

8th Annual Report 2001-2002



HB ESTATE DEVELOPERS LIMITED

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

AUDIT COMMITTEE

Mr. Anil Goyal Chairman
 Mr. J.M.L. Suri
 Mr. Lalit Bhasin

COMPANY SECRETARY

V. Shankar

AUDITORS

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

REGISTERED OFFICE

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

CORPORATE OFFICE

H-72, Connaught Circus,
 New Delhi-110 001.

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 8th Annual General Meeting of the Company will be held as follows:

Day : Tuesday
Date : 25th March, 2003
Time : 10:00 A.M.
Place : GIA House, IDC Mehrauli Gurgaon Road,
Opp. Sector-14, Gurgaon, Haryana-122001.

to transact the following business:

AS ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 30th September, 2002 and the Profit & Loss Account for the year ended on that date together with the Reports of Directors and Auditors thereon.
2. To appoint Director in place of Mr. Lalit Bhasin who retires by rotation and being eligible offers himself for reappointment.
3. To appoint Director in place of Mr. Anil Goyal who retires by rotation and being eligible offers himself for reappointment.
4. To appoint Auditors and to fix their remuneration.

**BY ORDER OF THE BOARD
For HB ESTATE DEVELOPERS LIMITED**

Place : New Delhi
Date : 14th December 2002

**V. SHANKAR
COMPANY SECRETARY**

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 48 HOURS BEFORE THE TIME OF THE MEETING.
2. The Register of Members and Share Transfer Books of the Company shall remain closed from 22nd March, 2003 to 25th March, 2003 (both days inclusive).
3. Members/Proxies should bring Attendance Slips duly filled in for attending the meeting.
4. 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.
5. 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: 24692346, 24601017. Fax: 24692345. E-mail: rcmc@dimension1.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.

**BY ORDER OF THE BOARD
For HB ESTATE DEVELOPERS LIMITED**

Place : New Delhi
Date : 14th December 2002

**V. SHANKAR
COMPANY SECRETARY**

DIRECTORS' REPORT

To the Members,
Your Directors are pleased to present the 8th Annual Report together with the Audited Statements of Accounts for the year ended 30th September 2002.

FINANCIAL RESULTS:

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

| PARTICULARS | (Rs. in Lakhs) | |
|---|--------------------------|--------------------------|
| | Year Ended 30.09.2002 | Year Ended 30.09.2001 |
| Gross Profit/(Loss) | (566.94) | 15.32 |
| Less : | | |
| (a) Depreciation | 1.78 | 1.91 |
| (b) Miscellaneous Expenses Written Off | 0.93 | 0.93 |
| Net Profit/(Loss) | (569.65) | 12.48 |
| Provision for Taxation | | |
| - Current Tax | — | 8.30 |
| - Deferred Tax – Credit/(Charge) | 0.32 | — |
| Profit after Taxation | (569.33) | 4.18 |
| Add/(Less): | | |
| Profit Brought Forward | 537.63 | 533.45 |
| Net Amount available for appropriation(s) | Nil | 537.63 |
| Profit/(Loss) carried forward | (31.70) | 537.63 |

* The loss has been adjusted against the amount standing to the credit of general reserve.

DIVIDEND

In view of loss, your Directors regret their inability to recommend dividend for the year under review.

PERFORMANCE REVIEW & OUTLOOK

During the year under review, the Real Estate Industry, especially the commercial real estate sector, continued to remain depressed on account of various economic and political factors. The global economic slowdown coupled with September terrorists attacks have had an adverse impact on the real estate prices in the commercial property segment with the investment being put on hold by many corporates. In an effort to minimise the impact and save on the interest/carrying costs the company has sold some property at the best available prices. In the aforesaid background the company, during the year under review has suffered a loss of Rs.569.65 lakhs.

With the Indian-Industrial growth picking up and the overall investment climate on a positive note, the property prices are expected to improve and stabilise, provided the American aggression/war on Iraq is not forthcoming.

In view of the continued uncertainty and depressed market, the company had put on hold further investment plans, including entry in residential and housing sector. However, with the expected improvement in the industry fortunes, the company contemplates to make investments especially in the satellite townships of Gurgaon and/or Greater Noida, which is expected to offer better returns in the future.

STATUTORY STATEMENTS

Your Company has not accepted any deposits from the public during the year.

The particulars under Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 on conservation of energy, technology absorption and foreign exchange earnings and out go are not applicable to your company.

The provisions of Sec 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 as amended, are not applicable, as there is no such employee.

Pursuant to Section 217(2AA) it is hereby stated that in the preparation of the Annual Accounts for the year under review, the applicable accounting standards have been followed. The Directors have selected such accounting policies and applied them consistently and made judgements and estimates, that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit or loss of the company for that period. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities. Further, the Directors have prepared the annual accounts on a going concern basis.

CORPORATE GOVERNANCE

The disclosures relating to the Corporate Governance has been implemented from the year under review and a Report on the same is annexed hereto and forms a part of the Directors' Report.

STATEMENT PURSUANT TO LISTING AGREEMENT(S)

The Company's securities are listed at Delhi, Chennai, Calcutta, Ahmedabad and Mumbai Stock Exchanges. As a cost reduction measure, the approval of the shareholders for delisting from the Stock Exchanges at Chennai, Kolkata and Ahmedabad have been obtained.

AUDITORS REPORT

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

AUDITORS

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

DIRECTORATE

Mr. Lalit Bhasin and Mr. Anil Goyal are liable to retire by rotation at the ensuing Annual General Meeting and being eligible offer themselves for reappointment.

ACKNOWLEDGMENTS

Your Directors wish to thank and deeply acknowledge the co-operation, assistance and support extended by the Company's Bankers, Shareholders and by the Employees of the Company.

FOR AND ON BEHALF OF THE BOARD

Place: New Delhi
Date: 14th December 2002

**H.C. Bhasin
Chairman**