

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF HB SECURITIES LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of **HB SECURITIES LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

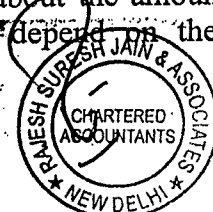
Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's



judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

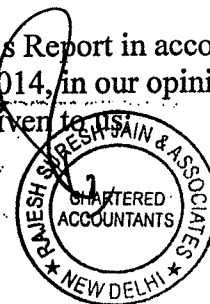
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at 31 March 2018 and its loss and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A, a statement on the matters specified in the paragraph 3 and 4 of the Order.
2. As required by section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance sheet, the Statement of profit and loss and the Cash flow statement dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - (e) On the basis of the written representations received from the directors as on 31 March 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2018 from being appointed as a director in terms of Section 164 (2) of the Act;
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us,

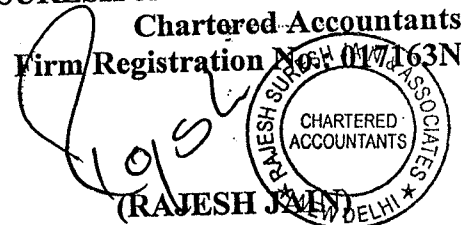


- i. The Company does not have any pending litigation which would impact its financial position.
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **RAJESH SURESH JAIN & ASSOCIATES**

Chartered Accountants

Firm Registration No. 017163N



(RAJESH JAIN)

PARTNER

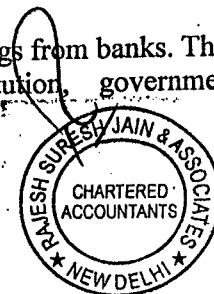
(Membership No. 098229)

PLACE: NEW DELHI
DATED: 26.05.2018

Annexure – A to the Auditors' Report

The annexure referred to in Independent Auditor's Report to the members of the company on the financial statements for the year ended on 31st March, 2018, We Report that:

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 management during the year has physically verified the fixed assets in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the company and nature of its assets. No material discrepancies were noticed on such physical verification.
- c. The Company does not have any immovable property.
2. As explained to us, inventories have been physically verified by the management at reasonable intervals during the year. As explained to us the discrepancies noticed on physical verification of inventory as compared to the book records were not material.
- 3.a. As explained to us, the Company has not granted any loans, secured or unsecured to Companies, firms, Limited Liability Partnership or other parties covered in the register maintained under Section 189 of the Companies Act, 2013.
4. In our opinion and according to the information and explanations given to us, the company has complied with the provision of section 186 of the Act, with respect to the investment made. As per the information and explanation given to us, the Company has neither given any loan nor given any guarantee or provided any security in connection with a loan to any other body corporate or person.
5. The Company has not accepted any deposits from the public.
6. The nature of the company's business/activities is such that maintenance of Cost Records under section 148(1) of the Act is not applicable to the company.
- 7.a. According to the records of the Company, undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales-Tax, Service Tax, Customs Duty, Excise Duty, Value added tax, Cess and other statutory dues to the extent and as applicable to the company have been generally regularly deposited by the company during the year with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31st March, 2018 for a period of more than six months from the date of becoming payable.
- b. According to the records of the Company, there are no disputed statutory dues that have not been deposited on account of matters pending before appropriate authorities.
8. The Company has not defaulted in repayment of loan/borrowings from banks. The Company does not have any loans or borrowings from any financial institution, government or debenture holders during the year.

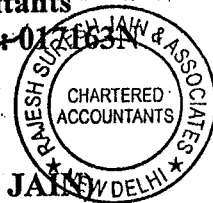


9. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3(ix) of the order is not applicable.
10. In our opinion and according to the information and explanation given to us, no fraud by the company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
11. According to the information and explanations given to us and based on our examination of the record of the Company, the Company has not paid/ provided any managerial remuneration during the year.
12. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the order is not applicable.
13. According to the information and explanations given to us and based on or examinations of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transaction have been disclosed in the financial statements as required by the applicable accounting standards.
14. According to the information and explanations given to us and based on our examination of the record of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
15. According to the information and explanations given to us and based on our examination of the record of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the order is not applicable.
16. The Company is not required to be registered under section 45-IA of the Reserve bank of India Act, 1934.

For RAJESH SURESH JAIN & ASSOCIATES

Chartered Accountants

Firm Registration No. 017163N



(RAJESH JAIN)

PARTNER

(Membership No. 098229)

PLACE: NEW DELHI

DATED: 26.05.2018

Annexure – B to the Auditors' Report

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

We have audited the internal financial controls over financial reporting of HB Securities Limited (“the Company”) as of 31 March 2018 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

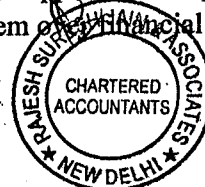
Management’s Responsibility for Internal Financial Controls

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

Auditors’ Responsibility

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

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



Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

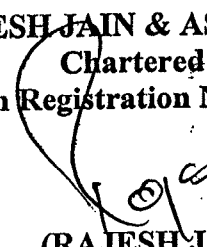
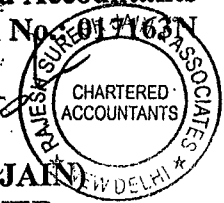
Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

PLACE: NEW DELHI
DATED: 26.05.2018

For RAJESH SURESH JAIN & ASSOCIATES
Chartered Accountants
Firm Registration No. 017163N



(RAJESH JAIN)
PARTNER
(Membership No. 098229)

IB SECURITIES LIMITED

₹

₹

BALANCE SHEET AS AT	NOTE	31ST MARCH, 2018	31ST MARCH, 2017
EQUITY AND LIABILITIES			
SHAREHOLDER'S FUNDS			
Share Capital	2	92075700	92075700
Reserve & Surplus	3	-6453486	-2301338
		85622214	89774362
NON-CURRENT LIABILITIES			
Long Term Provisions	4	138413	112076
		138413	112076
CURRENT LIABILITIES			
Short Term Borrowings	5	2387864	3413394
Other Current Liabilities	6	29254896	36165453
Short Term Provisions	7	4311	3146
		31647071	39581993
TOTAL :		117407698	129468431
ASSETS			
NON-CURRENT ASSETS			
Fixed Assets			
Tangible Assets	8	562713	748249
Deferred Tax Assets	9	280348	209482
Non-current Investments	10	54335167	54003367
Long Term Loans and Advances	11	12200000	14712500
		67378228	69673598
CURRENT ASSETS			
Inventories	12	13411	13411
Trade Receivables	13	55721	48207
Cash and Bank balances	14	26549559	31008955
Short Term Loans and Advances	15	23119045	28430535
Other Current Assets	16	291734	293725
		50029470	59794833
TOTAL :		117407698	129468431

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS

1 to 31

The accompanying notes form an integral part of the financial statements

As Per our Report on even date

For Rajesh Suresh Jain & Associates

Chartered Accountants

Firm Registration Number: 017163N

(RAJESH JAIN)
(Partner)



Membership No.: 098229

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

(Signature)
ANIL GOYAL
DIRECTOR
DIN:00001938

(Signature)
PRAVEEN GUPTA
DIRECTOR
DIN:00002375

PLAQUE : NEW DELHI
DATED : 26.05.2018

HB SECURITIES LIMITED

		₹	₹
Statement of Profit and Loss for the Year ended		31ST MARCH, 2018	31ST MARCH, 2017
Revenue From Operations	17	245903	120510
Other Income	18	1413695	1690950
TOTAL REVENUE		1659598	1811460
EXPENSES			
Employee Benefits Expenses	19	1989897	1388462
Finance Costs	20	324470	439147
Depreciation	8	189341	218598
Other Expenses	21	3378904	3351854
TOTAL EXPENSES		5882612	5398061
Profit/(Loss) for the year before Income Tax		(4223014)	(3586601)
Tax Expense:			
Deferred Tax Charge / (Credit)		(70866)	(1933)
Tax adjustment for earlier years		-	-
Profit/(Loss) for the Year after Tax		(4152148)	(3584668)
Earning Per Equity Share:			
Equity Share of Par Value of ₹ 10/- each Basic & Diluted	24	(0.74)	(0.66)
SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS	1 to 31		

The accompanying notes form an integral part of the financial statements

AS PER OUR REPORT OF EVEN DATE ATTACHED

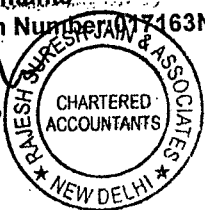
For Rajesh Suresh Jain & Associates

Chartered Accountants

Firm Registration Number: 7163N

(RAJESH JAIN)
(Partner)

Membership No.: 098229



FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

(Signature)
ANIL GOYAL
DIRECTOR
DIN:00001938

(Signature)
PRAVEEN GUPTA
DIRECTOR
DIN:00002375

PLACE : NEW DELHI
DATED : 26.05.2018

HB SECURITIES LIMITED

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2018

1. SIGNIFICANT ACCOUNTING POLICIES

1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS: -

These financial statements are prepared in accordance with Indian, Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the accrual basis. GAAP comprises mandatory accounting standards as prescribed under Section 133 of the Companies Act, 2013 ('Act') read with Rule 7 of the Companies (Accounts) Rules, 2014 the provisions of the Act (to the extent notified). Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or are vision to an existing accounting standard requires a change in the accounting policy hitherto in use.

1.2 USE OF ESTIMATES

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

1.3 REVENUE RECOGNITION

1.3.1 All Income & Expenditure are accounted for on accrual basis.

1.3.2 Provision for loss in respect of Open Equity Derivative Instrument as at the Balance Sheet date is made Index-wise/Scrip-wise. As a matter of prudence, any anticipated profit is ignored.

1.4 FIXED ASSETS

Fixed Assets are stated at cost less depreciation.

1.5 DEPRECIATION

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

1.6 INVESTMENTS

1.6.1 Investments (Long Term/Non Current) are valued at cost less permanent diminution, if any.

1.7 INVENTORIES

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

1.8 EMPLOYEE BENEFITS

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

1.8.1 Short Term Employee benefits are recognized as expense at the undiscounted amount in the Profit & Loss account of the year in which they are incurred.

1.8.2 Employee benefits under defined contribution plans to Provident Fund. Contributions to Provident Fund are deposited with appropriate authorities and charged to Profit & Loss account.

1.8.3 Employee Benefits under defined benefit plans comprise of gratuity and leave encashment which are accounted for as at the year end based on actuarial valuation by following the Projected Unit Credit (PUC) method. Liability for gratuity is funded with Life Insurance Corporation of India.



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1.8.4 Termination benefits are recognized as an Expense as and when incurred.

1.8.5 The actuarial gains and losses arising during the year are recognized in the Profit & Loss account of the year without resorting to any amortization.

1.9 TAXATION

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

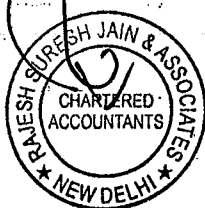
1.10 IMPAIRMENT OF FIXED ASSETS

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

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

1.11 CONTINGENCIES:

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



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RRB SECURITIES LIMITED

FINANCIAL STATEMENTS ON ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2018

2. SHARE CAPITAL

Particulars	₹		₹	
	As At 31st March, 2018		As At 31st March, 2017	
AUTHORIZED				
1,00,00,000 (1,00,00,000) Equity Shares of Rs.10/- each		100000000		100000000
40,000 (40,000) Redeemable Cumulative Preference Share of Rs. 1000/- each		40000000		40000000
		140000000		140000000
ISSUED, SUBSCRIBED & PAID-UP				
72,07,570 Equity Shares of Rs.10/- each fully paid-up		72075700		72075700
20000 (20000) 6% Redeemable Cumulative Preference Shares of Rs. 1000/- each fully paid up		20000000		20000000
		92075700		92075700

-- The Issued Share capital of the Company has two class of shares referred to as equity shares and preference Shares, having Par value of ₹ 10/- and ₹ 1000/- respectively. Each holder of Equity Shares is entitled to One vote per share.

--All the equity shares shares are held by Holding Company HB Portfolio Ltd. and its nominees.

--Preference Shares are of par value of Rs. 1000/- each and have a preference of Dividend (cumulative) of 6%. The Shares were allotted in financial year 2007-08 on 13.12.2007 for a term of 7 years which were redeemable at par in 3 annual installment of Rs.330/-, Rs.330/- and Rs.340/- per share at the expiry of 5th, 6th and 7th year respectively from the date of allotment. The above redemption has been extended to 12th, 13th and 14th year from the date of allotment. Thus Rs. 6600000/-, Rs. 6600000/- and Rs. 6800000/- would be redeemable in FY 2019-20, FY 2020-21 and FY 2021-22 respectively.

-- Reconciliation of the number of shares outstanding and Amount of Share Capital as on 31st March, 2018 & 31st March, 2017 is as under:

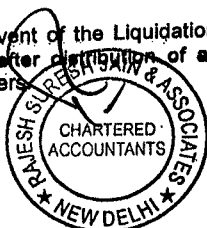
EQUITY SHARES	As at 31st March, 2018		As at 31st March, 2017	
	No of shares	Amount (₹)	No of shares	Amount (₹)
Particulars				
Number of shares at the beginning	7207570	72075700	7207570	72075700
Number of shares at the end	7207570	72075700	7207570	72075700

PREFERENCE SHARES	As at 31st March, 2018		As at 31st March, 2017	
	No of shares	Amount (₹)	No of shares	Amount (₹)
Particulars				
Number of shares at the beginning	20000	20000000	20000	20000000
Number of shares at the end	20000	20000000	20000	20000000

-- Particulars of Shares in the company held by each shareholder holding more than 5% shares:

Name of shareholder	As at 31st March, 2018		As at 31st March, 2017	
	Number of shares held	% of holding	Number of shares held	% of holding
Equity Shares				
HB Portfolio Limited	7207510	100.00	7207510	100.00
Preference Shares				
HB Estate Developers Limited	10000	50.00	-	-
HB StockHolding Limited	-	-	10000	50.00
Gemini Portfolio Private limited	5000	25.00	5000	25.00
RRB Securities Limited	5000	25.00	5000	25.00

- In the event of the Liquidation of the company, the holder of equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all Preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.



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SECURITIES LIMITED

3. RESERVE & SURPLUS		₹	₹
PARTICULARS	AS AT 31ST MARCH, 2018		AS AT 31ST MARCH, 2017
Securities Premium Reserve - Opening Balance	17000000		17000000
Add: Addition During the year	17000000		17000000
Surplus - Opening Balance	(19301338)		(15716669)
Add: Net Profit/(Loss) after tax transferred from Statement of Profit & Loss	(4152148)		(3584668)
	(23453486)		(19301338)
	-6453486		-2301338

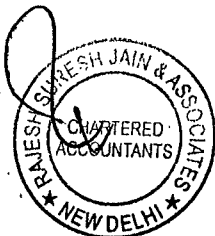
4. LONG TERM PROVISIONS		₹	₹
PARTICULARS	AS AT 31ST MARCH, 2018		AS AT 31ST MARCH, 2017
Provisions For Employees Benefit	138413		112076
Leave Encashment	138413		112076

5. SHORT TERM BORROWINGS		₹	₹
PARTICULARS	AS AT 31ST MARCH, 2018		AS AT 31ST MARCH, 2017
Overdraft facility from Bank - Unsecured	2387864		3413394
	2387864		3413394

-Overdraft facility from bank is secured against gurantee and pledge of Shares by holding Company M/s HB Portfolio Ltd

6. OTHER CURRENT LIABILITIES		₹	₹
PARTICULARS	AS AT 31ST MARCH, 2018		AS AT 31ST MARCH, 2017
Advances From Customers, margin money etc.	28903213		35976619
Statutory Dues Payable	11407		9465
Expenses Payable	340276		179369
	29254896		36165453

7. SHORT TERM PROVISIONS		₹	₹
PARTICULARS	AS AT 31ST MARCH, 2018		AS AT 31ST MARCH, 2017
Provisions For Employees Benefit	4311		3146
Leave Encashment	4311		3146



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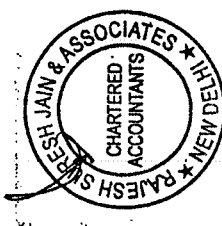
HB SECURITIES LIMITED

& FIXED ASSETS

Sr. No	Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		AS AT 01.04.2017	ADDITIONS DURING THE YR.	DELETION DURING THE YR.	TOTAL 31.03.2018	UP TO 31.03.2017	FOR THE YEAR	ADJUSTM. DURING THE YEAR	TOTAL UP TO 31.03.2018	AS AT 31.03.2018	AS AT 31.03.2017
1	TANGIBLE ASSETS	4895709	0	0	4895709	4787359	85638	0	4872997	22712	108350
2	DATA PROCESSING MACHINERY	4775363	0	0	4775363	4682291	0	0	4682291	83072	83072
3	VEHICLES	1865763	20218	15900.00	1870482	1418825	68716	0	1481569	389113	448938
4	GENERATOR	1118785	0	16386.00	1102426	1018907	36887	0	1044610	57818	98886
	OFFICE EQUIPMENT										
	TOTAL	12655630	20219	31869	12843380	11907361	189341	0	12081367	662713	748249
	PREVIOUS YEAR	12640442	15188	0	12655630	11888784	218598	0	11907361	748249	957659

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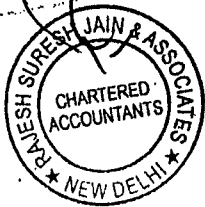
HB SECURITIES LIMITED

10. INVESTMENTS

NAME OF THE COMPANY	FACE VALUE (₹)	As at 31st March,2018		As at 31st March,2017	
		Qty(Nos.)	Amount (₹)	Qty(Nos.)	Amount (₹)
NON-CURRENT INVESTMENTS- AT COST					
(LONG TERM INVESTMENTS)					
NON-TRADE					
A. INVESTMENT IN EQUITY INSTRUMENTS					
(Fully paid up Equity Shares)					
QUOTED					
OSWAL AGRO MILLS LIMITED	10	12800	184501	12800	184501
NAHAR SPINNING MILLS LIMITED	5	607	42490	607	42490
PASUPATI SPINNING & WVG. MILLS LIMITED	10	1520	282335	1520	282335
NAHAR CAPITAL AND FINANCIAL SERVICES LTD.	5	258	36120	258	36120
TATA STEEL LIMITED	10	560	285600	0	0
(Partly paid up Equity Shares)					
TATA STEEL LIMITED	10	300	46200	0	0
UNQUOTED					
-IN ASSOCIATE COMPANY					
MERWANJEE SECURITIES LIMITED	10	1200000	12000000	1200000	12000000
-IN OTHER COMPANIES					
DELHI STOCK EXCHANGE LTD.	1	47044	1457921	47044	1457921
TOTAL (A)		1263089	14335167	1262229	14003367
B.2 INVESTMENT IN PREFERENCE SHARES					
FULLY PAID-UP REDEEMABLE PREFERENCE SHARE					
GEMINI PORTFOLIO PVT LTD (9% NON CUMULATIVE)	100	400000	40000000	400000	40000000
TOTAL (B)		400000	40000000	400000	40000000
TOTAL (A+B)-NON CURRENT/LONG TERM INVESTMENTS		1663089	54335167	1662229	54003367

	As at 31st March,2018	As at 31st March,2017
-- Aggregate Amount of Quoted Investments	877248	545446
-- Market Value of Quoted Investments	647773	265127
-- Aggregate Amount of UnQuoted Investments	53457921	53457921

Note: In the opinion of the Management no provision is required for diminution amounting to ₹ 273593/- (Previous Year ₹ 319956/-) in the value of some of the Long Term/ Non Current Investment as the same is considered to be Temporary.



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HB SECURITIES LIMITED

9. DEFERRED TAX ASSETS

PARTICULARS	₹ AS AT 31ST MARCH, 2018	₹ AS AT 31ST MARCH, 2017
<u>Deferred Tax Assets</u>		
Leave Encashment	44102	35804
Fixed Assets	236246	173878
Net Deferred Tax Assets/(Liability)	280348	209482

11. LONG TERM LOANS AND ADVANCES

PARTICULARS	₹ AS AT 31ST MARCH, 2018	₹ AS AT 31ST MARCH, 2017
<u>Unsecured, Considered Good</u>		
Security Deposits-with Stock Exchanges & Depository	12200000	14712500
	12200000	14712500

12. INVENTORIES

PARTICULARS	₹ AS AT 31ST MARCH, 2018	₹ AS AT 31ST MARCH, 2017
<u>STOCK-IN-TRADE*</u>	13411	13411
(Shares / Securities)	13411	13411

* Valued at lower of Cost or Market Price

13. TRADE RECEIVABLES

PARTICULARS	₹ AS AT 31ST MARCH, 2018	₹ AS AT 31ST MARCH, 2017
<u>Unsecured, Considered Good</u>		
Outstanding exceeding six months	55008	44497
Others	714	3710
	55721	48206

14. CASH AND BANK BALANCES

PARTICULARS	₹ AS AT 31ST MARCH, 2018	₹ AS AT 31ST MARCH, 2017
<u>Cash and cash equivalents</u>		
-Balance With Banks in Current Account	4282997	8654893
-Cash-in-hand	241562	241562
<u>Other Bank balances</u>		
Deposit with bank*	22025000	22112500
	26549559	31008955

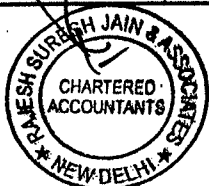
*Includes ₹ Nil (Previous Year ₹ 87500/-) lien marked with Delhi Stock Exchange; ₹ 15000000/- (Previous Year ₹ 15000000/-) lien marked with NSE/NSCCL; ₹ 7025000/- (Previous Year ₹ 7025000/-) lien marked for Bank Guarantee with NSE.

15. SHORT TERM LOANS AND ADVANCES

PARTICULARS	₹ AS AT 31ST MARCH, 2018	₹ AS AT 31ST MARCH, 2017
<u>Unsecured, Considered Good</u>		
Income Tax and TDS	154849	171312
Amount Recoverable from Employees	548826	534588
Prepaid Expenses	1365370	1174641
Advances for Purchase of Properties	21050000	26550000
	23119045	28430535

16. OTHER CURRENT ASSETS

PARTICULARS	₹ AS AT 31ST MARCH, 2018	₹ AS AT 31ST MARCH, 2017
Interest Accrued on FDRs	291734	293725
	291734	293725



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SECURITIES LIMITED

17. REVENUE FROM OPERATIONS

PARTICULARS	₹	
	For the Year ended 31st March, 2018	For the Year ended 31st March, 2017
BROKERAGE, COMMISSION & SERVICE CHARGES (NET)	245903	120510
	245903	120510

18. OTHER INCOME

PARTICULARS	₹	
	For the Year ended 31st March, 2018	For the Year ended 31st March, 2017
DIVIDEND INCOME		
- On Non-Current/ Long Term Investment	1298	1298
- On Stock in Trade	582	1859
INTEREST ON FIXED DEPOSIT WITH BANK (Tax Deducted at Source ₹ 139625/- (₹ 1662499/-))	1401537	1669312
INTEREST ON INCOME TAX REFUND	10278	18481
	1413695	1690950

19. EMPLOYEE BENEFIT EXPENSES

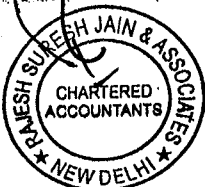
PARTICULARS	₹	
	For the Year ended 31st March, 2018	For the Year ended 31st March, 2017
SALARY & BENEFITS	1783559	1322842
CONTRIBUTION TO PROVIDENT AND GRATUITY FUND	206338	65620
	1989897	1388462

20. FINANCE COSTS

PARTICULARS	₹	
	For the Year ended 31st March, 2018	For the Year ended 31st March, 2017
Interest Expense on OD facility	324470	439147
	324470	439147

21. OTHER EXPENSES

PARTICULARS	₹		
	For the Year ended 31st March, 2018	For the Year ended 31st March, 2017	
LEGAL & PROFESSIONAL		191042	137141
CONVEYANCE & TRAVELLING		7019	203590
PRINTING & STATIONERY		3320	5825
REPAIR & MAINTENANCE			
-VEHICLES	422732		591746
-OTHERS	1441072	1863804	1078968
INSURANCE		51169	48612
MEMBERSHIP & SUBSCRIPTION		60382	56229
POSTAGE TELEGRAM & TELEPHONE		59149	62895
MISCELLANEOUS		39411	73760
VSAT CHARGES		37080	37080
LOSS ON SALE OF FIXED ASSET		11810	-
BANK CHARGES		177678	164354
ELECTRICITY		853040	864631
AUDITORS REMUNERATION			
-AUDIT FEES	15000		15000
-CERTIFICATION & OTHER MATTERS	9000	24000	12023
		3378904	3351854



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22. CONTINGENT LIABILITIES (TO THE EXTENT NOT PROVIDED FOR)

- a) Counter Guarantee in respect of Bank Guarantee given by the Companies Bankers outstanding as on 31st March, 2018 Rs.1.33 Crores (Previous year Rs.1.33 Crores).
- b) Dividend on cumulative Preference Shares Rs.1,24,18,113/- (Previous Year Rs. 1,12,18,113/-)
- c) **Commitments**
₹ 1,06,800/- (Previous Year ₹ Nil) on account of uncalled call money in respect of Partly Paid up Shares.

23. SEGMENT REPORTING

In the opinion of management, the company is mainly engaged in the business of Share & Stock Broking and all activities of the Company revolve around the main business and therefore there are no separate reportable segments as per Accounting Standard – Segment reporting (AS –17).

24. EARNING PER SHARE pursuant to Accounting Standard (AS-20) Earning per Share

Particulars	Current Year	Previous Year
	(Amount ₹)	(Amount ₹)
Net Profit/(Loss) for the year as per Statement of Profit & Loss	(4152148)	(3584668)
Less: Preference Share Dividend	1200000	1200000
Net Profit available for Equity Shareholders	(5352148)	(4784668)
Weighted average no of equity shares outstanding	7207570	7207570
Basic & diluted earning per Share (Face value of Rs.10/- Each)	(0.74)	(0.66)

25. QUANTITATIVE DETAILS

25.1 Quantitative Information in respect of trading in Shares:-

OPENING BALANCE		ACQUIRED DURING THE PERIOD		SALE / TRANSFERRED DURING THE PERIOD		CLOSING BALANCE	
Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
(Nos.)	(₹)	(Nos.)	(₹)	(Nos.)	(₹)	(Nos.)	(₹)
80	13411	144	0	NIL	NIL	224	13411
(80)	(13411)	(NIL)	(NIL)	(NIL)	(NIL)	(80)	(13411)

25.2 Quantitative Information in respect of Investments:-

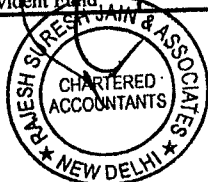
OPENING BALANCE		ACQUIRED DURING THE PERIOD		SALE / CONVERSION DURING THE PERIOD		CLOSING BALANCE	
Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
(Nos.)	(₹)	(Nos.)	(₹)	(Nos.)	(₹)	(Nos.)	(₹)
1662229	54003367	860	331800	0	0	1663089	54335167
(1662229)	(54003367)	(NIL)	(NIL)	(NIL)	(NIL)	(1662229)	(54003367)

26. DISCLOSURE Pursuant to Accounting Standard (AS-15)

a) **Defined Contribution Plan**

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

Particulars	Amount (₹)	Head under which shown in Profit & Loss Account
Contribution to Provident Fund	108118/- (96300)	Contribution to Provident and Gratuity Fund.



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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 Obligation as at the beginning of the year (A)	383658	374005	115222	96373
Past Service Cost (B)	20870	NIL	NIL	NIL
Interest Cost (C)	32362	29920	8930	7228
Current Service Cost (D)	24856	24534	8460	7226
Benefit Paid (E)	-	-	-6520	-6520
Actuarial(Gain)/ Loss on obligation (F)	63549	-44801	16632	10915
Present Value of Obligation as at the end of the year (A+B+C+D-E+F)	525295	383658	142724	115222

c) The Amount 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 Un funded Obligation (A)	525295	383658	142724	115222
Estimated Fair Value of Plan Assets (B)	606795	560935	Nil	Nil
Net Liability/(Assets) (C= A-B)	(81500)	-177277	142724	115222
Amount in Balance Sheet (Assets)/ Liability	(81500)	(177277)	142724	115222

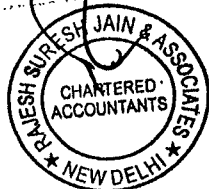
Amount Charged To Profit & Loss Account	Current Year	Previous Year	Current Period	Previous Period
Current Service Cost	24856	24534	8930	7228
Past Service Cost	20549	Nil		
Interest Cost	32362	29920	8460	7226
Expected return on Plan Assets	(43096)	(42716)	Nil	Nil
Actuarial (Gain)/ Loss	63549	(44801)	16632	10915
	98220	(33063)	34022	25369
Head under which shown in the Profit & Loss Account	Contribution to Provident and Gratuity Fund		Salary & Other Benefit	

The Actual Return on Plan Assets is as follows:

Particulars	Current Year	Previous Year
i) Actual return On Plan Assets	43095	42716

d) Principal actuarial assumptions

S. No.	Particulars	Current Year	Previous Year
		Rate %	Rate %
1	Discount rate	7.75	8
2	Expected Rate of Return on Plan Assets	9	9
3	Future Salary Increase	6	6



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e) A reconciliation of the opening and closing balances of the fair value of the Plan assets:

S. No.	Particulars	Gratuity	
		Current Year	Previous Year
1	Opening Fair Value of Plan Assets	560935	515602
2	Expected Return On Plan Assets	43417	42716
3	Actuarial Gains / (Loss)	-	-
4	Contribution by the Employer	2443	2617
5	Benefits Paid	-	-
6	Closing Fair Value of Plan Assets	606795	560935

27. Due to Micro, Small and Medium Enterprises

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.

28. RELATED PARTY TRANSACTIONS

28.1 List of related Parties with whom transactions have taken place and relationship:-

- Holding Company**
- HB Portfolio Limited
- Key Managerial Personnel/Director**
- Sh. Praveen Gupta (Director)
- Enterprise over which direct/indirect significant influence/common control exists**
- HB Estate Developers Ltd.
- HB Stockholdings Ltd.
- RRB Securities Ltd.
- HB Leasing & Finance Co. Ltd.
- RRB Master Securities Delhi Limited.

28.2 Transactions during the year with related parties

Sr. No.	Particulars	Referred in (a) above	Referred in (b) above	Referred in (c) above
1	Depository Charges received	1838	1537	201339
		(2219)	(805)	(43407)
2	Margin /Advances Received/(Paid)- Net	NIL	NIL	(1550000)
		(NIL)	(NIL)	(16000000)
3	Outstanding as on 31 st March, 2018 - Receivable/(Payable) in respect of Current Assets/Current Liabilities	NIL	NIL	(27871203)
		(NIL)	(NIL)	(35809399)
4	Guarantee Given on our behalf	19300000	NIL	NIL
		(19300000)	(NIL)	(NIL)

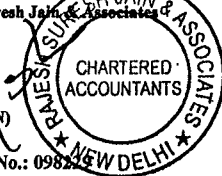
- The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
- The Company does not have any pending litigation which would impact its financial position.
- The previous year figures have been regrouped / reclassified, wherever necessary to conform to the current year presentation.

The accompanying notes form an integral part of the financial statements

AS PER OUR REPORT ATTACHED ON EVEN DATE

For Rajesh Suresh Jain & Associates

(RAJESH JAIN)
(Partner)
Membership No.: 09825
Place : Delhi
DATED : 26.05.2018



FOR AND ON BEHALF OF THE BOARD

(Signature)
ANIL GORAL
DIRECTOR
DIN:00001938

(Signature)
PRAVEEN GUPTA
DIRECTOR
DIN:00002375

HB SECURITIES LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2018

PARTICULARS	Amount in ₹ Year Ended 31ST MARCH, 2018	Amount in ₹ Year Ended 31ST MARCH, 2017
A		
Cash Flow From Operation Activities		
Net Profit after Tax and Extraordinary Items	(4223014)	(3586601)
Adjustment for :		
Depreciation	189341	218598
Loss on Sale of Fixed ssets	11810	
Interest / Dividend	(1403417)	(1672469)
Operating Profit before working capital charges	(5425280)	(5040472)
Adjustment for :		
Trade and other receivables	7818467	(2402598)
Trade Payable and other liabilities	(6883055)	12175350
Cash Generated from Operation	(4489868)	4732279
Income Tax paid / refund	-	-
	(4489868)	4732279
Net Cash from operation activities	(4489868)	4732279
B		
Cash Flow from Investment Activities		
Purchase of Fixed Assets	(20219)	(15188)
Sale of Fixed Assets	4604	-
Purchase of Investments	(331,800)	-
Interest Received	1401537	1669312
Fixed Deposit with bank Realized	87500	-
Dividend Received	1880	3157
Net Cash from Investment Activities	1143502	1657281
C		
Cash Flow from Financing Activities		
Proceeds from OD a/c with bank	(1025530)	(781853)
Net Cash used in Financing Activities	(1025530)	(781853)
Net Increase in Cash & Cash Equivalents A+B+C	(4371896)	5607707
Cash & Cash Equivalents (Opening Balance)	8896455	3288748
Cash & Cash Equivalents (Closing Balance)	4524559	8896455
Components of cash and cash equivalents at the end of the year		
Cash in hand	241562	241562
<u>Balances with scheduled banks :</u>		
-In current accounts	4282997	8654893
	4524559	8896455

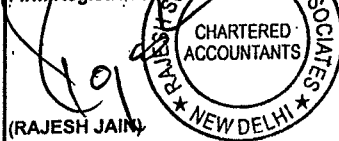
The accompanying notes form an integral part of the financial statements

As Per our Report on even date

For Rajesh Suresh Jain & Associates

Chartered Accountants

Firm Registration Number: 0171624



(RAJESH JAIN)
(Partner)

Membership No.: 098229

PLACE : NEW DELHI

DATED : 26.05.2018

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Anil Goyal
ANIL GOYAL
DIRECTOR
DIN:00001938

Praveen Gupta
PRAVEEN GUPTA
DIRECTOR
DIN:00002375