



**BOARD OF DIRECTORS**

Mr. H.C Bhasin Chairman  
Mr. Lalit Bhasin  
Mr. Anil Goyal  
Mr. J.M.L. Suri  
Mr. Bodhishwar Rai  
Mr. Om Parkash Arora

**COMPANY SECRETARY**

V. Shankar

**AUDITORS**

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

**BANKERS**

Citibank N.A.  
Indusind Bank Ltd.  
Punjab & Sind Bank  
Punjab National Bank

**REGISTERED OFFICE**

199, Sector 7,  
Urban Estate,  
Gurgaon-122 001.

**CORPORATE OFFICE**

25/3, East Patel Nagar,  
New Delhi - 110 008.

**REGISTRAR & SHARE TRANSFER AGENTS**

RCMC Share Registry Pvt. Ltd.  
1515 (1st Floor) Bhisham Pitamah Marg,  
Kotla Mubarakpur (Near South Extension)  
New Delhi-110 003.

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## NOTICE

NOTICE is hereby given that the 7th Annual General Meeting of the Company will be held as follows:

Day: Friday  
Date: 22.03.2002  
Time: 10.00 A.M.  
Place: GIA House, I.D.C., Mehrauli Road, Opp. Sector 14, Gurgaon (Haryana) - 122 001.

to transact the following business:

### AS ORDINARY BUSINESS:

- To receive, consider and adopt the Audited Balance Sheet as at 30th September, 2001 and the Profit & Loss Account for the year ended on that date together with the Reports of Directors and Auditors thereon.
- To appoint Director in place of Mr. J.M.L. Suri who retires by rotation and being eligible offers himself for reappointment.
- To appoint Auditors and to fix their remuneration.

### AS SPECIAL BUSINESS:

- To consider and if thought fit, to pass with or without modification(s) the following resolution as an Ordinary Resolution  
"RESOLVED THAT Mr. Harish Chander Bhasin, who was appointed as additional director on the Board of the company on 20th December, 2001 be and is hereby appointed as Director of the company liable to retire by rotation."
- To consider and if thought fit, to pass with or without modification(s) the following resolution as an Ordinary Resolution  
"RESOLVED THAT Mr. Om Parkash Arora, who was appointed as additional director on the Board of the company on 20th December, 2001 be and is hereby appointed as Director of the company liable to retire by rotation."
- To consider and if thought fit, to pass with or without modification(s) the following resolution as an Ordinary Resolution  
"RESOLVED THAT Mr. Bodhishwar Rai, who was appointed as additional director on the Board of the company on 20th December, 2001 be and is hereby appointed as Director of the company liable to retire by rotation."
- To consider and if thought fit, to pass with or without modification(s) the following resolution as a Special Resolution  
"RESOLVED THAT sub-clause A of Clause V of the Memorandum of Association of the Company be and shall always be deemed to have been substituted by the following:  
"A. The Share Capital of the Company is Rs.30 crores divided into 2,00,00,000 Equity Shares of Rs.10/- each and 1,00,00,000 Redeemable Preference Shares of Rs.10/- each."
- To consider and if thought fit, to pass with or without modification(s) the following resolution as a Special Resolution  
"RESOLVED THAT subject to the provisions of the Companies Act, 1956 (including any statutory modification(s) thereof for the time being in force) Securities Contract (Regulation) Act, 1956 and the rules framed thereunder, listing agreements and all other applicable laws, rules, regulations, and guidelines and subject to such approvals, permissions and sanctions, as may be necessary and subject to such conditions and modifications as may be prescribed or imposed by any authority while granting such approvals, permissions and sanctions, which may be agreed to by the Board of the Directors of the company (hereinafter referred to as 'the Board') which term shall be deemed to include any committee thereof for the time being exercising the powers conferred on the Board by the Resolution) the consent of the company be and is hereby accorded to the Board to delist the equity shares of the company from all or any of the stock exchanges at Chennai, Ahmedabad and Kolkata."
- To consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution  
"RESOLVED THAT in terms of Sections 80,81 and all other applicable provisions if any, of the Companies Act, 1956, (including any statutory modification(s) or re-enactment thereof for the time being in force) and in accordance with the provisions of the Articles of Association of the Company and the Listing Agreements entered into by the Company with the Stock Exchanges, where the shares of the Company are listed and subject to the consent of all concerned authorities, if and to the extent necessary and such other approvals, permissions and sanctions as may be prescribed or imposed while granting such approvals, permissions and sanctions, which may be agreed to by the Board of Directors of the Company and/or a duly authorised Committee thereof for the time being exercising the powers conferred by the Board of Directors (hereinafter referred to as 'the Board'), the consent of the Company be and is hereby accorded to the Board to offer/issue/allot 1,00,00,000 Redeemable Preference Shares of Rs.10/- each of an aggregate nominal amount not exceeding Rs.10,00,00,000 (Rupees Ten Crores), to be subscribed by any persons or persons, whether or not shareholders of the Company, (including one or more of the members, promoters, employees, financial institutions, banks, mutual/venture capital fund(s), foreign investors, non-resident Indians, Overseas Corporate Bodies (OCBs), Foreign Institutional Investors (FIIs), Bodies Corporate, Companies, private or public or other entities, whether through public issue, rights issue, private placement or otherwise, in one or more tranches and on such terms and conditions (including issue price, the rate of dividend, amount of premium, if any, on redemption, redemption period, manner of redemption and matters incidental thereto) as the Board may in its absolute discretion decide."
- "RESOLVED FURTHER THAT such of these Preference Shares to be issued as are not subscribed may be disposed of by the Board to such persons and in such manner and on such terms as the Board in its absolute discretion thinks most beneficial to the Company"

BY ORDER OF THE BOARD  
For HB ESTATE DEVELOPERS LIMITED

Place: New Delhi  
Date: 20th December, 2001

### NOTES

- A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER. A PROXY IN ORDER TO BE EFFECTIVE MUST BE LODGED AT THE REGISTERED OFFICE OF THE COMPANY AT LEAST 48 HOURS BEFORE THE TIME OF THE MEETING.
- Explanatory Statement(s) pursuant to Section 173(2) in respect of the Special Businesses herein are annexed hereto and form part of this notice.
- The Register of Members and Share Transfer Books of the Company shall remain closed from 21.03.2002 to 22.03.2002 (both days inclusive).
- Members/Proxies should bring Attendance Slips duly filled in for attending the meeting.
- Shareholders seeking any information with regard to Accounts are requested to write to the Company at least 7 days before the date of the meeting so as to enable the management to keep the information ready.
- Members are requested to:  
(a) Notify any change in their address to the Company including PINCODE or to the Registrar and Share Transfer Agent of the company namely, RCMC Share Registry Pvt. Ltd., 1515, (1st Floor), Bhisham Pitamah Marg, Kotla Mubarakpur, Near South Extension, New Delhi - 110 003. Phones: 4692346, 4601017 & 4649720. Fax: 4692345. E-mail: rcmc@theoffice.net.  
(b) Bring their copies of Annual Report with them to the meeting as the same will not be supplied again at the Meeting as a measure of economy.
- All the material documents including the Memorandum and Articles of Association of the company are available for inspection by the members of the company at its registered/corporate office during normal business hours on any working day.

## EXPLANATORY STATEMENT PURSUANT TO SECTION 173 (2) OF THE COMPANIES ACT, 1956

### ITEM NOS. 4, 5 & 6

In order to broaden the Board of the company Mr. Harish Chander Bhasin, Mr. Om Parkash Arora and Mr. Bodhishwar Rai were appointed as Additional Directors on 20th December 2001. They hold their office till the ensuing Annual General Meeting of the company. The Company has received notices under Section 257 of the Companies Act, 1956 from shareholder(s) together with requisite fee proposing them to be appointed as the Directors of the company liable to retire by rotation.

Mr. Harish Chander Bhasin, promoter of HB Group, is a leading financial expert associated with Indian Capital Market for more than 4 decades. He has been closely associated with the Delhi Stock Exchange and has held the office of President of the Exchange with distinction for two terms besides being on its Board of Directors for more than a decade.

Mr. Om Parkash Arora is a graduate from Delhi University and is a Member of Indian Institute of Public Administration. He is Chairman of the Splendor Group of Hotels and is a Director and Editorial Advisor in the Pioneer Newspaper besides holding directorships in leading and well-known companies. He also holds membership in a number of social and professional associations. He brings with him rich experience in the fields of Administration and Management. Mr. Bodhishwar Rai is a post-graduate in Economics from Delhi School of Economics and a retired Banker. He is a Fellow Member of Indian Institute of Bankers and Asian Development Institute, Bangkok, Thailand and an Associate Member of International Management Institute, Geneva. During his tenure, he has held the posts of Chairman & Managing Director of Allahabad Bank and Managing Director of SBI Funds Management Limited besides holding prime positions (board level) in State Bank of India. He is a Director on the Boards of well-known companies and brings with him rich experience in the fields of Finance, Administration and Management. The Board commends the resolutions for consideration of the members.

None of the directors except Mr. Harish Chander Bhasin, Mr. Om Parkash Arora and Mr. Bodhishwar Rai are in any way concerned or interested in the above resolution.

### ITEM NO. 7

Section 86 of the Companies Act, 1956 empowers a company to have two types of Capital viz., Equity and Preference. At present the capital clause in the Memorandum of Association of the Company consists only of Equity.

With the changed scenario in the capital market and the popularity of preference shares, it would be prudent for the company to have the flexibility for issuing both equity and preferential capital depending upon the resource requirement and the market scenario. Hence it is proposed to recast the present authorised capital of Rs.30 crores comprising of 3 crores Equity Shares of Rs.10/- each into 2 crore Equity Shares of Rs.10/- each and 1 crore Redeemable Preference Shares of Rs.10/- each.

As required under Section 16 of the Companies Act, 1956, the above alterations proposed in the Capital Clause of the Memorandum of Association are being placed before the meeting for approval.

A copy of the Memorandum and Articles of Association of the Company showing the changes proposed is available for inspection during business hours on any working day at the registered/corporate office of the Company.

None of the Directors of the Company are in any way concerned/interested in the above resolution.

### ITEM NO. 8

Presently the Equity Shares of the company are listed at the Stock Exchanges at Delhi (Regional), Mumbai, Chennai, Ahmedabad and Kolkata.

With the extensive networking of the Stock Exchange, Mumbai and the extension of the terminals to other cities as well the investors have access to online dealings in the Company's securities across the country. The bulk of the trading in the Company's equity shares in any case takes place at Delhi Stock Exchange and Bombay Stock Exchange and the liquidity of trading in the Company's securities on all other Stock Exchanges is scanty.

As a part of cost reduction measures, the company has proposed this resolution which will enable it to delist its equity shares from the Stock Exchanges at Ahmedabad, Chennai and Kolkata.

In line with the SEBI regulations and approval, if any, required members' approval is being sought by a Special Resolution for enabling voluntary delisting of its equity shares from the above said Stock Exchanges.

The Company is also separately giving Special Notice of the proposed enabling resolution for the said delisting in National Newspaper(s) on all India basis. The proposed delisting from the aforesaid Stock Exchanges would not adversely affect the investors. The Company's Equity Shares would continue to be listed at Delhi (the Regional Stock Exchange) and Mumbai. The delisting will take effect after all approvals, permissions and sanctions are received.

The Board commends the Special Resolution for approval of members.

None of the Directors are, in any way, concerned or interested in the resolution.

### ITEM NO. 9

From the experience gained in implementation of commercial real estate projects, the Company has drawn up plans to diversify into construction activities in housing as also in the infrastructure sector like roads/highway so as to capitalise the emerging opportunities.

In evaluating and deciding upon these investment opportunities it would be necessary to consider various financing options with a view to reduce the overall cost of capital. In view of the foregoing and also for general corporate purposes including normal capital expenditure, working capital requirements as the Board may decide, the Board of Directors consider that it would become necessary to raise financial resources, at appropriate time(s) by issuing Preference Shares to such persons and in such manner, as stated in the resolution.

The Company, if necessary, in consultation with appropriate authorities and advisors, will fix the relevant time, the detailed terms of issue including the price, rate of dividend, period of redemption, etc.

Section 81 of the Companies Act, 1956, provides that when a company proposes to increase its subscribed capital by allotment of further shares, such further shares shall first be offered to the existing shareholders of the Company in the manner laid down therein. The section further provided that such further shares may be offered to any person in any manner whatsoever if a Special Resolution is passed by the Company in General Meeting.

The Listing Agreements with the Stock Exchanges provide, inter alia, that a listed company in the first instance should offer all shares, securities and rights to be issued for subscription pro-rata to the equity shareholders unless the shareholders in a general meeting decide otherwise.

Accordingly the consent of the shareholders is being sought to enable the Board to issue further share capital in the manner set out at Item No. 9 of this Notice pursuant to the provisions of Section 81 and all other applicable provisions of Companies Act, 1956 and in terms of the provisions of Listing Agreement entered by the Company with Stock Exchanges where the company's shares are listed.

The said resolution is an enabling resolution conferring on the Board to cover all contingencies and corporate requirements. The Board commends the special resolution for approval of the members.

The Directors of the Company may be deemed to be interested/concerned to the extent they may be entitled to the shares that may be offered to them on rights basis or otherwise and applied for and allotted to them.

BY ORDER OF THE BOARD  
For HB ESTATE DEVELOPERS LIMITED

Place: New Delhi  
Date: 20th December, 2001

V. SHANKAR  
COMPANY SECRETARY