

HB STOCKHOLDINGS LIMITED

HB STOCKHOLDINGS LIMITED**BOARD OF DIRECTORS**

Mr. Lalit Bhasin	Chairman
Mr. K. N. Malhotra	Director
Dr. K. Srinivasan	Director
Mr. P. K. Mittal	Director
Mr. J. M. L. Suri	Executive Director

**ASST. VICE PRESIDENT (LEGAL)
& COMPANY SECRETARY**

Vinay Shukla

AUDITORS

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

REGISTERED OFFICE

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

CORPORATE OFFICE

10th Floor, DCM Building,
16, Barakhamba Road,
New Delhi - 110 001.

REGISTRAR & SHARE TRANSFER AGENT

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

Report

NOTICE

NOTICE is hereby given that the 17th Annual General Meeting of the Company will be held as follows:

Day : Wednesday
Date : 29th September, 2004
Time : 10:00 A.M.

Place : GIA House, I.D.C. Mehrauli Road, Opp. Sector 14, Gurgaon-122001, Haryana to transact the following business :

AS ORDINARY BUSINESS

- To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2004 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. P.K. Mittal 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 Dr. K. Srinivasan, who was appointed as additional director on the Board of Directors of the company on 27th April, 2004 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 pursuant to the provisions of Foreign Exchange Management Act, 1999 and Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000 and subject to such other approvals, permissions and sanctions, as may be required and subject to the applicable provisions, if any, of the Companies Act, 1956 and subject to such conditions as may be prescribed by any of the authorities, while granting such approvals/permissions/sanctions, which the Board of 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 powers conferred by the Board) may accept, the consent of the company be and is hereby accorded to the Board to allow Non Resident Indians (hereinafter referred to as "NRIs") and Overseas Corporate Bodies (hereinafter referred to as "OCBs") predominantly owned by NRIs to acquire shares of the company through Stock Exchanges in India under Portfolio Investment Scheme and in accordance with all permissible modes, subject to the condition that the total purchase by NRIs and/or OCBs both on repatriation and non repatriation basis shall be within the overall ceiling (subject to individual limits as may be applicable/prescribed) of 24% of the paid up Equity Capital of the company or such other higher ceiling as may be allowed by Reserve Bank of India from time to time.
"RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to accept investment by NRIs and/or OCBs in variation of the aforesaid ceilings, as may be permissible from time to time and to do all such acts, deeds and things and to execute such documents or writings, as may be necessary, proper or expedient for the purpose of giving effect to this resolution, connected therewith or incidental thereto."

BY ORDER OF THE BOARD
For HB STOCKHOLDINGS LIMITED

VINAY SHUKLA

**ASST. VICE PRESIDENT (LEGAL)
& COMPANY SECRETARY**

Place : New Delhi
Date : 30.08.2004

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 OR CORPORATE 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 Business herein is annexed hereto and form part of this notice.
- The Register of Members and Share Transfer Books of the Company shall remain closed from 21.09.2004 to 29.09.2004 (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:
 - 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-110003. Phones : 24692346, 24601017. Fax: 24692345. E-mail: rcmc@dimensioni.net.
 - 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.
- Details of the Directors seeking appointment/reappointment in the ensuing Annual General Meeting pursuant to Clause 49 of the Listing Agreement :

Name of the Director	Mr. P. K. Mittal	Dr. K. Srinivasan
Date of Birth	10-August-1953	01-July-1941
Profile/Expertise in specific functional areas	Leading Advocate practicing in Corporate and Economic Laws for more than 15 years.	Retired IAS Officer. Has held senior and top positions in various departments of Govt. of India including Ministry of Finance besides having been on the boards of leading and well-known nationalised banks.
Qualifications	FCS; LL.B	Ph.D. (Economics) M.Sc (Chemistry)

CONTENTS

Notice	1
Directors' Report	2
Statement pursuant to Sec. 212 of the Companies Act, 1956 and Corporate Governance Report	2
Auditors' Report	5
Balance Sheet	6
Profit & Loss Account	6
Schedules	6
Balance Sheet Abstract and Company's General Business Profile	13
Cash Flow Statement	14
Consolidated Accounts	15
Annual Report of Subsidiary Companies :	
Mount Finance Ltd.	18
HB Prima Capital Ltd.	22

HB STOCKHOLDINGS LIMITED

List of other companies in which directorship held as on 31.3.2004

Raunaq International Ltd.	Nil
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Chairman/Member of the Committees of the Board of the other companies in which he is a director as on 31.3.2004

Nil	Nil
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EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956 ITEM NO. 4

Dr. K. Srinivasan was appointed as Additional Director on the Board of Directors on 27th April 2004 and under the provisions of Section 260 of the Companies Act, 1956 he holds office up to the date of the ensuing Annual General Meeting of the company. The Company has received notice under Section 257 of the Companies Act, 1956 from a shareholder together with requisite fee proposing him to be appointed as the Director of the company liable to retire by rotation.

Dr. Srinivasan, IAS (Retd.) holds doctorate in Economics and has held senior and top positions in various departments of Govt. of India (including Ministry of Finance). Besides he was also on the boards of leading nationalised banks, IIM and CSIR. He brings with him rich experience in the fields of Finance, Administration and his association with the company would be beneficial and in its interest. The Board accordingly commends the resolution for his appointment as Director for consideration of the members.

The notice received under Section 257 is available for inspection during normal business hours on any working day of the company.

None of the directors except Dr. Srinivasan are in any way concerned or interested in the above resolution.

ITEM NO. 5

In terms of the provisions of the Foreign Exchange Management Act, 1999 read with Foreign Exchange Management (Transfer or Issue of Security by a person resident outside India) Regulations, 2000, Non Resident Indians (NRIs) and Overseas Corporate Bodies (OCBs) predominantly owned by NRIs are allowed to make investment on repatriation as well as on non-repatriation basis under the Portfolio Investment Scheme (acquisition/purchase of shares through the Stock Exchange) in the equity shares of an Indian Company with an individual ceiling limit of 5% of the paid up equity capital of the company for each NRI/OCB and subject to an overall ceiling of 10% of the paid up equity capital of the company. However, the overall ceiling limit of 10% can be enhanced to 24% if such an enhancement is approved by the Shareholders in a General Meeting.

In the wake of globalisation, your Directors feel that it would be expedient and in the overall interest of the company to enhance the maximum ceiling limit from 10% to 24% to provide for investment by NRIs/OCBs through the Portfolio Investment Scheme. The resolution is accordingly commended for approval of the members.

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

BY ORDER OF THE BOARD
For HB STOCKHOLDINGS LIMITED

VINAY SHUKLA

ASST. VICE PRESIDENT (LEGAL)
& COMPANY SECRETARY

Place : New Delhi
Date : 30.06.2004

DIRECTORS REPORT

To the Members,

Your Directors present the 17th Annual Report together with the Audited Statements of Accounts for the year ended 31st March 2004.

FINANCIAL RESULTS

The summarised financial results for the year under review are as under. The financial results of the Company for the year under review are not strictly comparable with figures of the previous period as the working for the previous period is for 16 months on account of change of accounting year.

PARTICULARS	(Amount in Rs.)	
	Year Ended 31.03.2004 (12 Months)	Period Ended 31.03.2003 (16 Months)
Gross Profit/(Loss)	2,13,21,968	(2,02,87,974)
Less :		
(a) Depreciation and profit/(loss) on termination of leases	7,30,787	9,27,711
(b) Miscellaneous Expenses Written off	20,13,949	26,85,265
(c) Provision for Income-Tax (including deferred tax)	Nil	Nil
(d) Provision for Sub-Standard and doubtful Assets	Nil	80,06,335
Net Profit/(Loss)	1,85,77,232	(3,19,07,285)
Add/(Less) :		
(a) Surplus/(Deficit) Brought Forward	(61,66,49,009)	(55,51,01,613)
(b) Prior Period Adjustments	5,87,815	(2,96,40,111)
(c) Transfer to Statutory Reserve Fund	(37,15,446)	Nil
Net Amount available for appropriation	(60,12,19,608)	(61,66,49,009)
Balance Transferred to Balance Sheet	(60,12,19,608)	(61,66,49,009)

DIVIDEND

In view of no profits available for distribution, your Directors regret their inability to recommend dividend for the year under review.

PERFORMANCE REVIEW & OUTLOOK

During the year under review, with overall economic growth picking up the sentiments in stock market turned buoyant after witnessing a prolonged and continued downturn. The recent change in the political leadership has had an adverse effect on the market sentiment. However, with the indications of new government headed by the Reformist, Dr. Manmohan Singh being positive about the continuity and carry forward of reforms, it is hoped that the

market will rebound back and recover.

In the aforesaid background it is satisfactory that the company has logged an operational income of Rs. 328.24 lakhs compared to a loss of Rs. 37.93 lakhs in the previous accounting period. The Gross Profit for the year under review amounted to Rs. 213.21 lakhs as against the Gross Loss of Rs. 202.88 lakhs.

Your company continues its focus in cutting down and keeping the expenses at minimum in an era of cutthroat and intense competition while making redoubled efforts to increase its revenues. With the overall Economy on the high growth path and the uncertainty over the reforms due to political change now behind, the Stock Market is expected to reflect a rising trend and your directors are hopeful that the company would be able to maintain the trend of turnaround. The industry trends and future prospects are more elaborately given in the Management Discussion and Analysis.

STATUTORY STATEMENTS

Your Company has not accepted any deposits from the public during the year under review. The Particulars under Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 on conservation of energy, technology absorption are not applicable to your company. During the year under review there was no earnings or outgo in foreign exchange. The provisions of Sec 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 as amended, are not applicable, as there is no such employee.

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.

SUBSIDIARIES OF THE COMPANY

As required under Section 212 of the Companies Act, 1956, the Audited Balance Sheets, Profit & Loss Account together with the Report of the Directors and Auditors thereon of HB Prima Capital Ltd. and Mount Finance Ltd. are attached.

As required under the Listing Agreement the consolidated accounts are also annexed.

CORPORATE GOVERNANCE

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

STATEMENT PURSUANT TO LISTING AGREEMENT(S)

The Company's securities are listed at Stock Exchanges at Mumbai (BSE), Chennai, Kolkata, Ahmedabad and National Stock Exchange, Mumbai (NSE). Pursuant to the approval of shareholders, the company had applied to the Stock Exchanges at Delhi, Chennai, Ahmedabad and Kolkata for delisting. While the delisting has been completed at Delhi Stock Exchange w.e.f. 29.12.2003, the applications for delisting made to other Exchanges are under process. The listing fee to BSE and NSE has been paid.

AUDITORS REPORT

Observations of the Auditors have been explained, wherever necessary, by appropriate 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. H.C. Bhasin after having donned the mantle of the company as its Chairman from inception resigned from the directorship. The Board wishes to place on record its deep appreciation of the valuable guidance and direction received from Mr. H.C. Bhasin in directing the working of the company. Having regard to his long association and as an appreciative gesture of his services to the company and to have the continued benefits of his wisdom and experience towards future growth, the Board has made him the Chairman-Emeritus. Mr. Lalit Bhasin, Director was unanimously elected as the Chairman of the Company. Mr. P.S. Mathur resigned from the directorship of the company and the Board wishes to place on record its deep appreciation of the valuable guidance received from Mr. Mathur in directing the affairs of the company.

Dr. K. Srinivasan, IAS (Retd.), a doctorate in Economics and his rich experience of having held senior and top positions in the various departments of Government of India, was co-opted as Additional Director on 27-April-2004 and accordingly holds office only up to the date of ensuing Annual General Meeting. Considering his rich and varied experience, the Board is of the opinion that his continued association would be beneficial to the company and accordingly commends the resolution for appointing him as Director of the Company in the ensuing Annual General Meeting, for the consideration of members.

Mr. P.K. Mittal being longest in Office retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for reappointment.

ACKNOWLEDGMENTS

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

FOR AND ON BEHALF OF THE BOARD

Place : New Delhi
Date : 30.06.2004

LALIT BHASIN
CHAIRMAN

STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956

Name of the Subsidiary	HB Prima Capital Ltd.	Mount Finance Ltd.
The Financial Year of the subsidiary ended on	31-03-2004	31-03-2004
No. of Equity Shares held by the Holding Company as on date (Face Value-Rs.10/-)	1000000	830006
Extent of Holding (%)	100	100
The Net Aggregate of the Profit/(Loss) of subsidiary so far as they concern the members of the company for the year 31st March 2004 (Rs.)		



HB STOCKHOLDINGS LIMITED

(i) for the financial year of the subsidiary	(28682)	(289735)
(ii) for the previous financial periods of the subsidiary	(416958)	(5475057)
The Net Aggregate of the Profit/(Loss) of subsidiary so far as they concern the members of the company and which are dealt with the accounts of the company for the year 31st March 2004 (Rs.)		
(i) for the financial year of the subsidiary	Nil	Nil
(ii) for the previous financial periods of the subsidiary	Nil	Nil

MANAGEMENT'S DISCUSSION AND ANALYSIS

1. Operating Results

The working/results for the year under review is not strictly comparable to the results for the previous period (the results of which were for a period of 16 months). The company earned an operational income of Rs. 328.24 lakhs during the year under review compared to the loss of Rs.37.95 lakhs in the previous year. The administrative expenses during the year under review were Rs.111.79 lakhs as compared to Rs.119.63 lakhs (annualised for enabling comparison) during the previous period. The interest and financial charges for the year under review also came down to Rs.34.77 lakhs as compared to Rs.64.94 lakhs (annualised for enabling comparison) during the previous period.

2. Industry Trends and Business Analysis

During the year under review, the stock market after a long period of stagnation witnessed buoyancy reflecting a resurgent and high economic growth backed by strong fundamentals. The BSE Sensex which opened at 3037.54 in April 2003 closed at 5590.60 in March 2004 after peaking at 6249.60 in January 2004 and registering a growth of 83% during the year under review. Similar trend has been registered by NSE Nifty, which opened up at 977.40 in April 2003 closed in March 2004 at 1771.90 after scaling a high of 2014.65 in January 2004 and returning a growth of 81% during the year under review. Seen under the aforesaid backdrop the company has been able to turn out positive results recording a net profit of Rs.185.77 lakhs, and the same is considered satisfactory.

3. Opportunities and Threats

The sustained reform measures initiated by successive governments irrespective of their political ideologies is heartening feature indicating the irreversibility of the reform process. The decade long reform measures have started yielding results with the economy poised for a sustained high growth. The sustained drive for modernisation of the Stock Market and dematerialisation has rid the market of many ills and has brought it on par with other developed markets. The introduction of trading in derivatives has added greater depth to the market. While the market sentiments during the year under review kept up the positive and buoyant sentiments however the political change at the national level took its toll initially due to fear of adverse policy change. However the new government's policy statement has allayed such fears and has assured to carry on the reforms with a human face which augurs well for the economy. The market sentiment has also after initial jitteriness stabilised reflecting an expected phase of buoyancy and growth. The Company hopes to leverage its strength and experience in stock market operations and expect to sustain and scale its performance in current year.

4. Future Prospects and Outlook

Future outlook of the company as a NBFC engaged predominantly in the business of investment in securities, is linked to the buoyancy in the stock market, which is linked to the outlook and growth of the overall economy and other factors. The indications of broad policy framework of new Government to carry forward and continue the reform process augurs well for the economic growth. It is expected that the government would take responsive measures in an effort to maintain the buoyancy of the stock market.

5. Risks and concerns

The company is exposed to the normal industry risk factors being associated with capital market, which inter alia includes economic/business cycle, fluctuations in the stock prices in the market, besides the interest rate volatility, and credit risk. Company manages these risks by maintaining a conservative financial profile, and by following prudent business and risk management practices.

6. Internal control system and their adequacy

The company has a proper and adequate system of internal controls to ensure that all activities are monitored and controlled against any unauthorised use or disposition of assets, and that the transactions are authorised, recorded and reported correctly. The company ensures adherence to all internal control policies and procedures as well as compliance with all regulatory guidelines. The audit committee of the Board of Directors reviews the adequacy of internal controls.

7. Financial performance

- Share Capital: The Company's issued and subscribed share capital consists of Equity Share capital only. The paid-up share capital of the company as at 31st March 2004 stood at Rs.2431.66 lakhs comprised of 2,54,43,257 Equity Shares of Rs.10/- each.
- Reserves and Surplus: During the year under review the reserves and surplus (net of accumulated loss amounting to Rs. 6012.20 lakhs (previous year 6166.49 lakhs)) stood at Rs. 4018.40 lakhs as against Rs. 3826.95 lakhs during the previous period.
- Loans : The unsecured loan has been repaid during the year compared to Rs.400 lakhs in the previous period.
- Current Assets & Current Liabilities: The current assets and current liabilities at the end of the year under review stood at Rs.1371.30 lakhs and Rs.2268.53 lakhs respectively against Rs. 1494.93 and Rs.1942.25 lakhs for the last year. The net current assets/(current liabilities) [Current Assets less Current Liabilities] as at the end of the year stood at (Rs.897.23) lakhs compared to (Rs. 447.33) lakhs.

8. Human Resources

The company has adequate and experienced industry professionals to carry out its operations and follows a good man management practices as the company recognises the employees as its foremost assets and partners in its endeavors to achieve excellence in its operations.

REPORT ON CORPORATE GOVERNANCE

Company's philosophy on Corporate Governance

Corporate Governance refers to a set of policies, principles, laws, rules, regulations and procedures that enable the company to attract best financial & human resources and to perform efficiently to maximise the long term value for the shareholders. Your company is committed to uphold the good governance values and has been practicing the same over

the years. Your directors deeply recognise that it is your company and that you must know what is happening all around.

Size and Composition of the Board

The Board of your Company comprises of 5 directors, out of whom 4 directors are non-executive directors and 3 directors are independent professionals. Mr. Lalit Bhasin is its Chairman with effect from 30th June 2004. The non-executive directors are proficient in their fields and bring with them tremendous experience in the areas of finance, legal, corporate affairs and management. Mr. J.M.L. Suri, the Executive Director of your Company, has to his credit over 43 years of corporate experience in renowned Indian and multinational companies. He is responsible for the overall management of the company. The composition of the Board is in conformity with the Clause 49 of the listing agreement.

4 Meetings of the Board of Directors of the Company were held during the year under review (i.e. from 1.04.2003 to 31.03.2004) on 21st May 2003; 30th July 2003; 30th October 2003; and 30th January 2004. The Particulars regarding composition of the Board of Directors and their attendance in the Meetings held during the year under review are given hereunder:

Name of the Director	Category	No. of other Directorships*	No. of Board Meetings attended during the year	Attended Last AGM
Mr. H. C. Bhasin	Non-Executive	12	4	Yes
Mr. K. N. Malhotra	Independent & Non Executive	3	4	No
Mr. Lalit Bhasin	Non-Executive	13	3	Yes
Mr. P. K. Mittal	Independent & Non Executive	1	4	No
Mr. P. S. Mathur	Independent & Non Executive	N.A.	Nil	No
Mr. J.M.L. Suri	Executive	4	3	Yes
Dr. K. Srinivasan#	Independent & Non Executive	Nil	N.A.	N.A.

Mr. P.S. Mathur and Mr. H.C. Bhasin have resigned from the directorship of the company and were accepted by the Board of Directors at the meeting held on 27-04-04 and 30-06-04, respectively.

* As on 31-3-2004 (Committees, private limited and trusts excluded)

Appointed as Additional Director with effect from 27th April 2004.

In terms of the provisions of the Companies Act, 1956 and the Articles of Association of the Company, one-third directors of the Company retire at every Annual General Meeting. Accordingly, Mr. P. K. Mittal would retire by rotation at the ensuing Annual General Meeting and being eligible he offers himself for reappointment.

Board Committees

The Board of Directors has in its Meeting held on 7th March, 2001, constituted 2 Committees namely; the Audit Committee in due compliance with Section 292A of the Companies Act, 1956 and the Clause 49 of the Listing Agreement and Shareholders Committee. No Remuneration Committee has been constituted being non-mandatory requirement under the Listing Agreement.

The Audit Committee of the Board as reconstituted on 30th June 2004 comprises of Dr. K. Srinivasan (Chairman of the Committee), Mr. K.N. Malhotra and Mr. P.K. Mittal. The terms of reference, inter alia, includes laying down, review and revise the accounting policies of the company; review of financial operations and performance of the company, review the quarterly/ half yearly and annual financial accounts and other financial reports and statements, before placement thereof before the Board of Directors, consider and constitute sub-committees, wherever necessary for carrying out and/or monitoring the financial operations of the company, appoint whenever deemed expedient, an independent internal auditor to carry out continuous audit of the accounts and systems of the company, and also consider and/or review the appointment and removal of auditors of the company, consider and set up adequate internal control systems and review and monitor the same in consultation with the internal auditors and the auditors of the company and ensure compliance of the same, receive, discuss and consider the observations and reports of the internal auditors and auditors of the company time to time, review and investigate on matters of financial nature, as and when deemed necessary and expedient, give report and/or recommendations to the Board on the matters concerning financial operations of the company, consider and act on any matters as are included under Clause 49 of the Listing Agreement and/or as may be so included from time to time.

During the year under review, 3 meetings of the Audit Committee were held on 21-05-2003; 30-07-2003; and 30-10-2003. Mr. P.K. Mittal and Mr. Lalit Bhasin attended all the 3 meetings and Mr. P.S. Mathur attended Nil meetings.

The Shareholders Committee of the Board comprises of Mr. K.N. Malhotra (Chairman of the Committee), Mr. P.K. Mittal and Mr. J.M.L. Suri. The functions of the Committee, inter alia, includes approval/rejection of transfers, transmission of shares, issue of fresh/duplicate certificates upon split/consolidation/ renewal/mutilation/loss or otherwise, review the status of dematerialisation of company's shares and matters incidental thereto, monitor the matters of litigation related to shareholders and take decisions relating thereto, consider, review and monitor the matters related to the shareholders grievances.

During the year under review, 4 meetings of the Shareholders Committee were held on 21-05-2003; 30-07-2003; 30-10-2003; and 30-01-2004. The meetings were attended by all the members of the Committee except the one on 30-01-2004, which was not attended by Mr. J.M.L. Suri. Remuneration paid to Directors during the period (01.04.2003 to 31.03.2004) is as under:

Director	Relationship with other Director(s)	Sitting Fees (Rs.)	Salary & Perks (Rs.)	Commission, if any
Mr. H. C. Bhasin	F/o Mr. Lalit Bhasin	8,000/-	Nil	Nil
Mr. K. N. Malhotra	—	24,000/-	Nil	Nil
Mr. P. S. Mathur	—	Nil	Nil	Nil
Mr. P. K. Mittal	—	16,000/-	Nil	Nil
Mr. Lalit Bhasin	S/o Mr. H. C. Bhasin	12,000/-	Nil	Nil
Mr. J. M. L. Suri	—	Nil	7,33,200/-	Nil
Dr. K. Srinivasan	—	Nil	Nil	Nil



HB STOCKHOLDINGS LIMITED

Shareholders' Information

(A) Details of Annual General Meetings :

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

Year	Type	Location	Date	Time
2001-03	AGM	GIA House, I.D.C., Mehrauli Road, Opp.: Sector 14, Gurgaon-122 001.	28.08.2003	10.00 A.M.
2000-01	AGM	GIA House, I.D.C., Mehrauli Road, Opp.: Sector 14, Gurgaon-122 001.	31.05.2002	10.00 A.M.
1999-00	AGM	GIA House, I.D.C., Mehrauli Road, Opp.: Sector 14, Gurgaon-122 001.	30.05.2001	10.00 A.M.

- (ii) Whether Special Resolutions were put through postal ballot last year No
(iii) Are polls proposed to be conducted through postal ballot this year No

(B) No dividend has been paid by the company since its trifurcation pursuant to a Scheme of Arrangement sanctioned by High Court. The last dividend was paid for the accounting year 1994-95.

(C) The Register of Members and Share Transfer Books of the Company shall remain closed from 21.09.2004 to 29.09.2004 (both days inclusive). The previous Book Closure remained w.e.f. 14.08.2003 to 28.08.2003 (both days inclusive).

(D) The transactions with the related parties have been annexed to the Notes to Accounts (Refer to Note No. 15 of Schedule 14 to the Balance Sheet and Profit and Loss Account) and hence not reproduced here.

(E) No penalty has been imposed by the Stock Exchanges or SEBI or any other Statutory Authority nor any strictures have been passed by them during the last three years.

(F) Means of Communication

- Half yearly reports sent to each household of shareholder No
- Quarterly Results Sent to each shareholder No
- In which newspaper the results are normally published Financial Express & Jansatta
- Any Website, where results are displayed No
- Whether MD&A are part of Annual Report Yes
- Whether shareholders information system is part of AR Yes

(G) Your company is contemplating to place all shareholders information on its proposed Website, for which efforts are being made.

(H) Registrar and Share Transfer Agent of the company: RCMC Share Registry Pvt. Ltd., 1515, (I Floor), Bhisham Pitamah Marg, Kotta Mubarakpur, Near South Extension, New Delhi-110003. Phones: 24692346; 24601017. Fax: 24692345. E-mail: rcmc@dimension1.net

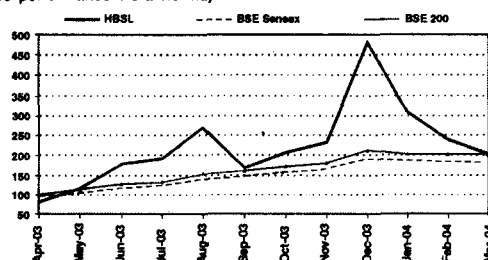
(I) The trading in the Equity Shares of the Company has come under compulsory dematerialisation w.e.f. 27th November 2000 in terms of the SEBI-Notification No. SMDRP/POLICY/CIR-23/2000 dated 29th May 2000.

(J) The company has joined the National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL). The ISIN No. allotted to the Company is INE550B01014.

(K) The Stock Market Data and Performance Indicators of HB Stockholdings Ltd. at BSE and NSE are summarised as under:

Month	BSE				NSE			
	High	Low	Close	Volume	High	Low	Close	Volume
Apr-03	1.75	1.00	1.05	7244	2.15	1.65	1.70	132
May-03	1.65	0.85	1.50	14491	1.50	1.00	1.30	20332
Jun-03	2.43	1.10	2.31	53353	2.55	1.20	2.45	97386
Jul-03	3.00	1.90	2.50	105739	3.50	2.20	2.65	153719
Aug-03	5.90	2.25	3.51	124757	6.35	2.75	3.80	370246
Sep-03	4.15	1.70	2.17	53551	3.90	2.70	2.95	38232
Oct-03	3.19	1.73	2.70	49625	—	—	—	—
Nov-03	4.05	1.77	3.01	71804	—	—	—	—
Dec-03	7.49	2.53	6.29	187413	—	—	—	—
Jan-04	6.95	3.56	4.00	118967	—	—	—	—
Feb-04	4.74	2.77	3.10	216995	—	—	—	—
Mar-04	4.10	2.40	2.66	827721	3.70	2.35	2.65	27215

(L) Relative performance vis-à-vis major indices



(M) Stock Performance-Absolute returns vis-à-vis Major Indices during the year under review
HB Stock 105%
BSE Sensex 83%
BSE 200 104%

(N) The Company's Scrip Codes at Various Stock Exchanges are as under:

HB Stockholding Ltd.	Scrip Code
BSE, Mumbai	32216
NSE, Mumbai	HBSTOCK
MSE, Chennai	HL
CSE, Kolkata	18086
ASE, Ahmedabad	HB STOCK/23788

(O) The Dematerialisation of Shares and Liquidity: 55.13% of the Equity Shares of the company are held in dematerialised form.

(P) Mr. Vinay Shukla, Asst. Vice President (Legal) & Company Secretary is the compliance officer of the company.

(Q) The distribution of shareholdings of the company as on 31st March 2004 is as under:

No of Shares	Shareholders		Shareholding	
	Nos.	% to total	Shares	% to total
1-500	140306	98.94	11515414	45.26
501-1000	981	0.69	710477	2.79
1001-2000	300	0.21	419002	1.64
2001-3000	82	0.06	201289	0.79
3001-4000	37	0.03	131593	0.52
4001-5000	24	0.02	111241	0.44
5001-10000	35	0.02	244062	0.96
10001 and above	49	0.03	12110179	47.60
TOTAL	141814	100.00	25443257	100.00

(R) The category-wise distribution of Shareholders as on 31st March 2004 is as follows:

Category	No of Shares held	% of Shareholding
A. Promoters Holding		
- Promoters	9738794	38.28
- Persons acting in concert	508530	2.00
B. Others		
- Mutual Funds and UTI	318137	1.25
- Banks/Financial Institutions	825050	3.24
- Foreign Institutional Investors	—	—
- Private Corporate Bodies	539049	2.12
- NRIs/OCB	276659	1.09
- Indian Public	13237038	52.02
TOTAL	25443257	100.00

(S) Share Transfers are registered and returned within a period of 30 days from the date of receipt if the documents are clear in all respects. The authority for transfer of shares has been delegated to Executive Director for transfer of shares up to 10,000 Shares under one folio at a time, beyond which the matters are placed before the shareholders Committee, which meets as and when, required. The statistics of share transfers during the year including demat shares are as under:

Transfer Period	No of cases#	No of Shares#	% to Shares
1-15	4186	491465	100
16-30	—	—	—
31 & Above	—	—	—

includes requests of dematerialisation.

(T) The status of Investor's Grievance Redressal during the year 1-04-2003 to 31-03-2004 is as under:

Nature of Grievance	Received	Cleared
Relating to Transfer, Transmission, Change of address etc.	10	10
Non receipt of Dividend	19	19
Non receipt of Share Certificates etc.	37	37
Non receipt of Balance Sheet	13	13
Demat/Remat of securities & Others	46	46

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

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

To the Members of
HB Stockholdings Limited
New Delhi

We have examined the compliance of conditions of Corporate Governance by **HB STOCKHOLDINGS LIMITED** for the year ended on 31st March 2004, as stipulated in Clause 49 of the Listing Agreement of the Company with the Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the Directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreement except that Chairman of Audit Committee was not present at the last Annual General Meeting for which we have been explained that the Chairman could not attend due to ill health and Head of Accounts Department was present in the said meeting.

As required by the guidance notes issued by the Institute of Chartered Accountants of India, we have to state that the Registrar and Share Transfer Agent of the Company has maintained records to show Investors' Grievance against the Company and have certified that as on 31st March, 2004 there were no Investors' Grievances remaining unattended/pending for a period exceeding one month.

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

FOR P. BHOLUSARIA & COMPANY
Chartered Accountants

Place : New Delhi
Date : 30.06.2004

Amit Goel
Partner



HB STOCKHOLDINGS LIMITED

AUDITORS' REPORT

THE MEMBERS OF HB STOCKHOLDINGS LIMITED

We have audited the attached Balance Sheet of **M/s. HB STOCKHOLDINGS LIMITED** as at 31st March, 2004 and also the Profit and Loss Account and Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

- As required by Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of section 227 (4A) of the Companies Act, 1956, we annex hereto a statement on the matters specified in paragraphs 4 and 5 of the said order to the extent applicable.
- Further to our comments in the Annexure referred to in paragraph 1 above, we report that:
 - We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - In our opinion proper books of account as required by law have been kept by the company so far, as appears from our examination of the said books;
 - The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - In our opinion, the Balance Sheet, Profit & Loss Account and Cash Flow Statement comply with the accounting Standards referred to in Sub Section (3C) of section 211 of the Companies Act, 1956.
 - As informed and explained to us, none of the directors of the company is disqualified as on 31st March, 2004 from being appointed as director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.
 - In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with significant accounting policies and notes thereon give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India :-
 - In the case of the Balance Sheet of the State of Affairs of the Company as at 31st March, 2004 and
 - In the case of the Profit & Loss account of the Profit for the year ended on that date and
 - In the case of Cash Flow Statement, of the Cash Flow for the year ended on that date.

FOR P. BHOLUSARIA & CO.
Chartered Accountants

Place : New Delhi
Date : 30.06.2004

Amit Goel
Partner
(Membership No. 92648)

ANNEXURE TO AUDITORS' REPORT

(Referred to in Paragraph 1 of our report of even date)

- The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
 - As explained to us, the fixed assets have been physically verified by the management during the year in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the company and nature of its assets. No material discrepancies were noticed on such physical verification.
 - In our opinion, the Company has not disposed of substantial part of fixed assets during the year that would affect going concern status of the Company.
- As explained to us, inventories have been physically verified by the management at reasonable intervals during the year.
 - In our opinion and according to the information and explanations given to us, the procedure of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
 - The Company has maintained proper records of inventories. As explained to us, no material discrepancies have been noticed on physical verification of inventory as compared to the book records.
- The Company has neither granted nor taken any loans, secured or unsecured from Companies, firms or other parties listed in the Register maintained under section 301 of the Companies Act, 1956. However advances amounting to Rs.9,34,46,806.12 have been granted to two parties, both wholly owned subsidiaries of the company. Maximum amount involved during the year was Rs.9,82,21,806.12
 - The aforesaid advances granted by the Company are interest free. In our opinion and according to the information and explanations given to us, other terms and conditions of aforesaid advances are not prima facie prejudicial to the interest of the Company.
 - There are no stipulations in writing as to the repayment of aforesaid advances. As explained to us, the same is repayable on demand.
 - In respect of aforesaid advances given by the Company, since these are repayable on demand, therefore the question of over due amounts does not arise.
- In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business for the purchases of inventory and fixed assets and sale of goods. During the course of our audit, we have neither come across nor we have been informed of any instance of major weakness in the aforesaid internal control procedure.
- In our opinion and according to the information and explanations given to us,

the transactions made in pursuance of contracts or arrangements, that needed to be entered into in the register maintained under Section 301 of the Companies Act, 1956 have been so entered.

- In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under Section 301 of the Companies Act, 1956 and exceeding the value of Rs. 5,00,000/- (Rupees Five Lacs only) in respect of any party during the year have been made at prices which are reasonable having regard to the market price prevailing at the relevant time.
- The Company has not accepted any deposits from the public.
- In our opinion the internal audit system of the Company is commensurate with its size and nature of its business.
- The nature of the company's business/activities is such that Clause 4(viii) of the Companies (Auditor's Report) Order 2003 regarding maintenance of Cost Records is not applicable to the company.
- According to the records of the Company, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Customs Duty, Excise Duty, Cess and other statutory dues as applicable have been generally regularly deposited by the company during the year with the appropriate authorities except for delay in deposit of amount to Investor Education & Protection Fund. 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, 2004 for a period of more than six months from the date of becoming payable. (Refer Note No. 6 of Schedule 14)
 - The disputed statutory dues aggregating to Rs.2,36,32,797/- that have not been deposited on account of matters pending before appropriate authorities are as under:

Sr. No.	Name of the statute	A.Y.	Nature of the Dues	Forum where Dispute is pending	Amount (Rs.)
1.	Income Tax Act, 1961	2001-02	Income Tax	Commissioner of Income Tax (Appeals)	27,08,164
2.	Income Tax Act, 1961	2001-02	Interest	Commissioner of Income Tax (Appeals)	11,46,927
3.	Income Tax Act, 1961	1995-96	Income Tax	Income Tax Appellate Tribunal	31,95,483
4.	Income Tax Act, 1961	1995-96	Interest	Income Tax Appellate Tribunal	1,65,82,223
TOTAL					2,36,32,797

The Management is of the opinion that the demands made by income tax department are not required to be paid because of apparent mistake in sum of them, legal issues involved and pending applications for rectification/ adjustments of refunds (Refer Note No. 3(b) of Schedule 14).

- The accumulated losses of the company at the end of financial year are less than fifty percent of its net worth. The company has not incurred cash losses during the financial year covered by our audit. However, it has incurred cash losses in the immediately preceding financial year.
- Based on our audit procedures and according to the information and explanation given to us, we are of the opinion that the Company has not defaulted in repayment of dues to financial institutions, banks or debenture holders.
- In our opinion and according to the information and explanation given to us, no loans and advances have been granted by the Company on the basis of security by way of pledge of shares, debentures and other securities.
- In our opinion, the Company is not a chit fund or a nidhi/mutual benefit fund/society. Therefore, clause 4(xiii) of the Companies (Auditor's Report) order 2003 is not applicable to the company.
- The Company has maintained proper records of transactions and contracts in respect of trading in securities, debentures and other investments and timely entries have been made therein. All shares, debentures and other investments have been held by the Company in its own name except for shares that are pledged with bank and others or which are lodged for transfer or are pending for rectification of bad deliveries.
- The Company has given guarantees for loans taken by others from banks or financial institutions. According to the information and explanations given to us, we are of the opinion that the terms and conditions thereof are not prima facie prejudicial to the interests of the Company.
- The Company has not raised any term loans during the year.
- According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we report that the company has not raised any funds during the year either on long term or short term basis.
- During the year, the Company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under Section 301 of the Companies Act, 1956.
- No debentures have been issued by the company and hence the question of creating securities in respect thereof does not arise.
- The Company has not raised any money by way of public issue during the year.
- In our opinion and according to the information and explanation given to us, no fraud on or by the Company has been noticed or reported during the year.

FOR P. BHOLUSARIA & CO.
Chartered Accountants

Place : New Delhi
Date : 30.06.2004

Amit Goel
Partner
(Membership No. 92648)

**HB STOCKHOLDINGS LIMITED****BALANCE SHEET AS AT 31ST MARCH, 2004**

Schedules	As at 31st Mar., 2004 (Rs.)	As at 31st Mar., 2003 (Rs.)
SOURCES OF FUNDS		
SHAREHOLDERS FUNDS		
Share Capital 1	243166259.00	243166259.00
Reserves & Surplus 2	1003059609.67	999344163.22
LOAN FUNDS		
Unsecured Loans 3	—	40000000.00
TOTAL	1246225968.67	1282510422.22
APPLICATION OF FUNDS		
FIXED ASSETS		
Gross Block 4	13262029.41	41561872.80
Less : Depreciation	6327424.43	33764858.89
Net Block	6934604.98	7797013.91
INVESTMENTS		
CURRENT ASSETS, 5	727675249.50	700663142.33
LOANS & ADVANCES 6	—	2460552.70
Stock in Trade 7	—	8006335.00
Sundry Debtors	4951640.00	15804440.39
Cash & Bank Balances	13159153.22	123221292.31
Loans and Advances	119019087.84	149492620.40
	137129881.06	149492620.40
LESS : CURRENT		
LIABILITIES & PROVISIONS		
Liabilities 8	80603451.25	37044701.26
Provisions	146249920.95	157180507.89
	226853372.20	194225209.15
NET CURRENT ASSETS	- 89723491.14	- 44732588.75
MISCELLANEOUS EXPENDITURE 9	119897.09	2133846.09
(to the extent not written off/adjusted)		
PROFIT & LOSS ACCOUNT	601219608.24	616649008.64
(As per annexed Account)		
TOTAL	1246225968.67	1282510422.22
SIGNIFICANT ACCOUNTING POLICIES 13		
NOTES ON ACCOUNTS 14		

As per our Report of even date
For P. Bholusaria & Co.
Chartered Accountants

For and on behalf of the Board

Amit Goel Partner Vinay Shukla Asst. Vice President (Legal) & Company Secretary J.M.L.Suri Executive Director Lalit Bhasin Director

Place : New Delhi
Date : 30.06.2004

PROFIT AND LOSS ACCOUNT FOR THE PERIOD FROM 31ST MARCH, 2004

Schedules	Year Ended 31st Mar., 2004 (Rs.)	Period Ended 31st Mar., 2003 (Rs.)
INCOME		
Income from Operations 10	32823539.92	3793493.47
Other Income	100078.52	526580.39
Provision for Sub standard & doubtful Debts written back	3054895.00	—
TOTAL	35978313.44	4320073.86
EXPENDITURE		
Administration & Other Expenses 11	11179304.10	15949829.86
Interest & Financial Charges 12	3477041.32	8658217.56
Depreciation	730786.78	927711.30
Miscellaneous Expenditure Written off	2013948.00	2685265.33
Provision for Sub standard & doubtful Debts	—	8006335.00
TOTAL	17401061.20	36227359.05
Profit/Loss(-) for the year before Taxation	18577232.24	- 31907285.19
Provision for Taxation		
— Current	—	—
— Deferred	—	—
Profit/Loss(-) for the year after Taxation	18577232.24	- 31907285.19
Prior period adjustments	567614.61	- 29640110.90
(-) Transferred to Statutory Reserve Fund	- 3715446.45	—
Loss brought forward from last year	- 616649008.64	- 555101612.55
Balance carried to Balance Sheet	- 601219608.24	- 616649008.64
Basic and Diluted Earning per Share (in Rs.)	0.75	- 2.42
SIGNIFICANT ACCOUNTING POLICIES 13		
NOTES ON ACCOUNTS 14		

As per our Report of even date
For P. Bholusaria & Co.
Chartered Accountants

For and on behalf of the Board

Amit Goel Partner Vinay Shukla Asst. Vice President (Legal) & Company Secretary J.M.L.Suri Executive Director Lalit Bhasin Director

Place : New Delhi
Date : 30.06.2004

SCHEDULE '1': SHARE CAPITAL

	As at 31st March, 2004 (Rs.)	As at 31st March, 2003 (Rs.)
AUTHORISED		
7,00,00,000 Equity Shares of Rs.10/- each	700000000.00	700000000.00
3,00,00,000 Redeemable Preference Shares of Rs.10/- each.	300000000.00	300000000.00
	1000000000.00	1000000000.00
ISSUED, SUBSCRIBED AND CALLED-UP		
2,54,43,257 Equity shares of Rs.10/- each Fully Called-up.	254432570.00	254432570.00
Less : Allotment Money Receivable (Other than Directors)	-11266311.00	-11266311.00
TOTAL	243166259.00	243166259.00

SCHEDULE '2': RESERVES AND SURPLUS

	As at 31st March, 2004 (Rs.)	As at 31st March, 2003 (Rs.)
(A) SHARE PREMIUM ACCOUNT		
As per Last Account	1054448687.00	1054448687.00
Less : Allotment Money Receivable	-55581523.78	-55581523.78
	998867163.22	998867163.22
(B) INVESTMENT ALLOWANCE RESERVE (UTILISED) ACCOUNT		
As per Last Account	477000.00	477000.00
(C) STATUTORY RESERVE FUND (*)		
Transferred from Profit & Loss Account	3715446.45	—
Total (A+B+C)	1003059609.67	999344163.22

(*) Created pursuant to The Reserve Bank of India (Amendment) Act, 1997.

SCHEDULE '3' UNSECURED LOANS

UNSECURED LOANS		
— Inter-Corporate Loans	—	40000000.00
	—	40000000.00

**HB STOCKHOLDINGS LIMITED****SCHEDULE '4': FIXED ASSETS**

Discription of Assets	GROSSBLOCK				DEPRECIATION				NETBLOCK	
	Opening As at 01.04.2003 Rs.	Addition during the year Rs.	Sales/Adj during the year Rs.	Total As at 31.03.2004 Rs.	Upto 31.03.2003 Rs.	For the year Rs.	Adjustments Rs.	Total upto 31.03.2004 Rs.	As at 31.03.2004 Rs.	As at 31.03.2003 Rs.
LEASED ASSETS										
Plant & Machinery	27545288.13	—	27545288.13	0.00	27545288.13	—	27545288.13	0.00	—	—
Vehicles	140995.26	—	140995.26	0.00	140995.26	—	140995.26	0.00	—	—
Own Assets										
Office Equipment	1694201.83	24000.00	—	1718201.83	600246.58	80693.88	—	680940.46	1037261.37	1093955.25
Vehicles	2373608.50	—	637560.00	1736048.50	11704987.97	190479.41	481937.35	879039.53	857008.97	1203110.53
Furniture & Fixture	6590883.08	—	—	6590883.08	1545825.00	417202.90	—	1963027.90	4627855.18	5045058.08
Data Processing Machinery	2587675.00	—	—	2587675.00	2575152.41	12522.59	—	2587675.00	0.00	12522.59
Air Conditioners	564261.00	—	—	564261.00	156800.81	26802.40	—	183603.21	380657.79	407460.19
Generator Set	64960.00	—	—	64960.00	30052.73	3085.60	—	33138.33	31821.67	34907.27
TOTAL	41561872.80	24000.00	28323843.39	13262029.41	33764858.78	730786.78	28168221.24	6327424.43	6934604.98	7797013.91
Previous Period	37816588.80	3745284.00	—	41561872.80	32837147.59	927711.30	—	33764858.89	7797013.91	4979441.21

SCHEDULE '5': INVESTMENTS

Name of the Company	Face Value (Rs.)	Closing Balance as on 31st March, 2004		Closing Balance as on 31st March, 2003	
		Qty.(Nos.)	Amount(Rs.)	Qty.(Nos.)	Amount(Rs.)
(A) CURRENT INVESTMENTS					
QUOTED FULLY PAID UP EQUITY SHARES					
ACC LIMITED	10	40000	8629226.79	—	—
ADVANI HOTELS AND RESORTS (INDIA) LIMITED	10	—	—	1200	80040.00
AEGIS LOGISTICS LIMITED	10	—	—	900	22927.00
AHLUWALIA CONTRACTS (INDIA) LTD	10	1000	50857.20	1000	50857.20
ALPS INDUSTRIES LTD	10	—	—	31004	2478816.72
ANANT RAJ INDUSTRIES LIMITED	10	10500	228375.00	14000	304500.00
ANG EXPORTS LIMITED	10	10000	100000.00	10000	100000.00
APOLLO TYRES LIMITED	10	—	—	450	40539.67
ARVIND LIQUID GASES LIMITED	10	10000	182500.00	10000	182500.00
ARVIND MILLS LIMITED	10	450	15582.27	500	17313.63
ASHIMA LTD	10	—	—	100	3742.02
ASHOK LEYLAND LIMITED	1	25000	6439269.06	20	2458.26
ATUL LIMITED	10	50	1571.66	50	1571.66
B S REFRIGERATRS LTD	10	200	2679.80	7983	106964.22
BAJAJ AUTO LIMITED	10	—	—	20	11248.78
BALLARPUR INDUSTRIES LIMITED	10	—	—	5703	248441.15
BALRAMPUR CHINI MILLS LIMITED	10	65	8867.95	265	36153.97
BANNARI AMMAN SUGARS LTD	10	100	8192.00	—	—
BARODA RAYON CORPORATION LIMITED	10	1150	74175.00	1750	112875.00
BEE ELECTRONIC MACHINES LIMITED	10	300	9368.38	300	9368.38
BHAGWATI INDUSTRIES LTD	10	32	160.32	32	160.32
BHARAT GEARS LIMITED	10	—	—	3074	178292.00
BHARAT HOTELS LIMITED	10	150	6751.76	150	6751.76
BHARTIYA INTERNATIONAL LTD	10	—	—	4789	158558.13
BHUSHAN STEEL AND STRIPS LIMITED	10	—	—	2800	56000.00
BIHAR SPONGE IRON LIMITED	10	9700	126100.00	9700	126100.00
BPL LIMITED	10	—	—	400	50908.90
BRITANNIA INDUSTRIES LIMITED	10	—	—	255	75450.00
CANARA BANK	10	15000	1600560.00	—	—
CEAT LTD	10	165443	6546596.54	163143	6488061.54
CENTRAL INDIA POLYESTERS LTD	10	438	18423.76	438	18423.76
CENTURION BANK LTD	1	3000	30889.20	3000	30889.20
CERA SANITARYWARE LTD	5	8225	233654.21	9600	272714.95
CHENNAI PETROLEUM CORPORATION LTD	10	—	—	600	31950.00
CHESLIND TEXTILES LIMITED	10	—	—	94	1463.18
CIBA SPECIALITY CHEMICALS (I) LTD	10	—	—	50	500.00
COMPACT DISC INDIA LIMITED	10	47400	1095608.77	47700	1102543.00
CORPORATION BANK	10	100	11643.90	100	11643.90
CROMPTON GREAVES LIMITED	10	5215	372496.92	1294	50256.91
DAEWOO MOTORS INDIA LIMITED	10	—	—	300	3930.63
DALMIA CEMENT (BHARAT) LIMITED	10	—	—	222	90770.42
DATAPRO INFORMATION TECHNOLOGY LTD	2	40500	108945.00	40500	108945.00
DCM LIMITED	10	26930	2638875.43	24100	2618782.43
DCM SHRIRAM CONSOLIDATED LIMITED	10	12	739.36	12	739.36
DCM SHRIRAM INDUSTRIES LIMITED	10	10739	399576.72	15950	665282.25
DENSO INDIA LIMITED	10	—	—	4400	136975.60
DESIGN AUTO SYSTEMS LTD	10	671400	3953866.50	671400	3953866.50
DIGITAL WORLD INDIA LIMITED	10	162400	3136228.37	162400	3136228.37
DSQ SOFTWARE LIMITED	10	—	—	100	64054.10
EXCEL INDUSTRIES LTD	5	1125	72506.25	—	—
FIH LIMITED	10	—	—	21	8171.07
ESCORTS LIMITED	10	—	—	12886	832013.64
ESSAR SHIPPING LIMITED	10	400	3387.43	400	3387.43
ESSAR STEEL LIMITED	10	800	26305.43	41480	1413052.77
FLEX LTD	10	100	1545.35	2181	33704.16
GREAT EASTERN SHIPPING COMPANY LTD	10	90	6637.50	—	—
GERMAN REMEDIES LTD	10	250	91357.50	250	91357.50
GINNI FILAMENTS LTD	10	3450	15525.00	—	—
GLOBAL TRUST BANK LTD.	10	25000	680459.90	77500	2109425.68
GODREJ SOAPS LIMITED	10	378	13178.68	378	13178.68
GOLDSTAR STEEL AND ALLOYS LIMITED	10	8120	4060.00	—	—