948	155108
- On Long Term Investments (Other than Trade)	238971	447919
Interest Income on FDR (TDS Rs 9,225/- (Previous Year Rs 1,888/- only)	68082	18877
Miscellaneous Income	0	247000
TOTAL	5538606	23803507

SCHEDULE 'I' : ADMINISTRATIVE AND OTHER EXPENSES

Particulars	Current Year (in Rs.)	Previous Year (in Rs.)
Advertisement	42203	53116
Contribution to Provident Fund,		
E.S.I. & Gratuity Fund	230655	175652
Legal & Professional	560440	349880
Miscellaneous	154524	91751
Communication	364081	403820
Printing & Stationery	177497	147870
Rent and Facilities	316608	316608
Salaries & benefits	2126448	1836109
Books & Periodicals	41582	44210
Listing Fees	33090	33090
Insurance	4344	4200
Directors Sitting Fees	140000	175000
Travelling & Conveyance	456978	439189
Vehicle Running & Maintenance	126533	119159
Depository & Custodial	50517	37921
Other Repair and Maintenance	2314	16454
Staff Welfare	16511	37534
Bad Debts & Advances written off	0	10663650
Less- Provision for Substandard/ Doubtful Assets w/Back	0	-10663650
Auditor's Remuneration		
Audit Fees	41363	41363
Tax Audit Fees	16545	16545
Others	35297	93205
TOTAL	4937530	4368703

SCHEDULE - 'J'
NOTES ON ACCOUNTS AND SIGNIFICANT ACCOUNTING POLICIES ANNEXED TO AND FORMING PART OF THE STATEMENT OF ACCOUNTS FOR THE YEAR ENDED 31st MARCH, 2011.
I. SIGNIFICANT ACCOUNTING POLICIES

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

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

II. NOTES ON ACCOUNTS

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

	Head	Outstanding Balance as on 31.03.2011	Maximum balance outstanding during the year
	Sundry Debtors	Nil (Nil)	Nil (27,47,954/-)

- Figures in brackets pertain to previous year.

2. Contingent Liabilities not provided for

	Particulars	Current Year	Previous Year
(a)	Income tax demands disputed including interest etc. against which appeals are pending with appropriate authorities	68,52,164/-	68,52,164/-
(b)	Claims against the Company not acknowledged as debts	1,58,02,781/-	1,58,02,781/-
(c)	*Guarantee issued on behalf of – HB Securities Ltd. – a company under the same management. RRB Master Securities Delhi Ltd.	15,00,00,000/- 7,00,00,000/-	Nil Nil

* Subsequent to the year, HB Securities Ltd. has written to their bank for withdrawal of Guarantee as the same was no longer required by them. Accordingly the company has also written to the bank of HB Securities Ltd. for withdrawal of Guarantee. The aforesaid guaranties were given in view of overall long terms business involvement/relation of the company with them. In the opinion of the management, the giving of aforesaid guaranties will not have any prejudicial impact on the company.

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

	As on 31.03.2011	As on 31.03.2010
a) Deferred tax asset		
- Expenses allowable u/s 43B of Income Tax Act.	80,825/-	65,711/-
- Fixed Assets	1,42,822/-	—
b) Deferred tax liability		
- Fixed Assets	—	1,57,470/-
Net Deferred Tax Liability/(Asset)(b – a)	(2,23,647/-)	91,759/-

7. Earning Per Share :-

Particulars	Current Year	Previous Year
- Net Profit for the year as per Profit & Loss account	5,00,201	1,74,64,914
- Weighted average no. of equity Shares outstanding.	1,10,62,731	1,10,62,731
- Basic and Diluted Earning per share (Face value of ₹ 10/- each)	0.05	1.58

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

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

1. Not Later than One year ₹ 3,16,608/-
(Previous year ₹ 3,16,608/-)
- ii Later than one year, but not later than five years ₹ Nil
(Previous year ₹ Nil)
- iii. Later than five years ₹ Nil
(Previous year ₹ Nil)

- b) Minimum lease payments recognised in the statement of profit & loss account during the period ended 31st March 2011 is ₹ 3,16,608/- (Previous year ₹ 3,16,608/-)

- c) General description of the lease arrangement.

- The Lessee shall not sublet or otherwise part with possession of a part or whole of the premise without the previous consent in writing of the lessor.

- The lessee shall use the premises for commercial purposes only.
- The lease can be terminated by the lessee by serving one month notice to the lessor.

9. Disclosure pursuant to Accounting Standard – 15

- a) **Defined Contribution Plan**

Amount recognized as expense for defined contribution plans are as under :-

Particulars	Amount (in ₹)	
	Current Year	Previous Year
Contribution to Provident Fund	1,45,982/-	1,27,450/-
Head under which shown in Profit & Loss Account	Contribution to Provident Fund, ESI and Gratuity Fund	

- b) **Defined Benefit Plan**

Movement in net liability

Particulars	Gratuity (Funded)		Leave Encashment (unfunded)	
	Current Year	Previous Year	Current Year	Previous Year
Present value of obligations as at beginning of the year (A)	675715	586891	197819	275219
Interest Cost (B)	54057	46951	15782	22018
Current service cost (C)	37007	36467	13698	15324
Benefits paid (D)	—	—	11047	97175
Actuarial (gain)/loss on obligation (E)	29447	5406	(10303)	(17567)
Present value of obligations as at end of the year (F=A+B+C-D+E)	796226	675715	205949	197819

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

Particulars	Gratuity (Funded)		Leave (unfunded)	
	Current Year	Previous Year	Current Year	Previous Year
Present value of obligation (A)	796226	675715	205949	197819
Estimated fair value of plan assets (B)	753061	690882	Nil	Nil
Net Liability / (Asset) (C=A-B)	43165	(15167)	205949	197819

Amounts in the Balance Sheet

Liabilities / (Asset)	43165	(15167)	205949	197819
-----------------------	-------	---------	--------	--------

Amount charged to Profit & Loss Account Current Year

Current Service Cost	37007	36467	13698	15324
Interest Cost	54057	46951	15782	22018
Expected Return on Plan Asset	(62179)	(56906)	Nil	Nil
Actuarial(Gain)/Loss	29447	5406	(10303)	(17567)
	58332	31918	19177	19775
Head under which shown in the Profit & Loss account	Contribution to Provident, ESI and Gratuity Fund		Salary & benefits	

- d) The Actual Return on Plan Assets is as follows :-

Sl. No.	Particulars	Gratuity	
		Current Year	Previous Year
i)	Actual return on plan assets	62179	56906

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

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



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

Sl. No.	Particulars	Gratuity	
		Current Year	Previous Year
	Opening Fair Value of Plan Assets	690882	597749
i)	Expected Return on Plan Assets	62179	56906
ii)	Actuarial Gains / (Losses)	—	—
iii)	Contribution by the Employer	—	36227
iv)	Benefits Paid	—	—
	Closing Fair Value of Plan Assets	753061	690882

10. Quantitative information in respect of Securities traded in -

Opening Stock		Purchases/Addition	
Qty(Nos.)	Value (₹)	Qty(Nos.)	Value (₹)
2278866	9412654	611198	49009824
(2284746)	(10774004)	(38014)	(390690)
Sales/Deduction		Closing Stock	
Qty(Nos.)	Value (₹)	Qty(Nos.)	Value (₹)
460170	43763419	2429894	14109187
(43894)	(15923226)	(2278866)	(9412654)

Note : Figures in brackets pertain to previous year.

- In the opinion of management, no provisions is required to be made for diminution amounting to ₹ 15,94,20,723/- (Previous year : ₹ 14,75,05,806/-) in the value of long term investments as the same is considered to be temporary.
- a) To the extent information available with the company, Sundry Creditors include Nil, (Previous year Nil) due to Small Scale Industrial Undertaking.
b) The company has not received any information from suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006. To the extent information available with the company, the company does not owe any sum including interest required to be disclosed under the said Act.
- Disclosure with regard to outstanding derivative exposure in securities :-
a) Cash Margin amounting to ₹ Nil (Previous year ₹ Nil) on equity derivative instruments contracts has been paid and also Shares/Securities costing ₹ 14,44,92,184/- were given as margin as at the year end (Previous year – ₹ 4,82,71,858/-)
b) Detail of open interest in Equity Stock Future Contracts as at the year end 31st March, 2011 :-

Name of Equity Stock Future	No. of Contracts	Units (In Nos.) (Long)	Units (In Nos.) (Short)
Crompton Greaves	32 (50)	32000 (87500)	— (—)
IFCI	7 (4)	28000 (31520)	— (—)
Ispat Industries Ltd.	— (4)	— (49800)	— (—)
JP Associates Ltd.	5 (12)	10000 (20256)	— (—)
JP Power Ven. Ltd.	— (6)	— (18750)	— (—)
Firstsource Solutions Ltd.	— (4)	— (38000)	— (—)
M.R.P.L.Ltd.	10 (—)	40000 (—)	— (—)
Unitech Ltd.	— (4)	— (18000)	— (—)
Suzlon Energy Ltd.	— (3)	— (9000)	— (—)
Praj Industries Ltd.	3 (—)	12000 (—)	— (—)
United Phosphorus Ltd.	2 (—)	4000 (—)	— (—)

Note : Figures in brackets pertain to previous year.

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

For and on behalf of the Board

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

Place : Gurgaon
Date : 28/05/2011

**ANNEXURE REFERRED TO IN NOTE NO. 5 OF SCHEDULE 'J' TO THE ACCOUNTS.
RELATED PARTY DISCLOSURES
(AS IDENTIFIED BY MANAGEMENT AND RELIED UPON BY AUDITORS)**

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

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

- Companies under direct/indirect common influence
 - HB Securities Ltd.
 - HB Estate Developers Ltd.
 - RRB Master Securities Delhi Ltd.
 - RRB Securities Ltd.
- Person having direct/indirect significant influence
 - Sh.Lalit Bhasin

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

Sl. No.	Nature of Transaction	Referred to in 1 above	Referred to in 2 above
1	Advance / Margin paid	55,00,000 (57,50,000)	
2	Advance / Margin recovered	55,00,000 (57,50,000)	
3	Sale of Securities through them	71,37,731 (1,58,39,014)	
4	Purchase of Securities through them	— (2,43,430)	
5	Net derivative trading	10,17,555 (91,68,124)	
6	Dividend received	1,00,000 (1,00,000)	
7	Rent paid	3,16,608 (3,16,608)	
8	Depository charge paid	17428 (4831)	
9	Sitting Fee paid		50,000 (65,000)
10	Guaranties given on their behalf	22,00,00,000 (Nil)	
11	Outstanding as on 31.03.11 – Receivable in respect of Security Deposit Paid for Premises on Rent	1,15,00,000 (1,15,00,000)	

Note : Figures in bracket relates to previous year.

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

- Registration Details**
State Code 05
Registration No. 34071
Balance Sheet Date 31 03 2011
Date/Month/Year
- Capital Raised During the Year (Amount in ₹ Thousands)**
Public Issue Nil Right Issue Nil
Bonus Issue Nil Private Placement Nil
- Position of Mobilisation and Deployment of Funds (Amount in ₹ Thousands)**
Total Liabilities 312522 Total Assets 312522
Sources of Funds
Paid - up Capital 110041 Reserve & Surplus 202481
Secured Loans Nil Unsecured Loans Nil
Application of Funds
Net Fixed Assets 326 Investments 179147
Net Current Assets 3760 Deferred Tax Assets 224
Accumulated Losses 129065
- Performance of Company (Amount in ₹ Thousands)**
Turnover 5538 Total Expenditure 5013
+/- Profit Before Tax 525 +/- Profit after Tax 500
Earning Per Share in ₹ (Annualised) 0.05 Dividend Rate % nil
Basic & Diluted Earning per share
- Generic names of principal Products/Services of Company(as per monetary terms)**
Item Code : N.A
Product Description : Dealing in Shares/Purchase of Securities

For and on behalf of the Board

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

Place : Gurgaon
Date : 28/05/2011



HB LEASING AND FINANCE COMPANY LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2011 (Amount in '000)

	Year Ended 31st March, 2011	Year Ended 31st March, 2010
A) CASH FLOW FROM OPERATION ACTIVITIES		
Net Profit/(Loss) Before Tax	525424	19113651
Adjustment for :		
Depreciation	75652	321152
Provision for Gratuity	58332	31918
Provision for Leave encashment	19177	19775
Profit on sale of Long Term Investments	-6456032	
Dividend on Long Term Investments	-238971	-104760
Operating Profit before Working Capital Changes	-6016418	19381736
Adjustment for:		
Trade and other Receivables	126655	1839562
Inventories	-4696535	1244464
Trade payables	4859908	-20384946
Cash Generated from Operations	-5726391	2080815
Cash Flow Before Extra Ordinary Items	-5726391	2080815
Extra Ordinary Items	0	0
Tax paid	-1787022	-1478866
NET CASH FROM OPERATING ACTIVITIES	-7513413	601949
(B) CASH FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	0	-37000
Sale of Fixed Assets	0	0
Dividend Income on Long Term Investments	238971	104760
Purchase of Investments	0	-140000
Sale Of Investments	6496848	0
NET CASH FROM INVESTING ACTIVITIES	6735819	-72240
(C) CASH FROM FINANCING ACTIVITIES		
NET FLOW IN CASH AND CASH EQUIVALENTS (A+B+C)	-777594	529709
CASH AND CASH EQUIVALENTS (Op. Bal.)	2408634	1878925
CASH AND CASH EQUIVALENTS (Cl. Bal.)	1631041	2408634

As per our Report attached of even date

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

For and on behalf of the Board

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

SCHEDULE TO THE BALANCE SHEET OF HB LEASING & FINANCE CO. LTD AS ON 31.03.2011 (AS REQUIRED IN TERMS OF PARAGRAPH 13 OF NON-BANKING FINANCIAL (NON-DEPOSIT ACCEPTING OR HOLDING) COMPANIES PRUDENTIAL NORMS (RESERVE BANK) DIRECTIONS,2007)

(₹ in lakhs)

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

Particulars	Amount Outstanding*		
Assets side :			
(3) Break-up of Loans and Advances including bills receivables [other than those included in (4) below] :			
(a) Secured	—		
(b) Unsecured	117.14		
* Net of Provisions			
(4) Break-up of Leased Assets and stock on hire and hypothecation loans counting towards EL/HP activities			
(i) Lease assets including lease rentals under sundry debtors :			
(a) Financial lease	—		
(b) Operating lease	—		
(ii) Stock on hire including hire charges under sundry debtors :			
(a) Assets on hire	—		
(b) Repossessed Assets	—		
(iii) Hypothecation loans counting towards EL/HP activities			
(a) Loans where assets have been repossessed	—		
(b) Loans other than (a) above	—		
(5) Break-up of Investments :			
Current Investments *			
1. Quoted :			
(i) Shares : (a) Equity	98.00		
(b) Preference	Nil		
(ii) Debentures and Bonds	—		
(iii) Units of mutual funds	—		
(iv) Government Securities	—		
(v) Others (please specify)	—		
2. Unquoted :			
(i) Shares : (a) Equity	2.09		
(b) Preference	1		
(ii) Debentures and Bonds	—		
(iii) Units of mutual funds	40		
(iv) Government Securities	—		
(v) Others (please specify)	—		
Long Term investments			
1. Quoted : —			
(i) Shares : (a) Equity	174		
(b) Preference	1.46		
(ii) Debentures and Bonds	—		
(iii) Units of mutual funds	—		
(iv) Government Securities	—		
(v) Others (please specify)	—		
2. Unquoted : —			
(i) Shares : (a) Equity	—		
(b) Preference	50.00		
(ii) Debentures and Bonds	—		
(iii) Units of mutual funds	—		
(iv) Government Securities	—		
(v) Others (please specify)	—		
(6) Borrower group-wise classification of all leased assets, stock-on-hire and loans and advances :			
Category	Amount net of provisions		
	Secured	Unsecured	Total
1. Related Parties	—	—	—
(a) Subsidiaries	—	—	—
(b) Companies in the same group	—	—	—
(c) Other related parties	—	115.00	115.00
2. Other than related parties	—	2.14	2.14
Total	—	117.14	117.14
* Stock-in-Trade			
(7) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):			
Category	Market Value/Break up or fair value or NAV	Book Value (Net of Provisions)	
1. Related Parties **			
(a) Subsidiaries	—	—	
(b) Companies in the same group	50.00	50.00	
(c) Other related parties	34.50	34.50	
2. Other than related parties	522.20	1848.05	
Total	606.70	1932.55	
(8) Other information			
Particulars			Amount
(i) Gross Non-Performing Assets			
(a) Related parties			—
(b) Other than related parties			121.95
(ii) Net Non-Performing Assets			
(a) Related parties			—
(b) Other than related parties			Nil
(iii) Assets acquired in satisfaction of debt			—

Folio No.

(To be filled in by the Shareholder)

No. of Shares



HB LEASING AND FINANCE COMPANY LIMITED

PROXY FORM

I/We
of.....
being a member(s) of **HB LEASING AND FINANCE COMPANY LIMITED**, hereby appoint.....
.....
of or failing
him/her of
as my/our proxy to attend and vote for me/us on my/our behalf at the 28th Annual General Meeting of the Company to be held on Wednesday, 7th day of
September, 2011 and at any adjournment thereof. As witness my hand/our hands this day of 2011.

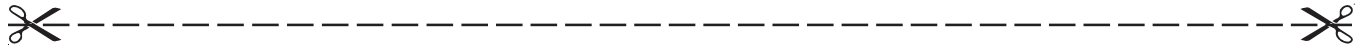
Client Id :

DP ID :

Signed by the Said :



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



HB LEASING AND FINANCE COMPANY LIMITED

ATTENDANCE SLIP

28th ANNUAL GENERAL MEETING

Time : 12.00 Noon, Wednesday, 7th day of September, 2011

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

FULL NAME OF THE FIRST SHAREHOLDER.....

Joint Shareholders, if any.....

Father's/Husband's Name

Address in full.....

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

I/We hereby record my presence at the 28th Annual General Meeting held on 7th September, 2011 at 12.00 Noon at GIA House, I.D.C. Mehrauli Road, Opp. Sector - 14, Gurgaon - 122 001, Haryana

Folio No. : No. of Shares :

Client ID :

DP ID :

Signature.....

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

BOOK POST

If Undelivered please return to :-



HB LEASING AND FINANCE COMPANY LIMITED

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

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