



NOTICE

NOTICE IS HEREBY GIVEN THAT THE 22ND ANNUAL GENERAL MEETING OF HB PORTFOLIO LIMITED WILL BE HELD AS FOLLOWS:

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

Day : Tuesday

Date : 26th September, 2017

Time : 03.00 P.M

Place : GiA House, I.D.C., Mehrauli Road, Opp. Sector 14, Gurugram - 122 001 (Haryana)
to transact the following business/(s):

ORDINARY BUSINESS:

- To receive, consider and adopt the Audited Financial Statements including Consolidated Financial Statements of the Company for the Financial Year ended 31st March, 2017, including the Audited Balance Sheet as at 31st March, 2017, the Statement of Profit & Loss for the year ended on that date together with the Reports of the Board of Directors and Auditors thereon.
- To appoint a Director in place of Mr. Lalit Bhasin (DIN: 00002114), who retires by rotation and being eligible offers himself for re-appointment.
- To appoint M/s G.C. Agarwal & Associates, Chartered Accountants, Delhi (FRN 017851N) as the Statutory Auditors of the Company and to fix their remuneration.
To consider and if thought fit, to pass the following resolution as an Ordinary Resolution: **"RESOLVED THAT** pursuant to the provisions of Sections 139, 141, 142 and other applicable provisions, if any, of the Companies Act, 2013 (the Act) and the Companies (Audit and Auditors) Rules, 2014, (the Rules), (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), M/s G.C. Agarwal & Associates, Chartered Accountants, Delhi (FRN 017851N), be and are hereby appointed as the Statutory Auditors of the Company for a term of five (5) consecutive years to hold office from the conclusion of 22nd Annual General Meeting until the conclusion of 27th Annual General Meeting of the Company, subject to ratification by the members at every Annual General Meeting at such remuneration to be fixed by the Board of Directors of the Company."

SPECIAL BUSINESS:

- Re-appointment of Mr. Anil Goyal, Managing Director of the Company.**

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

"RESOLVED THAT pursuant to the resolution passed by the Board of Directors in their meeting held on 10th February, 2017 and subject to the provisions of Section 196, 197, 198, 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), approval of the members be and is hereby accorded to re-appoint Mr. Anil Goyal (DIN: 00001938) as the Managing Director being the Key Managerial Personnel (KMP) of the Company, for a further period of five (5) years with effect from 20th February, 2017 to 19th February, 2022 on the terms and conditions including remuneration as set out in the Explanatory Statement annexed to the Notice, with liberty to the Board of Directors (hereinafter referred to as "the Board" which term shall include the Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of the said re-appointment and / or remuneration as it may deem fit.

RESOLVED FURTHER THAT the said remuneration be approved for a period of three (3) years w.e.f 20th February, 2017 till 19th February, 2020 which may be increased upto 15% per annum in each of the second and third year. If for any reasons the remuneration is not increased in the second year then it may be carried forward to the third year and the remuneration may be increased upto 30% in the third year.

RESOLVED FURTHER THAT the said remuneration shall be payable as minimum remuneration to the Managing Director in the event of absence/inadequacy of profits in any financial year, subject to the overall ceilings laid down in Schedule V of the Companies Act, 2013.

RESOLVED FURTHER THAT Mr. Anil Goyal who is also the Managing Director of HB Leasing & Finance Co. Ltd. shall not draw any remuneration from HB Leasing & Finance Co. Limited so long as he draws remuneration from HB Portfolio Limited.

RESOLVED FURTHER THAT Mr. Anil Goyal, Managing Director shall not be liable to retire by rotation as per the provisions of Section 152 of the Companies Act, 2013.

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

- Subscription of Rights Issue of Equity Shares of Taurus Asset Management Company Limited.**

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

"RESOLVED THAT pursuant to the provisions of Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with the Company's Policy on Related Party Transactions, applicable provisions of the Companies Act, 2013 and rules made thereunder (including any amendment / modifications thereto or re-enactment thereof for the time being in force), consent of the members be and is hereby accorded for subscription of 940618 (Nine Lakh Forty Thousand Six Hundred Eighteen) Equity Shares out of 940625 (Nine Lakh Forty Thousand Six Hundred Twenty Five) Equity Shares of Rs. 10/- (Rupees Ten Only) each issued on Rights basis to the Company at a premium of Rs. 43/- (Rupees Forty Three Only), aggregating to Rs. 4,98,52,754/- (Rupees Four Crore Ninety Eight Lakhs Fifty Two Thousand Seven Hundred Fifty Four Only) in terms of their Rights Issue offer letters dated February 08, 2017 and February 22, 2017 respectively.

RESOLVED FURTHER THAT all agreements, documents, deeds, papers etc. executed for the purpose of the said transaction, under the authority of the Board of Directors of the Company and all acts, deeds and things done in this regard, be and are hereby ratified, approved and confirmed.

RESOLVED FURTHER THAT the Board of Directors of the Company and / or a Committee thereof, be and is hereby, authorized to do or cause to be done all such acts, matters, deeds and things and to settle any queries, difficulties, doubts that may arise with regard to the above transaction."

- Purchase of Equity Shares of Taurus Asset Management Company Limited held by RRB Securities Limited.**

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

"RESOLVED THAT pursuant to the provisions of Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with the Company's Policy on Related Party Transactions, applicable provisions of the Companies Act, 2013 and rules made thereunder (including any amendment / modifications thereto or re-enactment thereof for the time being in force and in accordance with the enabling provisions of the Memorandum and Articles of Association of the Company and subject to such approvals, consents, sanctions and permissions of appropriate authorities, departments and bodies as may be required and subject to such terms and conditions, alteration and modifications as may be considered appropriate and agreed to by the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall include a duly authorized committee thereof for the time being exercising the powers conferred by the Board), consent of the members be and is hereby accorded to the Board of Directors to enter into a contract(s) / arrangement(s) / transaction(s) with RRB Securities Limited, a related party in order to purchase 50,59,058 Equity Shares comprising 29.88% of the Paid-up Equity Share Capital of Taurus Asset Management Company Limited held by RRB Securities Limited for such consideration as may be determined by an Independent Valuer and on such terms and conditions as may be mutually agreed upon by and between the parties.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorized to take all such steps and actions and give such directions as may be in its absolute discretion deem necessary and to settle any question that may arise in this regard, without being required to seek any further consent or approval of the Members or otherwise to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution.

RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any of the powers conferred on it by or under this Resolution to any Committee of Directors of the Company or to any one or more Directors of the Company or any other officer(s) or employee(s) of the Company as it may consider appropriate in order to give effect to this Resolution."

- Purchase of Property from HB Estate Developers Limited.**

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

"RESOLVED THAT pursuant to the provisions of Section 188 of the Companies Act, 2013 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Meetings of Board and its Powers) Rules, 2014 (including any amendment / modifications thereto or re-enactment thereof for the time being in force), Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with the Company's Policy on Related Party Transactions and in accordance with the enabling provisions of the Memorandum and Articles of Association of the Company and subject to such approvals, consents, sanctions and permissions of appropriate authorities, departments and bodies as may be required and subject to such terms and conditions, alteration and modifications as may be considered appropriate and agreed to by the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall include a duly authorized committee thereof for the time being exercising the powers conferred by the Board), consent of the members be and is hereby accorded to the Board of Directors to enter into a contract(s) / arrangement(s) / transaction(s) with HB Estate Developers Limited, a related party for purchasing Built up Property of HB Estate Developers Limited viz. Land & Building situated at Plot No. 31, Echelon Institutional Area, Sector 32, Gurugram - 122001, Haryana ('the premises') having Plot Area admeasuring 2220 Sq. Mtrs. together with all movable assets attached thereto, furniture, fixtures, fittings and all other assets lying within the premises on, as is where is basis, for such consideration as may be determined by an Independent Valuer and on such terms and conditions as may be mutually agreed upon by and between the parties.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to purchase the said property subject to the condition that the maximum value of the transaction should not exceed Rs. 40 Crores (Rupees Forty Crores).

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorized to take all such steps and actions and give such directions as may be in its absolute discretion deem necessary and to settle any question that may arise in this regard, without being required to seek any further consent or approval of the Members or otherwise to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution.

RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any of the powers conferred on it by or under this Resolution to any Committee of Directors of the Company or to any one or more Directors of the Company or any other officer(s) or employee(s) of the Company as it may consider appropriate in order to give effect to this Resolution."

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

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

**Place : Gurugram
Date : 29th May, 2017**

Membership No.: FCS-6731



NOTES:

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

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

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

3. The Register of Members and Share Transfer Books of the Company shall remain closed from **20th September, 2017 to 26th September, 2017** (Both days inclusive).

4. The Ministry of Corporate Affairs has notified provisions relating to Unpaid / Unclaimed Dividend under Sections 124 and 125 of the Companies Act, 2013 and the Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016. As per these rules, the amount of Dividend remaining Unpaid or Unclaimed for a period of seven years from the due date is required to be transferred to the Investor Education and Protection Fund (IEPF), constituted by the Central Government. The Company had, accordingly, transferred **Rs. 19,66,844/- (Rupees Nineteen Lacs Sixty Six Thousand Eight Hundred Forty Four Only)** to IEPF on 19th September, 2016 being the Unpaid and Unclaimed Dividend amount pertaining to Final Dividend for the Financial Year ended 31st March, 2009.

The new IEPF Rules mandate the companies to transfer the shares in respect of which dividend has not been paid or claimed for seven consecutive years or more to the demat account of IEPF Authority. However, the Shareholders are entitled to claim their Shares from the IEPF Authority by following the Refund Procedure as detailed on the website of IEPF Authority, <http://iepf.gov.in/IEPFA/refund.html>

In accordance with the aforesaid IEPF Rules, the Company has already sent notice to all the Shareholders whose shares are due to be transferred to the IEPF Authority and has also published newspaper advertisement. The Company is required to transfer all unclaimed shares to the demat account of the IEPF Authority in accordance with the IEPF Rules.

The detail of Unpaid / Unclaimed Dividend lying with the Company as on the date of the last Annual General Meeting in respect of the financial years from 2009 to 2015 is available on the website of the IEPF viz. www.iepf.gov.in and on the website of the Company; http://www.hbportfolio.com/Unpaid_Dividend/index_2016.html

5. The Securities and Exchange Board of India (SEBI) has mandated the submission of the Permanent Account Number (PAN) by every participant in the securities market. Members holding Shares in electronic form are, therefore, requested to submit their PAN to their Depository Participant(s). Members holding shares in physical form shall submit their PAN details to the Company's Registrar and Share Transfer Agent namely, RCMC Share Registry Pvt. Ltd.

6. Members/Proxies should bring Attendance Slips duly filled in for attending the meeting.

7. Corporate Members are requested to send a duly Certified Copy of the Board Resolution authorizing their representative(s) to attend and vote on their behalf at the Meeting.

8. Shareholders seeking any information with regard to Financial Statements are requested to write to the Company at least seven (7) days before the date of the meeting so as to enable the management to keep the information ready.

9. Route Map showing directions to reach the venue of the AGM is given at the end of this Annual Report as per the requirement of the Secretarial Standards-2 on "General Meeting".

10. Members are requested to:

- (a) Notify any change in their address to the Company including PIN CODE to the Registrar and Share Transfer Agent of the Company namely, **RCMC Share Registry Pvt. Ltd. B-25/1, First Floor, Okhla Industrial Area, Phase-II, New Delhi – 110 020**
Phone: 011 – 26387320, 26387321, 26387323
Fax: 011 - 26387322
E-mail: shares@rcmc Delhi.com
- (b) Bring their copies of Annual Report with them at the meeting as the same will not be supplied again as a measure of economy.

11. The Company is implementing the "Green Initiative" to enable electronic delivery of Notices / Documents and Annual Reports to the 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 136 of the Companies Act, 2013. The Notice of Annual General Meeting and the copies of Audited Financial Statements, Director's Report, Auditors Report etc. is also available on the website of the Company, <http://www.hbportfolio.com>

The 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 Share Transfer Agent of the Company at the address given above quoting their folio number(s).

Copies of the Annual Report are being sent by electronic mode only to the members whose email addresses are registered with the Company / Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email addresses, physical copies of the Annual Report including Attendance Slip and Proxy Form are being sent by the permitted mode.

12. **Voting through electronic means:**

(i) In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Members are provided with the facility to cast their votes by electronic means on all the resolutions proposed to be considered in this Annual General Meeting from a remote location ("Remote e-voting").

(ii) The Company has engaged the services of Karvy Computershare Pvt. Ltd. ("Karvy") to provide the facility of Remote e-voting.

(iii) The facility for voting through Physical Ballot Papers shall be made available at the meeting and members attending the meeting, who have not already cast their vote by Remote e-voting shall be able to exercise their right to vote at the meeting through Ballot Papers.

(iv) The e-voting rights of the Members shall be in proportion to the paid-up value of their Shares in the Equity Share Capital of the Company. Members of the Company holding Shares either in physical form or in dematerialized form, as on the **cut-off date i.e. 19th September, 2017**, may cast their vote by remote e-voting / at the meeting.

(v) Any person who acquires Shares of the Company and becomes member of the Company after dispatch of the Notice and holding Shares as on the **cut-off date i.e. 19th September, 2017** may obtain the login Id and password by sending a request at evoting@karvy.com. However, if you are already registered with Karvy for remote e-voting then you can use your existing user ID and password for casting your vote.

(vi) **The Remote e-voting period commences on 23rd September, 2017 (09.00 A.M) and ends on 25th September, 2017 (05.00 P.M).** The Remote e-voting module shall be disabled by Karvy for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently.

(vii) Once the vote on a resolution is cast by a Member, the Member shall not be allowed to change it subsequently. The Members who have cast their vote by Remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.

(viii) Mr. Arun Kumar Gupta, Company Secretary in Whole-time Practice (Membership No.: 21227, C.P. No.: 8003) failing him Mr. Kapoor Chand Garg, Company Secretary in Whole-time Practice (Membership No.: 7145, C.P. No.: 7829) have been appointed as the Scrutinizer for conducting the remote e-voting & polling process in a fair and transparent manner.

(ix) The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast at the meeting, thereafter unblock the votes cast through Remote e-voting in the presence of at least two witnesses not in the employment of the Company, and make, not later than three days of conclusion of the meeting, a Consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing who shall countersign the same. The Chairman or a person authorized by him in writing shall declare the result of the voting forthwith upon submission of the Scrutinizer's Report.

(x) The Company shall submit to the Bombay Stock Exchange Limited (BSE Limited), within forty eight hours of the conclusion of the meeting, details regarding the voting results in the prescribed format. The results declared along with the Scrutinizer's Report(s) shall also be placed on the website of the Company, <http://www.hbportfolio.com> and on Karvy's website, <https://evoting.karvy.com> immediately after the declaration of results.

(xi) In case of any queries pertaining to e-voting, please visit Help & FAQ's section available at Karvy's website, <https://evoting.karvy.com> or call their Toll Free No. 1800-345-4001 for any further clarification.

(xii) The instructions for availing the Remote e-voting facility indicating the process and manner of e-voting are given as hereunder.

➤ **In case a Member receives notice through e-mail from Karvy [for Members whose email IDs are registered with the Company / Depository Participants]:**

- (a) Launch internet browser by typing the URL: <https://evoting.karvy.com>
- (b) Enter the login credentials (i.e. User ID and Initial Password provided by Karvy in e-mail). Your Folio No. / DP ID-Client ID will be your User ID. However, if you are already registered with Karvy for e-voting, you can use your existing User ID and password for casting your vote.
- (c) After entering these details appropriately, click on "LOGIN".
- (d) You will now reach password change Menu wherein you are required to mandatorily change your password. The new password shall comprise minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric (0-9) and a special character (@, #, \$, etc.). The system will prompt you to change your password and update your contact details like mobile number, email ID, etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.



- (e) You need to login again with the new credentials.
- (f) On successful login, the system will prompt you to select the E-Voting Event Number for HB Portfolio Limited.
- (g) On the voting page enter the number of shares (which represents the number of votes) as on the cut-off date under "FOR / AGAINST" or alternatively, you may partially enter any number in "FOR" and partially in "AGAINST" but the total number in "FOR / AGAINST" taken together should not exceed your total shareholding. You may also choose the option "ABSTAIN" and the shares held will not be counted under either head.
- (h) Members holding multiple folios / demat accounts shall choose the voting process separately for each of the folios / demat accounts.
- (i) Voting has to be done for each item of the Notice separately. In case you do not desire to cast your vote on any specific item it will be treated as abstained.
- (j) You may then cast your vote by selecting an appropriate option and click on "Submit".
- (k) A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you confirm, you will not be allowed to modify your vote. During the voting period, Members can login any number of times till they have voted on the Resolution(s).
- (l) Corporate / Institutional Members (i.e. other than Individuals, HUF, NRI etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution / Authority Letter etc.,

together with attested specimen signature(s) of the duly authorized representative(s), to the **Scrutinizer at e-mail ID: aruncs.gupta@gmail.com** with a copy to **Karvy at e-mail ID: evoting@karvy.com**. They may also upload the same in the e-voting module in their login. The scanned image of the above mentioned documents should be in the naming format "Corporate Name_EVENT NO."

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

- (a) User ID and Initial Password as given in the e-voting notice sent along with the Annual Report.
 - (b) Please follow all steps given hereinabove to cast your vote.
13. All documents referred to in this Notice shall be open for inspection at the Registered Office of the Company during normal business hours (9.00 A.M to 5.00 P.M) on all working days up to and including the date of the Annual General Meeting of the Company.
 14. The Register of Directors and Key Managerial Personnel and their Shareholding maintained under Section 170 of the Companies Act, 2013; the Register of Contracts or Arrangements in which Directors are interested maintained under Section 189 of the Companies Act, 2013 shall be made available for inspection at the Annual General Meeting.
 15. Details of Directors seeking Appointment / Re-appointment at the ensuing Annual General Meeting [Pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015] are as under:

**PROFILE OF DIRECTORS SEEKING APPOINTMENT / RE-APPOINTMENT
AT THIS ANNUAL GENERAL MEETING
(Refer Item No. 2 & 4 of this Notice)**

Name of the Director	Mr. Lalit Bhasin	Mr. Anil Goyal
Directors Identification Number (DIN)	00002114	00001938
Date of Birth	14th August, 1968	22nd February, 1959
Date of Appointment	27th July, 2004	20th February, 2002
Profile/ Expertise in Specific functional Areas.	Mr. Lalit Bhasin, Director (Chairman) is a first class commerce graduate from Shri Ram College of Commerce, Delhi University. He is an expert in investments and Capital Market by virtue of more than two decades of association with the Securities Market. During this association, he has acquired complete expertise of the functioning and interacting of the securities and investment in India.	Mr. Anil Goyal, Managing Director is a fellow member of the Institute of Chartered Accountants of India. He brings with him more than three decades of expertise in the fields of finance, taxation, investment banking, corporate restructuring and strategic planning.
Qualifications	B.E	B.Com & C.A
List of Directorship in other Listed entities. (As on 31st March, 2017)	<ol style="list-style-type: none"> 1. HB Stockholdings Limited 2. HB Estate Developers Limited 3. HB Leasing & Finance Co. Limited 4. Jaypee Infratech Limited 5. CHL Limited 	<ol style="list-style-type: none"> 1. HB Stockholdings Limited 2. HB Estate Developers Limited 3. HB Leasing & Finance Co. Limited 4. RRB Securities Limited
Membership of Committee of the Board in other Listed entities. (As on 31st March, 2017)	<u>Audit Committee</u> <ol style="list-style-type: none"> 1. HB Leasing & Finance Co. Limited (Member) 2. CHL Limited (Member) <u>Stakeholders Relationship Committee</u> <ol style="list-style-type: none"> 1. HB Leasing & Finance Co. Limited (Chairman) 2. CHL Limited (Member) <u>Nomination and Remuneration Committee</u> <ol style="list-style-type: none"> 1. HB Leasing & Finance Co. Limited (Member) 2. CHL Limited (Member) <u>CSR Committee</u> <ol style="list-style-type: none"> 1. HB Stockholdings Limited (Chairman) 	<u>Audit Committee</u> <ol style="list-style-type: none"> 1. HB Stockholdings Limited (Member) <u>Stakeholders Relationship Committee</u> <ol style="list-style-type: none"> 1. HB Stockholdings Limited (Member) 2. HB Estate Developers Limited (Member) 3. HB Leasing & Finance Co. Limited (Member) 4. RRB Securities Limited (Member) <u>Nomination & Remuneration Committee</u> <ol style="list-style-type: none"> 1. RRB Securities Limited (Member) <u>CSR Committee</u> <ol style="list-style-type: none"> 1. HB Estate Developers Limited (Member) 2. HB Stockholdings Limited (Member)
Shares held by the Director	74,24,304	NIL
Whether related to any Board Members of the Company	No	No

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

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

Place : Gurugram
Date : 29th May, 2017

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

ITEM NO. 4:

Mr. Anil Goyal was appointed as the Managing Director of the Company for a period of five (5) years w.e.f. 20th February, 2012 till 19th February, 2017 as per Schedule XIII of erstwhile Companies Act, 1956.

Pursuant to the provisions of Section 196, 197, 198, 203 and Schedule V and all other applicable provisions of the Companies Act, 2013, the Board of Directors on the recommendation of the Nomination & Remuneration Committee, in their meeting held on 10th February, 2017 has considered and recommended re-appointment of Mr. Anil Goyal, Managing Director being the Key Managerial Personnel (KMP) of the Company for further period of five (5) years with effect from 20th February, 2017 to 19th February, 2022 on the terms and conditions as detailed herein below:

a) BASIC SALARY

Rs. 3,75,000/- (Rupees Three Lacs Seventy Five Thousand only) per month.

b) PERQUISITES

HOUSING

- (i) The expenditure by the Company on hiring accommodation for the Managing Director will be subject to the ceiling of 60% of the basic salary of the Managing Director, or
- (ii) In case the accommodation provided to the Managing Director is owned by the Company, the company shall deduct 10% of the basic salary of the Managing Director, or
- (iii) In case no accommodation is provided by the company to the Managing Director, House Rent Allowance @ 60% shall be paid by the company to the Managing Director.

c) MEDICAL REIMBURSEMENT

Expenses incurred for self and family subject to a ceiling of ₹ 30,000/- in a year.

d) LEAVE TRAVEL CONCESSION

Expenses incurred for self and family subject to a ceiling of ₹ 1,30,000/- in a year.

e) CLUB FEES

Fees of clubs, subject to a maximum of two clubs. However, admission and life membership fees shall not be allowed.

f) PERSONAL ACCIDENT INSURANCE

Premium subject to a maximum of ₹ 10,000/- per annum.

g) PROVIDENT FUND

Company's contribution towards Provident Fund, subject to a ceiling, as prescribed under the provisions of law applicable in this regard.

h) SUPERANNUATION FUND

Company's contribution towards superannuation fund upto ₹ 1,00,000/- per annum.

i) GRATUITY

Half month's basic salary for each completed year of service on the basis of last basic salary drawn.

j) CAR AND TELEPHONE

The Company shall provide car for use on company's business and telephone at the residence of the Managing Director. However, personal long distance calls on telephone and use of car for private purposes shall be billed by the Company to the Managing Director.

k) LEAVE

Earned / Privilege leave, not exceeding one month for every eleven months of service, on full salary and allowance.

l) ACCUMULATED LEAVE ENCASHMENT

In accordance with the policy of the Company, leaves accumulated and not availed of, in excess of 90 days as at the end of every financial year shall be encashed yearly on the basis of basic salary drawn as at the end of the said financial year and the balance unencashed accumulated leaves may be encashed at the time of ceasing to be Managing Director of the Company.

m) Apart from the aforesaid salary, perquisite, allowances and benefits, the Managing Director will be entitled to reimbursement of expenses incurred in connection with business of the company.

n) No sitting fees will be paid to the Managing Director for attending the meetings of the Board of Directors of the company or committees thereof.

o) The appointment may be terminated by three months notice on either side or in lieu thereof three months full salary, allowances, perquisites and benefits.

The above remuneration has been proposed for a period of three (3) years w.e.f 20th February, 2017 till 19th February, 2020 which may be increased upto 15% per annum in each of the second and third year. If for any reasons the remuneration is not increased in the second year then it may be carried forward to the third year and the remuneration may be increased upto 30% in the third year.

The above remuneration shall be payable as minimum remuneration to the Managing Director in the event of absence / inadequacy of profits in any financial year, subject to the overall ceilings laid down in Schedule V of the Companies Act, 2013.

Mr. Anil Goyal who is also the Managing Director of HB Leasing & Finance Co. Ltd. shall not draw any remuneration from HB Leasing & Finance Co. Limited so long as he draws remuneration from HB Portfolio Limited.

Mr. Anil Goyal, Managing Director shall not be liable to retire by rotation as per the provisions of Section 152 of the Companies Act, 2013.

The Additional disclosures mentioned in Para (B) (iv) of Section II of Part II of Schedule V of the Companies Act, 2013 is as under:

I. GENERAL INFORMATION:

(1)	Nature of Industry	Investment in Securities	
(2)	Date or expected date of Commencement of Production	Existing Company. The Company is not engaged in any manufacturing activities.	
(3)	In case of new Companies, expected date of commencement of activities as per project approved by financial institutions appearing in the Prospectus.	Not Applicable	
(4)	Financial Performance based on given indicators – (₹ in Lacs)		
	Particulars	2016-2017	2015-16
	Total Sales and other Income	313.24	183.47
	Profit before Depreciation, Interest & Tax	76.48	25.59
	Provision for Depreciation	3.31	3.31
	Interest	0.01	2.40
	Provision for Taxation	9.31	13.77
	Net Profits	63.85	6.11
(5)	Foreign Investments or collaborators, if any.	The Company has no foreign investments or foreign collaborations.	

II. INFORMATION ABOUT THE APPOINTEE:

(1)	Background details	Mr. Anil Goyal is a Chartered Accountant with nearly thirty four years of experience in the field of finance, taxation, investment, banking, corporate restructuring and strategic planning.
(2)	Past remuneration	₹ 53.65 Lacs for the period from 01st April, 2016 to 31st March, 2017.
(3)	Recognition or awards	None
(4)	Job profile and his suitability	Being top level position, the job profile essentially requires a leader who is innovative, self motivated and result oriented. Mr. Goyal being an expert in finance and taxation with his vast experience is most suitable for the job.
(5)	Remuneration proposed	₹ 73.60 Lacs as per details mentioned in the Explanatory Statement.
(6)	Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin).	Though the exact latest data of the comparative profile with remuneration of CEO/MD/Key Managerial Personnel of Financial Services Companies is not available, however generally the CEO's/MDs/Key Managerial Personnel of financial services/NBFC Companies of comparable status are receiving remuneration above ₹ 125 lacs per annum.
(7)	Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any.	He does not have any other pecuniary relationship with the Company nor is he related to or has pecuniary relationship with any of the Directors of the Company.

III. OTHER INFORMATION:

(1)	Reasons of loss or inadequate profits	The Divestment / Investment activity of the Company was curtailed due to extreme volatile market conditions.
(2)	Steps taken or proposed to be taken for improvement	The process of improving the profitability is an ongoing process which shall be adhered to by taking the following steps:- <ul style="list-style-type: none"> • Professionalise the management of operations. • Additional recruitment of staff in areas of investment management, research, operations and new business development. • Review current HR & compensation policies and bring them in line with market practice. • Review and modify current accounting and investment management systems, processes and controls as well as the IT systems supporting them. • Reduce concentration risk of the investment portfolio, exit from all non remunerative investments except where there is a strategic intent and also appoint professional outside money managers for a part of the portfolio to inject competition and external benchmarking.
(3)	Expected increase in productivity and profits in measurable terms.	Increased return on the Investment Portfolio leading to enhanced Stakeholder's value.



IV. DISCLOSURES:

Remuneration package payable to Mr. Anil Goyal, Managing Director of the Company has been disclosed in the commencing paragraph of this Explanatory Statement.

Except Mr. Anil Goyal, Managing Director, none of the other Directors and Key Managerial Personnel (KMP) or their relatives is concerned or interested, financially or otherwise in the resolution.

The Board recommends the Special Resolution at Item No. 4 of the Notice for the approval of the members.

ITEM NO. 5:

Taurus Asset Management Company Limited (TAMCO) is a Public Limited Company incorporated under the Companies Act, 1956 on 27th July, 1993. TAMCO is an Investment Manager and HB Portfolio Limited is the Sponsor of Taurus Mutual Fund which was set up as a registered Trust. Taurus Investment Trust Company Limited is the Trustee Company of the Mutual Fund in accordance with the provisions of the Indian Trusts Act, 1882.

The Board of Directors of Taurus Asset Management Company Limited in their meeting held on 24th January, 2017 had decided to increase their subscribed and paid up capital by issue of 18,81,249/- (Eighteen Lakhs Eighty One Thousand Two Hundred Forty Nine) Equity Shares of ₹ 10/- (Rupees Ten Only) each at a premium of ₹ 43/- (Rupees Forty Three Only) by right offer to the Equity Shareholders as on 08th February, 2017 on proportionate basis to increase its Network to Rs. Fifty Crores in order to comply with SEBI Mutual Fund Regulations.

The Audit Committee and the Board of Directors in their meeting held on 10th February, 2017 have accorded their approval for subscribing to the Equity Shares offered on Rights basis to the Company. The Company could not obtain the approval of the Shareholders at the time of subscription of such Equity Shares since the last date for giving acceptance to the offer was 16th March, 2017. Accordingly, the Company has subscribed 940618 (Nine Lakh Forty Thousand Six Hundred Eighteen) Equity Shares out of 940625 (Nine Lakh Forty Thousand Six Hundred Twenty Five) Equity Shares of ₹ 10/- (Rupees Ten Only) each issued on Rights basis to the Company at a premium of ₹ 43/- (Rupees Forty Three Only), aggregating to ₹ 4,98,52,754/- (Rupees Four Crore Ninety Eight Lakhs Fifty Two Thousand Seven Hundred Fifty Four Only). The Company's total Shareholding (No. of Shares) increased from 75,25,000 (50%) to 84,65,618 (50%) subsequent to allotment of further Equity Shares on 17th March, 2017 by Taurus Asset Management Company Limited.

As per the provisions of Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) read with Company's Policy on Related Party Transactions, a transaction with a related party shall be considered material if the transaction(s) to be entered individually or taken together with previous transactions during a financial year, exceeds ten percent of the annual consolidated turnover of the Company as per its last audited financial statements.

The said subscription of Equity Shares by the Company falls under the definition of the Material Related Party Transaction. The Listing Regulations requires that all material related party transactions shall require approval of the Shareholders through resolution and the related parties shall abstain from voting on such resolutions whether the entity is a related party to the particular transaction or not.

Mr. Lalit Bhasin, Director (Chairman) is on the Board of Taurus Asset Management Company Limited and Mr. Anil Goyal, Managing Director is on the Board of Taurus Investment Trust Company Limited. Mr. Lalit Bhasin and Mr. Anil Goyal are deemed interested in the said transaction. None of the other Directors and Key Managerial Personnel (KMP) or their relatives is concerned or interested, financial or otherwise, in the resolution.

The Board recommends the Resolution at Item No. 5 of the Notice for the approval of the Members.

ITEM NO. 6:

RRB Securities Limited is a Group Company of HB Portfolio Limited which is primarily engaged in the business of Investment in Securities. RRB Securities Limited is currently holding 50,59,058 Equity Shares comprising 29.88% of the Paid-up Equity Share Capital of Taurus Asset Management Company Limited.

In order to consolidate the holding of HB Portfolio Limited (the Company) in Taurus Asset Management Company Limited, the approval of the Shareholders is sought to enter into contract(s) / arrangement(s) / transaction(s) with RRB Securities Limited to purchase their entire Shareholding of 50,59,058 Equity Shares in Taurus Asset Management Company Limited. The consideration for the purchase of these Shares shall be determined on the basis of valuation of shares as per last Audited Balance Sheet of Taurus Asset Management Company Limited to be done by an Independent Valuer and on such terms and conditions as may be mutually agreed upon by and between the parties.

Consequent upon this transaction, the Company's total Shareholding in Taurus Asset Management Company Limited will increase from 84,65,618 Equity Shares (50.00%) to 1,35,24,676 Equity Shares (79.88%). Accordingly, Taurus Asset Management Company Limited would become Subsidiary Company of HB Portfolio Limited in accordance with Sec 2(87) of the Companies Act, 2013.

Based upon the Rights Issue of Taurus Asset Management Company Limited made in the month of February, 2017 issuing Equity Shares of ₹ 10/- (Rupees Ten Only) each at a premium of ₹ 43/- (Rupees Forty Three Only), the total transaction value comes to ₹ 26.81 Crores (Rupees Twenty Six Crore Eighty One Lakhs). However, the actual value of the transaction shall be determined on the basis of latest financial position of Taurus Asset Management Company Limited.

As per the provisions of Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) read with Company's Policy on Related Party Transactions, a transaction with a related party shall be considered material if the transaction(s) to be entered individually or taken together with previous transactions during a financial year, exceeds ten percent of the annual consolidated turnover of the Company as per its last audited Financial Statements.

The said transaction to be entered into by the Company would fall under the definition of the Material Related Party Transaction. The Listing Regulations requires that all material related party transactions shall require approval of the Shareholders through resolution and the related parties shall abstain from voting on such resolutions whether the entity is a related party to the particular transaction or not.

Mr. Lalit Bhasin, Director (Chairman) of the Company is the promoter and major Shareholder of RRB Securities Limited and is also on the Board of Taurus Asset Management Company Limited. Mr. Anil Goyal, Managing Director (KMP) and Mr. J.M.L. Suri, Director are also on the Board of RRB Securities Limited. Mr. Lalit Bhasin, Mr. Anil Goyal and Mr. J.M.L. Suri are deemed interested in the said transaction. None of the other Directors and Key Managerial Personnel (KMP) or their relatives is concerned or interested, financial or otherwise, in the resolution.

The Board is of the opinion that the aforesaid related party transaction is in the best interest of the Company. The Board recommends the Resolution at Item No. 6 of the Notice for the approval of the Members.

ITEM NO. 7:

HB Estate Developers Limited is a Group Company of HB Portfolio Limited which is primarily engaged in the business of development of commercial complexes. HB Estate Developers Limited is also engaged in Hotel Business and other financial service activities.

To diversify the Investments of the Company, the approval of the Shareholders is sought for entering into contract(s) / arrangement(s) / transaction(s) with HB Estate Developers Limited to purchase their Built up Property viz. Land & Building situated at Plot No. 31, Echelon Institutional Area, Sector 32, Gurugram – 122001, Haryana (the premises) having Plot Area admeasuring 2220 Sq. Mtrs. together with all movable assets attached thereto, furniture, fixtures, fittings and all other assets lying within the premises on, as is where is basis. The said Built up Property has one Basement, Stilt, Five Floors and Mumty with total covered area of approx. 3500 Sq. Mtrs. The consideration shall be determined on the basis of valuation to be done by an Independent Valuer and on such terms and conditions as may be mutually agreed upon by and between the parties.

As per the provisions of Sec 188 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014, except with the prior approval of the Company by a resolution, a Company shall not enter into a transaction with respect to selling or otherwise disposing of or buying property of any kind amounting to ten percent or more of net worth of the Company or Rupees One Hundred Crore, whichever is lower. Further, Sec 188 provides that no member of the Company shall vote on such resolution to approve any contract or arrangement which may be entered into by the Company, if such member is a related party.

As per the provisions of Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) read with Company's Policy on Related Party Transactions, a transaction with a related party shall be considered material if the transaction(s) to be entered individually or taken together with previous transactions during a financial year, exceeds ten percent of the annual consolidated turnover of the Company as per its last audited financial statements.

The said transaction to be entered into by the Company would fall under the definition of the Material Related Party Transaction. The Listing Regulations requires that all material related party transactions shall require approval of the Shareholders through resolution and the related parties shall abstain from voting on such resolutions whether the entity is a related party to the particular transaction or not.

Necessary Disclosures required under Sec 188 of the Companies Act, 2013 is given below:

Particulars	Information
Name of the Related Party	HB Estate Developers Limited
Name of Director(s) or Key Managerial Personnel (KMP) who is related and Nature of their relationship	Mr. Lalit Bhasin, Director (Chairman) is also a Director (Chairman) being the Promoter and major Shareholder of HB Estate Developers Limited. Mr. Anil Goyal, Managing Director, Mr. J.M.L. Suri, Director are also on the Board of HB Estate Developers Limited. Mr. Suri is also holding 500 Equity Shares of HB Estate Developers Limited.
Nature, Material terms and particulars of the contract or arrangement	To Buy Built up Property viz. Land & Building together with all movable assets attached thereto, furniture, fixtures, fittings and all other assets lying within the premises on, as is where is basis, for such consideration as may be determined by an Independent valuer and on such terms and conditions as may be mutually agreed upon by and between the parties.
Monetary Value	Maximum upto ₹ 40 Crores (Rupees Forty Crores).

Mr. Lalit Bhasin, Mr. Anil Goyal, Mr. J.M.L. Suri, Directors are deemed interested in the said transaction. None of the other Directors and Key Managerial Personnel (KMP) or their relatives is concerned or interested, financial or otherwise, in the resolution.

The Board is of the opinion that the aforesaid related party transaction is in the best interest of the Company. The Board recommends the Resolution at Item No. 7 of the Notice for the approval of the Members.

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

**Sd/-
DINESH KAPOOR**

**Place : Gurugram
Date : 29th May, 2017**

**(Company Secretary)
Membership No.: FCS-6731**