

# **HRB FLORICULTURE LIMITED**

**CIN: L01300RJ1995PLC009541**

Registered Office: A-28, Ram Nagar, Shastri Nagar, Jaipur-302016  
Ph. +91-141-2303098, 2303097(Telefax), E-mail:hrbfir ltd@yahoo.com, Website: www.hrb.co.in

**Date: 06.10.2017**

**To,**

**The Manager,  
The Department of Corporate Services,  
BSE Limited,  
25<sup>th</sup> Floor,  
P. J. Towers, Dalal Street,  
Mumbai, 400 001.**

**Sub: Annual Report of HRB Floriculture Limited for F.Y. 2016-17 approved and adopted in the 22<sup>nd</sup> Annual General Meeting of the Company held on Tuesday, 26<sup>th</sup> September, 2017 at 02.00 p.m. at the registered office of the Company situated at A-28, Ram Nagar, Shastri Nagar, Jaipur-302016 (Rajasthan).**

**Ref.: HRB Floriculture Limited, Scrip Code: 531724, Security ID: HRBFLO**

Dear Sir/Ma'am,

Pursuant to Regulation 34(1) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are forwarding herewith a copy of Annual Report 2016-17 of HRB Floriculture Limited (Scrip Code: 531724), which has been approved and adopted in the 22<sup>nd</sup> Annual General Meeting of HRB Floriculture Limited held on Tuesday, 26<sup>th</sup> September, 2017 at 02.00 P.M. at the registered office of the Company situated at A-28, Ram Nagar, Shastri Nagar, Jaipur-302016 (Rajasthan).

You are requested to take the same on record and inform all those concerned.

Thanking you,

Yours faithfully,

For **HRB FLORICULTURE LIMITED**

  
**Karan Singh Chouhan  
Company Secretary &  
Compliance Officer**



Encl.: a/a

22<sup>nd</sup>  
Annual Report  
2016-17

HRB  
FLORICULTURE  
LIMITED

**CORPORATE INFORMATION:****BOARD OF DIRECTORS:**

- i. **Mr. Krishan Kumar Parwal**  
Chairman / Managing Director (MD)  
& Chief Executive Officer (CEO)  
DIN: 00228200
- ii. **Mr. Puneet Parwal**  
\*Whole-time Director(WTD)/  
\*Chief Financial Officer (CFO)  
DIN: 00228249  
(\*Till 02.05.2017)
- iii. **Mrs. Sunita Parwal**  
Director  
DIN: 00228289
- iv. **Mr. Vimal Jugal Kishor Chandak**  
Independent and Non-Executive  
Director  
DIN: 02550154
- v. **Mr. Ramesh Kumar Somani**  
Independent and Non-Executive  
Director  
DIN: 05297951
- vi. **Mr. Amit Sharda**  
Independent and Non-Executive  
Director  
DIN: 05297954
- vii. **Mr. Vinod Upadhyaya**  
Additional Director & Chief  
Financial Officer (CFO)  
DIN: 07809571  
(From 22.05.2017)

**Registrar and Share Transfer Agent:**

M/s. Purva Sharegistry India Pvt. Ltd  
No. 9, Shiv Shakti Industrial Estate,  
Ground Floor, J.R. Boricha Marg,  
Opp. Kasturba Hospital,  
Lower Parel, Mumbai-400011  
Tel: +91-22-23018261  
Fax: +91-22-2301 2517  
Website: [www.purvashare.com](http://www.purvashare.com)  
E-mail: - [busicomp@vsnl.com](mailto:busicomp@vsnl.com)

**Principal Bankers:**

Vijaya Bank, Jaipur

**BOARD COMMITTEES:****Audit Committee:**

Mr. Amit Sharda (Chairman)  
Mr. Vimal Jugal Kishor Chandak (Member)  
Mr. Ramesh Kumar Somani (Member)

**Nomination & Remuneration Committee:**

Mr. Vimal Jugal Kishor Chandak (Chairman)  
Mr. Amit Sharda (Member)  
Mr. Ramesh Kumar Somani (Member)

**Stakeholders' Relationship Committee:.**

Mr. Ramesh Kumar Somani (Chairman)  
Mr. Amit Sharda (Member)  
Mr. Vimal Jugal Kishor Chandak (Member)

**Company Secretary & Compliance Officer**

Ms. Tanushree Dave (Till 29.07.2016)  
Mr. Karan Singh Chouhan (From 12.08.2016)

**Corporate Identification Number (CIN):**

L01300RJ1995PLC009541

**Secretarial Auditors:**

M/s. V.M. & Associates  
Company Secretaries  
403, Royal World,  
S.C. Road, Jaipur- 302 001

**Statutory Auditors:**

M/s. B. Khosla & Co.,  
Chartered Accountants  
Anukampa Chambers,  
M.I. Road, Jaipur – 302 001

**Registered & Corporate Office:**

A-28, Ram Nagar, Shastri Nagar,  
Jaipur- 302016 (Rajasthan), India  
Tel: +91-141-2303098,  
Fax: +91-141-2303097  
E-mail: [hrbflrltd@yahoo.com](mailto:hrbflrltd@yahoo.com)  
Website: [www.hrb.co.in](http://www.hrb.co.in)

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# HRB FLORICULTURE LIMITED

**CIN: L01300RJ1995PLC009541**

Registered Office: A-28, Ram Nagar, Shastri Nagar, Jaipur-302016  
Ph. +91-141-2303098, 2303097(Telefax), E-mail:hrbflrltd@yahoo.com, Website: www.hrb.co.in

## **NOTICE FOR ANNUAL GENERAL MEETING**

**NOTICE** is hereby given that the **22<sup>nd</sup>** (Twenty Second) Annual General Meeting ("**AGM**") of the members of **H R B FLORICULTURE LIMITED** will be held on **Tuesday**, the **26<sup>th</sup>** day of **September, 2017** at **02.00 P.M.** at its Registered Office situated at A-28, Ram Nagar, Shastri Nagar, Jaipur-302016 (Rajasthan) to transact the following businesses:

### **ORDINARY BUSINESS:**

1. To consider and adopt the Audited Financial Statements of the Company for the financial year ended 31<sup>st</sup> March, 2017, together with the Reports of the Board of Directors and the Auditors thereon.
2. To appoint a Director in place of Mrs. Sunita Parwal, (DIN: 00228289) who retires by rotation and being eligible, offers herself for re-appointment.
3. To appoint new statutory auditor for the term of 5 years and to fix their remuneration.

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

**"RESOLVED THAT** pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or amendment(s) there-to or re-enactment(s) thereof for the time being in force), M/s Gupta Rajiv & Associates, Chartered Accountants, Jaipur, (Firm Registration No. 004915C) be and is hereby appointed as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of 27th Annual General Meeting of the Company to be held in year 2022 (subject to ratification of their appointment by members of the Company at every AGM held after this AGM) and that the Board of Directors be and are hereby authorised to fix such remuneration as may be recommended by the Audit Committee in consultation with the Auditors.

**RESOLVED FURTHER THAT** Board of Directors of the Company be and is hereby authorized to sign and submit necessary forms to the Registrar of Companies, Rajasthan and to take all such steps as may be necessary, proper or expedient to give effect to the aforesaid resolution."

**SPECIAL BUSINESS:**

4. To Appoint Mr. Vinod Upadhyaya (DIN: 07809571) as Director.

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

**“RESOLVED THAT** pursuant to the provisions of Section 149,152 and other applicable provisions (if any), of the Companies Act, 2013 (“Act”) read with The Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactments thereof for the time being in force), Mr. Vinod Upadhyaya (DIN: 07809571) who was appointed as an Additional Director of the Company by the Board of Directors at its meeting held on 22<sup>nd</sup> May, 2017 pursuant to the provisions of Section 161(1) of the Companies Act, 2013 and whose term of office expires at this Annual General Meeting (“AGM”) and in respect of whom the Company has received a notice in writing alongwith the deposit of requisite amount under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Director, be and is hereby appointed as a Non-executive Director of the Company, liable to retire by rotation.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to settle any question, difficulty or doubt that may arise in giving effect to this resolution and to do all such acts, deeds, things and as may be necessary, expedient and desirable in this regard.”

**Place: Jaipur**  
**Date: 22.05.2017**

**By order of the Board**  
**For HRB Floriculture Limited**

Sd/-  
**Karan Singh Chouhan**  
**Company Secretary & Compliance Officer**

Explanatory Statement pursuant to section 102 of the Companies Act, 2013**Item No. 4**

Mr. Vinod Upadhyaya (DIN: 07809571) was appointed as an Additional Director of the Company with effect from 22<sup>nd</sup> May, 2017 by the Board of Directors. In terms of Section 161(1) of the Companies Act, 2013, Mr. Vinod Upadhyaya holds office upto the date of this Annual General Meeting. The Company has received a Notice from him in writing along with requisite deposit under Section 160 of the Act, proposing his candidature for the office of Director.

Mr. Vinod Upadhyaya holds degrees in Bachelor of Science and Master of Science and having vide experience in Marketing.

The Board recommends the passing of the Ordinary Resolution as set out in the Item no. 4 of the Notice for the appointment of Mr. Vinod Upadhyaya as a Director, liable to retire by rotation.

A statement containing his profile is given as per Annexure 'A'.

Except Mr. Vinod Upadhyaya, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 4.

**Place: Jaipur**  
**Date: 22.05.2017**

**By order of the Board**  
**For HRB Floriculture Limited**

Sd/-  
**Karan Singh Chouhan**  
**Company Secretary & Compliance Officer**

**NOTES:**

- 1) **A member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on a poll instead of himself / herself and the proxy need not be a member of the company. The proxy form in order to be effective, should be duly stamped, filled, signed and must be lodged with the company at its registered office at least 48 hours before the commencement of the Annual General Meeting.**

**A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the company carrying voting rights. A member holding more than ten percent of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder. A proxy form for the meeting is enclosed.**

- 2) Members and Proxies attending the meeting are requested to bring their attendance slip, duly filled, along with their copy of Annual Report at the Annual General Meeting.
- 3) In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of The Companies (Management and Administration) Rules, 2014 as amended and Regulation 44 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the Company is pleased to provide remote e-voting facility to the members to enable them to exercise their right to vote electronically from a place other than the venue of the AGM ('remote e-voting') provided by National Securities Depository Limited (NSDL). Please note that remote e-voting is optional and not mandatory.

The instructions and other information relating to e-voting are detailed in this Notice under Note No. 23.

- 4) The Company shall also arrange for physical voting through ballot or polling paper at the AGM for the members who have not cast their vote through remote e-voting. The members who cast their vote by remote e-voting may attend the AGM but shall not be entitled to cast their vote again.
- 5) In terms of Section 102 (1) and (2) of the Companies Act, 2013, a statement setting out the material facts concerning Special Business i.e., at Item No. 4 to be transacted at the Meeting is annexed hereto.
- 6) In terms of Articles of Association of the Company, read with Section 152 of the Companies Act, 2013, Mrs. Sunita Parwal (DIN: 00228289), Director of the company, retires by rotation at the ensuing Meeting and being eligible, offers herself for re-appointment and Mr. Vinod Upadhyaya (DIN: 07809571), appointed as additional Director at meeting of Board of Directors held on 22<sup>nd</sup> May, 2017, offers himself for appointment. The Board of Directors of the Company and nomination & remuneration committee recommends this re-appointment and appointment. The profile of Mrs. Sunita Parwal who is seeking re-appointment and profile of Mr. Vinod Upadhyaya who is seeking appointment, as required in terms of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed hereto.
- 7) Corporate members intending to send their authorized representatives to attend the AGM, pursuant to Section 113 of the Companies Act, 2013, are requested to send a certified copy of



the Board Resolution or Power of Authority to the Company, authorizing their representative to attend and vote on their behalf at the AGM.

- 8) In case of joint holders attending the meeting, only such joint holder who is higher in the order of the names will be entitled to vote.
- 9) During the period beginning 24 hrs. before the time fixed for the commencement of the AGM and until the conclusion of the meeting, a member would be entitled to inspect the proxies lodged during the business hours of the Company, provided that not less than three days of notice in writing is given to the Company.
- 10) The Register of Contracts maintained under Section 189 and Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013 will be available for inspection by the members at the AGM.
- 11) Members may also note that the Notice of this Annual General Meeting and the Annual Report for the financial year 2016-17 will also be available on the Company's website at [www.hrb.co.in](http://www.hrb.co.in) and also on the website of Stock Exchange where the shares of the Company have been listed viz., BSE Limited at [www.bseindia.com](http://www.bseindia.com) which may be accessed by the members. All the documents referred to in the accompanying Notice and Explanatory Statement are available for inspection at the Registered Office of the Company on all working days (except Saturdays, Sundays and Public holidays) during business hours up to the date of Annual General Meeting.
- 12) Pursuant to Section 72 of the Companies Act, 2013, members holding shares in physical form may file nomination in the prescribed Form SH-13 and for cancellation/variation in nomination in the prescribed Form SH-14 with the Company's RTA. In respect of shares held in electronic/demat form, the nomination form may be filed with the respective Depository Participant.
- 13) The Register of Members and Share Transfer Books of the Company will remain closed from **Wednesday, 20<sup>th</sup> September, 2017** to **Tuesday, 26<sup>th</sup> September, 2017** (both days inclusive) for the purpose of AGM.
- 14) Members are requested to address all correspondence to M/s. Purva Sharegistry (India) Pvt. Ltd, No. 9, Shiv Shakti Industrial Estate, Ground Floor, J R Boricha Marg, Opp. Kasturba Hospital, Lower Parel, Mumbai, Maharashtra - 400011, who is acting as our Registrar and Share Transfer Agent. Please quote your folio number and our Company's name in all your future correspondences.
- 15) For convenience of members, an attendance slip is annexed to the proxy form. Members are requested to affix their signature at the space provided and hand over the attendance slips at the place of meeting. The proxy of a member should mark on the attendance slip as 'proxy'.
- 16) In order to exercise strict control over the transfer documents, members are requested to send the transfer documents/correspondence, if any, directly to the Registered Office of the Company.
- 17) Members desirous of getting any information about the accounts and/or operation of the Company are requested to write to the Company at least seven days before the date of meeting to enable us to keep the information ready at the meeting.

- 18) Members holding shares in electronic form are requested to intimate immediately any change in their address/bank mandates (if any), to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to advice any change in their address or bank mandates immediately to the Company or the Registrar and Share Transfer Agent quoting reference of the registered folio number.
- 19) The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore requested to submit their PAN to their Depository Participant(s) with whom they are maintaining their demat accounts and members holding shares in physical form to the Company/RTA.
- 20) Members holding shares in physical form in multiple folios in identical names are requested to apply for consolidation of such folios along with share certificates to the Company/Registrar and Share Transfer Agent.
- 21) Go Green Initiative: SEBI & the Ministry of Corporate Affairs encourages paperless communication as a contribution to greener environment. Companies can serve Annual Reports and other communications through electronic mode to those members who have registered their email address either with the Company or with the Depository Participant(s). Members who have not registered their email address with the Company are requested to register their e-mail ID's with M/s. Purva Shareregistry (India) Pvt. Ltd at busicomp@vsnl.com, the Registrars & Share Transfer Agents of the Company and members holding shares in demat mode are requested to register their e-mail ID's with their respective Depository Participants (DPs) in case the same is still not registered so as to enable the company to send the Annual Report and Accounts, Notices and other documents through Electronic Mode to their e-mail address.
- 22) In terms of Section 101 and 136 of the Companies Act, 2013 read together with the Rules made there under, the copy of the Annual Report including Financial statements, Board's report etc. and Notice of AGM are being sent by electronic mode, to those members who have registered their email ids with their respective depository participants or with the share transfer agent of the Company, unless any member has requested for a physical copy of the same. In case you wish to get a physical copy of the Annual Report, you may send your request to busicomp@vsnl.com or hrblflrtd@yahoo.com mentioning your Folio/DP ID & Client ID. For members who have not registered their email ids with their respective depository participants or with the share transfer agent of the Company, physical copies are being sent by the permitted mode.
- 23) **(I) Information relating to remote E-voting are as under:**
- i. The Board has appointed CS Manoj Maheshwari, FCS: 3355, a Practising Company Secretary, Jaipur, as Scrutinizer for the conduct of remote e-voting and poll process to be carried out at the AGM in a fair and transparent manner.
  - ii. The voting rights of shareholders shall be in proportion to their shares in the paid up equity share capital of the Company as on **Tuesday, the 19<sup>th</sup> day of September, 2017** (Cut off date).
  - iii. The remote e-voting period starts at 09.00 A.M. on **Friday, the 22<sup>nd</sup> day of September, 2017** and ends at 05.00 P.M. on **Monday, the 25<sup>th</sup> day of September, 2017**. The remote e-voting module will be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.

- iv. The Scrutinizer shall, immediately after the conclusion of voting at the general meeting, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and make a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- v. The final results including the poll and remote e-voting shall be declared within forty eight hours from the conclusion of the AGM. The report of the Scrutinizer shall be placed on the website of the Company at [www.hrb.co.in](http://www.hrb.co.in) and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited, Mumbai.

**(II) Instructions for remote e-voting are as under:**

- A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/Depository Participants(s)]:
  - i. Open email and open PDF file viz; "e-Voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password.
  - ii. Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
  - iii. Click on Shareholder - Login
  - iv. Put user ID and password as initial password noted in step (i) above. Click Login.
  - v. Password change menu appears. Change the password with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. **It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.**
  - vi. Home page of remote "e-Voting" opens. Click on e-voting: Active Voting Cycles.
  - vii. Select "EVEN" (E Voting Event Number) of "HRB Floriculture Limited".
  - viii. Now you are ready for "e-Voting" as "Cast Vote" page opens.
  - ix. Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
  - x. Upon confirmation, the message "Vote cast successfully" will be displayed.
  - xi. Once you have voted on the resolution, **you will not be allowed to modify** your vote.
- B. In case a Member receives physical copy of the Notice of AGM [for members whose email addresses are not registered with the Company/Depositories or requesting physical copy].
  - i. Please refer your User ID & Password provided by the RTA or the Company.
  - ii. Using the User ID and password, you will login to e-Voting system (<https://www.evoting.nsdl.com/>) of NSDL.
  - iii. Please follow all steps from Sl. No. (ii) to Sl. No. (xi) above, to cast vote.
- C. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as on the cut-off date i.e. **Tuesday, the 19<sup>th</sup> day of September, 2017**, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or [busicomp@vsnl.com](mailto:busicomp@vsnl.com).
- D. However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or contact NSDL at the following toll free no.: 1800-222-990.

- E.** In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the downloads section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800-222-990.
- F.** You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).

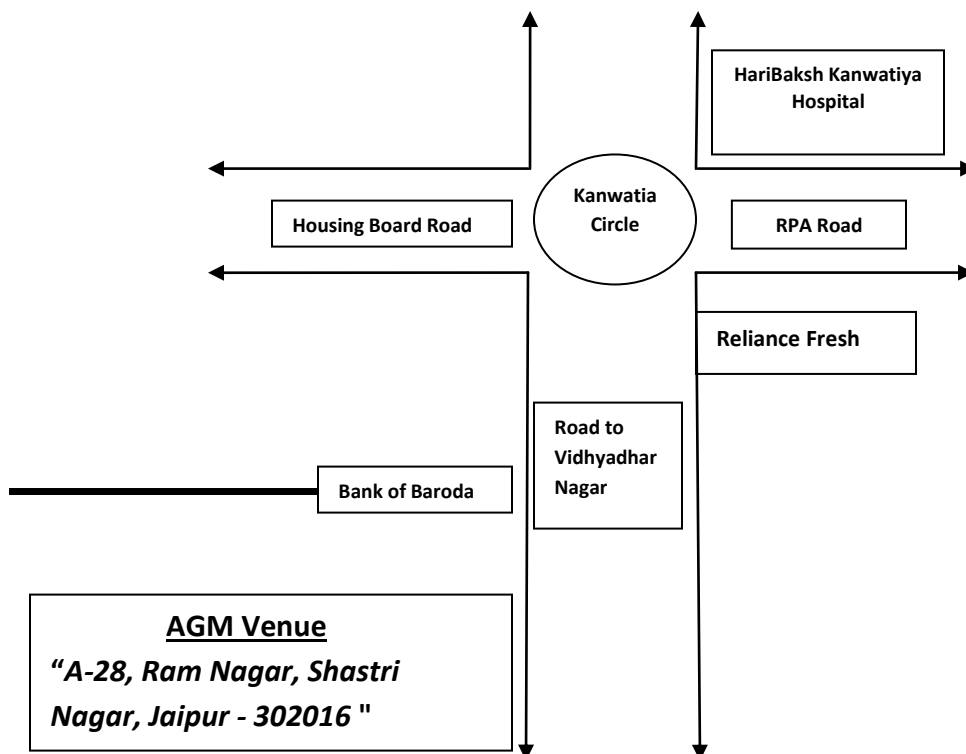
Route Map showing directions to reach to the venue of the 22<sup>nd</sup> AGM is given at the end of this Notice as per the requirement of the Secretarial Standards-2 on "General Meeting".

**Place: Jaipur**  
**Date: 22.05.2017**

**By order of the Board**  
**For HRB Floriculture Limited**

Sd/-  
**Karan Singh Chouhan**  
**Company Secretary & Compliance Officer**

### Route map to the venue of the 22<sup>nd</sup> AGM



**Annexure 'A' to Item No. 2 and 4 of the Notice of the 22<sup>nd</sup> AGM**

Details of Directors seeking re-appointment and appointment at the forthcoming Annual General Meeting

*{Pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards}*

Name of the Director	Re-Appointment	Appointment
	<b>Mrs. Sunita Parwal</b>	<b>Mr. Vinod Upadhyaya</b>
<b>Category</b>	Non-Executive Director	Additional Director
<b>Director Identification Number (DIN)</b>	00228289	07809571
<b>Date of Birth and Age</b>	12 <sup>th</sup> October, 1959 57 years	15 <sup>th</sup> March, 1956 61 years
<b>Nationality</b>	Indian	Indian
<b>Date of Appointment on the Board</b>	20/02/1995	22/05/2017
<b>Qualifications</b>	Degree in Bachelor of Arts	Degree in Bachelor of Science and Master of Science
<b>Expertise in specific functional area</b>	Management/Marketing	Finance
<b>Brief Resume</b>	Mrs. Sunita Parwal is a Non-Executive Director of the Company and she has more than 22 years of experience as Director and Key Advisor on marketing matters to the Company's Management.	Mr. Vinod Upadhyaya associated with Company from 22.05.2017 as Additional Director & Chief Financial Officer and Serves as a Key Advisor on financial matters to the Company's Management.
<b>Terms &amp; Conditions of Appointment/re-appointment</b>	Appointment as a Non-Executive Director subject to retirement by rotation.	Appointment as a Non-Executive Director subject to retirement by rotation.
<b>Last drawn Remuneration Details along with remuneration sought to be paid</b>	No Remuneration has been paid or to be paid in the capacity of Non-Executive Director	No Remuneration has been paid or to be paid in the capacity of Non-Executive Director

<b>Number of shares held in the Company</b>	80100	NIL
<b>No. of Board meetings attended out of 4 Meetings held during the year</b>	All 4	NA
<b>List of the directorships held in other companies*</b>	i. HRB Constructions Pvt. Ltd. ii. Sufal Granites Pvt. Ltd.	NIL
<b>Chairman/Member in the Committees of the Boards of companies in which she/he is Director</b>	NIL	NIL
<b>Relationships between Directors/Managers/KMP</b>	Relative** of Mr. Krishan Kumar Parwal (Managing Director)	NIL

\*Includes the private companies

\*\*Relative viz., Wife

# HRB FLORICULTURE LIMITED

CIN: L01300RJ1995PLC009541

Registered Office: A-28, Ram Nagar, Shastri Nagar, Jaipur-302016

Ph. +91-141-2303098, 2303097(Telefax), E-mail:hrbflrltd@yahoo.com,Website:www.hrb.co.in

## **BOARD'S REPORT**

**Dear Members,**

Your Directors take pleasure to present the 22<sup>nd</sup> Annual Report together with the Audited Financial Statements of the Company for the financial year ended on 31<sup>st</sup> March, 2017.

### **1. Financial Summary**

The Company's Financial Performance for the year ended 31<sup>st</sup> March, 2017 is summarized below:

(Amount in Rs.)		
Particulars	Financial Year 2016-17	Financial Year 2015-16
Net Profit/(Loss) for the year (before depreciation and tax)	(46,16,640.06)	(60,63,455.45)
<b>Less:</b> Depreciation/ Amortization	6,12,271	11,91,048
<b>Net Profit/(Loss) for the year (after depreciation before tax)</b>	(52,28,911.06)	(72,54,503.45)
<b>Less:</b>		
Income Tax	-	(1,52,743.60)
Deferred Tax	(13,850)	7153
<b>Net profit/loss for the year (after depreciation and tax)</b>	(52,15,061.06)	(71,08,912.85)
Brought Forward Profit/(Loss) from last year	(2,00,99,921.60)	(1,30,53,648.15)
Depreciation excess claimed	-	62,639.40
Balance as at year end carried over to next year	<b>(2,53,14,982.66)</b>	<b>(2,00,99,921.60)</b>

### **2. Operations and Company's Affairs:**

The Company is mainly engaged in the business of agricultural activities and dealing in securities market. The financial performance of the Company has been dropped since the last financial year. The highlights of the Company's performance are as under:

The Net Loss after Tax is Rs. 52,15,061.06/- as against loss of Rs. 71,08,912.85 in the last financial year.

**3. Dividend**

In view of losses incurred during the year, your Directors regret their inability to recommend any dividend for the financial year 2016-17.

**4. Reserves**

In view of losses, your directors do not propose to transfer any amount to the reserves of the company for the financial year ended 31<sup>st</sup> March, 2017.

**5. Capital Structure**

During the financial year 2016-17, there is no change in capital structure of the Company and paid up share capital of the Company stands at Rs. **2,27,63,000/-** (Rupees Two Crore Twenty Seven Lakhs and Sixty Three Thousand). The Company has not issued any shares / debentures during the year.

**6. Material changes and commitments**

The information as required under Section 134 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 relating to material changes and commitments, your directors confirm that there are no such material changes and commitments affecting the financial position of the company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of the report.

**7. Directors and Key Managerial Personnel**

There is no change occurred in the composition of Board of Directors of the company but a change was occurred in composition of Key Managerial personnel when Ms. Tanushree Dave resigned from the post of Company Secretary on 29.07.2016 and Mr. Karan Singh Chouhan was appointed at her place on 12.08.2017, during the financial year 2016-17 .

Further, on May 02<sup>nd</sup>, 2017, Mr. Puneet Parwal has resigned from the post of Whole Time Director & Chief Financial Officer of the Company and Mr. Vinod Upadhaya has been appointed as Additional Director and Chief Financial Officer in the Meeting of the Board of Directors of the Company held on 22<sup>nd</sup> May, 2017 and Mr. Vinod Upadhyaya is to be appointed as Non-Executive Director at the ensuing Annual General Meeting and the Company has received a Notice from him in writing along with requisite deposit under Section 160 of the Act, proposing his candidature for the office of Director.

**a) Board of Directors**

The Board is in a fiduciary position, empowered to oversee the management function with a view to ensure its effectiveness and enhancement of stakeholder value. The Board decides on the policies to be implemented across the Company, and reviews and monitors its strategic direction and annual business plan and business objectives. The Board of Directors of the Company consists of eminent persons with considerable professional expertise and experience in business and sector of industry, finance, management and marketing.



➤ **Composition and Category**

The composition of the Board of Directors with reference to number of Executive and Non-Executive Directors meets with the requirements of Section 149 of the Companies Act, 2013 and Regulation 17 of the Listing Regulations.

➤ **Retire by Rotation**

**Mrs. Sunita Parwal** (DIN:00228289), Director of the Company who retires by rotation at the ensuing Annual General Meeting and her period has been longest in the office since last appointment, being eligible for re-appointment seeks re-appointment as Director of the Company. The Board and nomination and remuneration committee recommends her re-appointment.

➤ **Woman Director**

The Company has **Mrs. Sunita Parwal** (DIN:00228289) in the Board of Directors as per the requirement of Section 149 of the Companies Act, 2013 read with Rule 3 of The Companies Appointment and Qualification of Directors) Rules, 2014.

➤ **Independent Directors**

The Company duly complies with the provisions of the Section 149 (4) of the Companies Act, 2013 and the Listing Regulations.

- ❖ The tenure of the Independent Directors in the Company is for 5 consecutive years commencing from 1<sup>st</sup> April, 2014 to 31<sup>st</sup> March, 2019, not liable to retire by rotation.
- ❖ The Company has received necessary **declaration** from each Independent Director of the Company viz Mr. Vimal Jugal Kishor Chandak (DIN: 02550154), Mr. Ramesh Kumar Somani (DIN: 05297951) and Mr. Amit Sharda (DIN: 05297954) as required under Section 149(7) of the Companies Act, 2013, stating that they meet the criteria of independence laid down in Section 149 (6) of the Companies Act, 2013.

**Following is the composition of the Board of Directors of the Company:**

Name of Directors	Category	*Directorship held in other Companies as on 31.03.2017	*Committee Membership/ Chairmanship held in other Companies as on 31.03.2017
<b>Mr. Krishan Kumar Parwal</b> DIN:00228200	Managing Director & Chief Executive Officer	2	NIL
<b>Mr. Puneet Parwal</b> DIN:00228249 (Resigned on 22.05.2017)	Whole time Director & Chief Financial Officer	15	NIL

<b>Mrs. Sunita Parwal</b> DIN:00228289	Director	2	NIL
<b>Mr. Ramesh Kumar Somani</b> DIN:05297951	Non-Executive & Independent Director	NIL	NIL
<b>Mr. Amit Sharda</b> DIN:05297954	Non-Executive & Independent Director	NIL	NIL
<b>Mr. Vimal Jugal Kishor Chandak</b> DIN:02550154	Non-Executive & Independent Director	1	NIL
<b>#Mr. Vinod Upadhyaya</b> DIN: 07809571	Additional Director & Chief Financial Officer	N/A	N/A

#Appointed as on 22.05.2017

\* Includes private and public Companies

**b) No. of Board Meetings**

The Board meets at least once in a quarter to review the quarterly results and other items on the agenda. During the financial year ended on 31<sup>st</sup> March, 2017, the Board of Directors have duly met 4 (Four) times on 30.05.2016, 12.08.2016, 12.11.2016 and 14.02.2017. The intervening gap between any two meetings was within the time period and quorum at these meetings were in conformity with the provisions of the Companies Act, 2013 and Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standards.

The attendance records of the Directors at the Board Meetings during the year ended on 31<sup>st</sup> March, 2017 and at the last AGM is as under:

Name of Directors	Category	No. of Board Meetings held	No. of Board Meeting attend	Attendance at last AGM
<b>Mr. Krishan Kumar Parwal</b> DIN:00228200	Managing Director & Chief Executive Officer	4	4	Yes
<b>Mr. Puneet Parwal</b> DIN:00228249	Whole time Director & Chief Financial Officer	4	4	Yes
<b>Mrs. Sunita Parwal</b> DIN:00228289	Director	4	4	Yes

<b>Mr. Ramesh Kumar Somani</b> DIN:05297951	Non-Executive & Independent Director	4	4	Yes
<b>Mr. Amit Sharda</b> DIN:05297954	Non-Executive & Independent Director	4	4	Yes
<b>Mr. Vimal Jugal Kishor Chandak</b> DIN:02550154	Non-Executive & Independent Director	4	4	Yes

**c) Key Managerial Personnel**

The Company duly complies with the provisions of Section 203 of the Companies Act, 2013 read with Rule 8 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Following are the Key Managerial Personnel (KMP's) in the company:

<b>Name of Key Managerial Personnel (KMP)</b>	<b>Category</b>
Mr. Krishan Kumar Parwal	Managing Director/CEO
Mr. Puneet Parwal (Till 02.05.2017)	Chief Financial Officer
Mr. Vinod Upadhyay (From 22.05.2017)	Chief Financial Officer
Ms. Tanushree Dave (Till 29.07.2016)	Company Secretary
Mr. Karan Singh Chouhan (From 12.08.2016)	Company Secretary

**8. Committees of the Board**

The Company's governance structure is based on the principles of freedom to the executive management within a given framework to ensure that the powers vested in the executive management are exercised with due care and responsibility so as to meet the expectation of all the stakeholders. In line with these principles and the Companies Act, 2013, the Company has formed following three Committees of Directors which are focused on financial reporting, audit & internal controls, compliance issues, appointment and remuneration of Directors and Senior Management Employees and the risk management framework.

-  **Audit Committee**
-  **Nomination and Remuneration Committee**
-  **Stakeholders' Relationship Committee**

**➤ Audit Committee**

The Board has constituted a well-qualified Audit Committee. The Committee comprises of 3 independent directors. Mr. Amit Sharda is the Chairman of the Committee. All the members of the Committee possess sound knowledge on accounts, audit, finance, internal control etc.

**i. Broad terms of Reference**

The terms of reference of the Audit Committee are in accordance with the provisions of Section 177 of the Companies Act, 2013 and the Listing Regulations. It inter-alia includes the following:

- a) the recommendation for appointment, remuneration and terms of appointment of auditors of the company;
- b) review and monitor the auditor's independence and performance, and effectiveness of audit process;
- c) examination of the financial statement and the auditors' report thereon;
- d) approval or any subsequent modification of transactions of the company with related parties;
- e) scrutiny of inter-corporate loans and investments;
- f) valuation of undertakings or assets of the company, wherever it is necessary;
- g) evaluation of internal financial controls and risk management systems;
- h) Monitoring the end use of funds raised through public offers and related matters.

**ii. Composition and Meetings:**

During the financial year 2016-17, four (4) Audit Committee Meetings were held i.e. on 30.05.2016, 12.08.2016, 12.11.2016 and 14.02.2017 and not more than one hundred and twenty days lapsed between two consecutive meetings of the Audit Committee. The attendance of each committee members of Audit committee is as under:

<b>Name of Directors</b>	<b>Category</b>	<b>No. of Committee Meetings held</b>	<b>No. of Committee Meeting attend</b>
<b>Mr. Amit Sharda</b> DIN:05297954	Chairman	4	4
<b>Mr. Ramesh Kumar Somani</b> DIN:05297951	Member	4	4
<b>Mr. Vimal Jugal Kishor Chandak</b> DIN:02550154	Member	4	4

**iii. Acceptance of Recommendations of Audit Committee**

The Board has accepted all the recommendations made by the Audit Committee during the year under review.

**➤ Nomination and Remuneration Committee:****i. Terms of Reference:**

The Committee is empowered to-

- Formulate criteria for determining qualifications, positive attributes and independence of Directors and evaluating the performance of the Board of Directors;
- Identify and assess potential individuals with respect to their expertise, skills, attributes, personal and professional standing for appointment and re-appointment as Directors/Independent Directors on the Board and as Key Managerial Personnel;
- Support Board in evaluation of performance of all the Directors & in annual self-assessment of the Board's overall performance;
- Conduct Annual performance review of MD and CEO and senior management employees;
- Formulate a policy relating to remuneration for the Directors, Committee and also the senior management employees.

**ii. Composition and Meetings:**

The Nomination and Remuneration Committee consists of three members and all are Independent Directors. The Committee met two (2) times on 30.05.2016 and 12.08.2016 during the financial year ended on 31<sup>st</sup> March, 2017. The attendance of the members at the meeting is as under:

<b>Name of Directors</b>	<b>Category</b>	<b>No. of Committee Meetings held</b>	<b>No. of Committee Meeting attend</b>
<b>Mr. Vimal Jugal Kishor Chandak</b> DIN:02550154	Chairman	2	2
<b>Mr. Ramesh Kumar Somani</b> DIN:05297951	Member	2	2
<b>Mr. Amit Sharda</b> DIN:05297954	Member	2	2

**➤ Stakeholders' Relationship Committee:**

The Stakeholders Relationship Committee is entrusted with the responsibility of addressing the shareholders'/ investors' complaints with respect to transfer, transmission of shares, duplicate issuance of share certificate, non-receipt of Annual Report, non-receipt of dividend etc.

This committee overlooks the performance of the Registrar and Share Transfer Agent and to recommend measures for overall improvement in the Quality of Investor services. The Company has always valued its customer relationships.

i. Terms of reference

The Stakeholders' Relationship Committee specifically looks into various issues of the Shareholders such as registration of transfer of shares, issue of share certificates, redressal of shareholders' complaints, credit of shares into Demat Account, facilitation of better investor services etc. The committee has been delegated by the Board to approve transfer / transmission of shares and to deal with all the matters related thereto.

ii. Composition and Meetings:

The Stakeholders' Relationship Committee consists of three members and all are Independent Directors. The Committee met once on 14.02.2017 during the financial year ended on 31<sup>st</sup> March, 2017. The attendance of the members at the meeting is as under:

Name of Directors	Category	No. of Committee Meetings held	No. of Committee Meeting attend
<b>Mr. Ramesh Kumar Somani</b> DIN:05297951	Chairman	1	1
<b>Mr. Vimal Jugal Kishor Chandak</b> DIN:02550154	Member	1	1
<b>Mr. Amit Sharda</b> DIN:05297954	Member	1	1

**9. Formal Annual Evaluation:**

- i. **Of the Board as a whole:** The performance of the Board was evaluated from the reviews/feedback of the directors themselves. The broad parameters for reviewing the performance of the Board, inter alia, contained the following:
- Development of suitable strategies and business plans at appropriate time and its effectiveness;
  - Implementation of robust policies and procedures;
  - Size, structure and expertise of the Board;
  - Oversight of the Financial Reporting Process, including Internal Controls;
  - Willingness to spend time and effort to learn about the Company and its business; and
  - Awareness about the latest developments in the areas such as corporate governance framework, financial reporting, industry and market conditions.

**ii. Of Individual Director(s):**

- i. Evaluation of Managing Director / Whole time Director / Executive Director:  
The performance evaluation of Managing Director, Executive Director of the Company was done by all the directors including Independent Directors.

**The broad parameters for reviewing the performance were as follows:**

- Achievement of financial/business targets as prescribed by the Board;
- Developing and managing/executing business plans, operational plans, risk management, and financial affairs of the organization;
- Display of leadership qualities i.e. correctly anticipating business trends, opportunities, and priorities affecting the Company's prosperity and operations;
- Development of policies and strategic plans aligned with the vision and mission of Company and which harmoniously balance the needs of shareholders, clients, employees, and other stakeholders;
- Managing relationships with the Board, management team, regulators, bankers, industry representatives and other stakeholders.
- ✓ The Code for Independent Directors also provides that Independent Directors shall review the performance of non-independent Directors, which include Managing Director / Whole time Director/ Executive Director.
- ✓ In view of this, the ID's in their meeting evaluated the performance of Non-independent Directors and expressed their pleasure on commendable performance with futuristic vision of the non-independent directors.

**iii. Evaluation of Independent Directors**

The Schedule IV of the Companies Act, 2013, i.e. "Code for Independent Directors" provides for the evaluation of Independent Directors.

Under the view of this provision, the performance evaluation of ID's was done by the entire Board of Directors, excluding the director being evaluated on the basis of the following criteria and including the parameters of evaluation of individual directors:

- i. Exercise of objective independent judgment in the best interest of Company;
- ii. Ability to contribute to and monitor corporate governance practice; and
- iii. Adherence to the Code of Conduct for Independent Directors.

**iv. Evaluation of the Committees**

The performance of the Committees of the Board was evaluated by the Directors, on the basis of the terms of reference of the Committee being evaluated. The broad parameters/criteria for reviewing the performance of all the Committees, inter alia, were:

- i. Discharge of the functions and duties as per the terms of reference;
- ii. Process and procedures followed for discharging the functions;
- iii. Effectiveness of suggestions and recommendations received;
- iv. Size, structure and expertise of the Committee; and
- v. Conduct of the meetings and procedures followed in this regard.

**10. Code of Conduct**

The Board has laid down a Code of Conduct for all Board members and senior management personnel of the Company, which is available on the following weblink of the company, i.e.

<http://hrb.co.in/code.html> .All the Board members and the senior management personnel have affirmed compliance with the Code of Conduct during the year ended on 31<sup>st</sup> March, 2017.

### **11. Equal opportunity to the employees**

We are committed to provide a work environment that is free from discrimination and harassment for all our employees. The Company is an equal-opportunity employer and makes employment decisions based on merit and business needs. The Company prohibits harassment or discrimination of any kind, on the grounds of race, religion, nationality, ethnic origin, color, gender, age, citizenship, sexual orientation, marital status or any disability not affecting the functional requirements of the position held.

### **12. Auditors and Auditors' Report**

#### **i. Statutory Auditor**

At the 19<sup>th</sup> AGM held on 24<sup>th</sup> September, 2014, M/s B. Khosla & Co., Chartered Accountants, Jaipur were appointed as Statutory Auditors of the Company to hold office till the conclusion of the 22<sup>nd</sup> AGM to be held in the calendar year 2017.

In terms of the provisions of Section 139 and 142 of the Companies Act, 2013 along with the rules made there under and due to completion of the tenure of above said firm it is mandatory for the Company to appoint a new Statutory Auditor to conduct Statutory Audit of the Company.

In this regard, the Company has received consent and eligibility letters from M/s Gupta Rajiv & Associates, Chartered Accountants, Jaipur, (FRN: 004915C) to the effect that their appointment, if made, would be within the prescribed limits under the Section 139 of the Companies Act, 2013 and that they are not disqualified for such appointment within the meaning of Section 141 of the Act. Accordingly, as per the recommendation of the Audit Committee the Board considered the appointment of Statutory Auditor (subject to the approval of members in this AGM) to hold office from the conclusion of 22<sup>nd</sup> AGM of the Company to be held in the year 2017 till the conclusion of 27<sup>th</sup> AGM of the Company to be held in the year 2022, subject to ratification of the appointment by members of the Company at every AGM held after this AGM.

The Notes on financial statement referred to in the Auditors' Report given by M/s B. Khosla & Co., Chartered Accountants, Jaipur for the financial year 2016-17 are self-explanatory and do not call for any further comments. Further, the observations of the auditors are self-explanatory and have been explained/ clarified wherever necessary in appropriate notes to Accounts. The Auditors' Report does not contain any qualification, reservation or adverse remark.

#### **ii. Secretarial Auditor**

Pursuant to the provisions of Section 204 of the Companies Act, 2013, read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, every Listed Company is required to appoint Secretarial Auditor to carry out Secretarial Audit of the Company.



In consonance with the requirements of Section 204 of the Companies Act, 2013 and the rules made thereunder, the Board had appointed M/s. V.M. & Associates, (Firm Registration No. P1984RJ039200) Practicing Company Secretaries, Jaipur, to conduct Secretarial Audit for the financial year 2016-17.

The Secretarial Audit Report for the financial year ended 31<sup>st</sup> March, 2017 is annexed to this report as **“Annexure-1”** and it carries following qualifications:

*Company has not published intimation of board meeting held on 30.05.2016 in the newspaper(s) and extract of Financial Results for the financial year ended on 31.03.2016 were not published in accordance with Regulation 47 and Regulation 33 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.*

In respect of above stated qualifications, your Directors would like to clarify that:

Due to inadvertence the compliance of abovementioned regulations for the mentioned period remained pending, but compliances of regulation 47 and Regulation 33 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, for remaining period was duly complied by the Company.

Though, the Company timely intimated BSE Ltd., about the Board Meetings, Book Closures and result declarations and also updated the same on the website of the Company in time.

The Board of Directors have re-appointed M/s. V.M. & Associates, (Firm Registration No. P1984RJ039200) Practicing Company Secretaries, Jaipur, to conduct Secretarial Audit for the financial year 2017-18.

### **iii. Internal Auditor**

Pursuant to the provisions of Section 138 of Companies Act, 2013 read with The Companies (Audit and Auditors) Rules, 2014, every Listed Company is required to appoint an Internal Auditor or a firm of Internal Auditors to carry out Internal Audit of the Company.

In consonance with the aforementioned, the Board had appointed M/s. C.R. Birla & Co., (FRN: 005189C), Chartered Accountants, Jaipur, as the Internal Auditors of the Company for the F.Y. 2016-17.

The Board of Directors have re-appointed M/s. C.R. Birla & Co., (FRN: 005189C), Chartered Accountants, Jaipur, as Internal Auditor of the Company for the financial year 2017-18.

### **13. Contracts and arrangements with related parties**

The Company being engaged in the business of agriculture has taken agricultural land on lease from the directors' relatives and from one of the director herself. Further, the disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 is in the Form No. AOC-2 annexed to this report as **“Annexure 2”**

### **14. Particulars of loans given, investments made, guarantees given and securities provided by the Company**

During the financial year under review, there were no loans given, neither any investments were made by the Company nor any securities were provided by the Company.

### **15. Risk Management Policy**

The Audit Committee has also been delegated the responsibility for monitoring and reviewing risk management, assessment and minimization procedures, developing, implementing and monitoring the risk management plan and identifying, reviewing and mitigating all elements of risks which the Company may be exposed to. The Board also reviews the risk management assessment and minimization procedures.

The various elements of risk which the Directors think, that may threaten the existence of the Company are:

- a) **Financial Risk:** Financial risk generally arises due to instability and losses in the financial market caused by movements in stock prices, currencies, interest rates and more.
- b) **Liquidity Risk:** It is the risk that the Company will be unable to meet its financial commitment to a Bank/Financial Institution in any location, any currency at any point in time. The risk stemming from the lack of marketability of an investment that cannot be bought or sold quickly enough to prevent or minimize a loss.
- c) **Credit Risk:** The risk of loss of principal or loss of a financial reward stemming from a borrower's failure to repay a loan or otherwise meet a contractual obligation.
- d) **Operational Risk:** Operational risk is the risk that is not inherent in financial, systematic or market-wide risk. It is the risk remaining after determining financing and systematic risk, and includes risks resulting from breakdowns in internal procedures, people and systems.

### **16. Internal Financial Controls**

The Company has an internal control system, commensurate with the size, scale and complexity of its operation and also has in place adequate internal financial controls with reference to financial statements. The Board had appointed M/s. C.R. Birla & Co., Chartered Accountants, Jaipur, as the Internal Auditor of the Company for the F.Y. 2016-17. To maintain its objectivity and independence, auditor directly reports to the Chairman of the Audit Committee of the Company.

### **17. Particulars of employees**

- a) The information in accordance with the provisions of Section 197(12) of the Companies Act, 2013, read with Rule 5(1) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is appended as “**Annexure 3**” to the Board's report.
- b) None of the employees of the company was in receipt of the remuneration exceeding the limits prescribed u/s 197 (12) of the Companies Act, 2013 and in terms of rule 5, sub-rule 2 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the statement showing the names of the top ten employees in terms of remuneration drawn during the year is as follows:

Name	Sunil Parwal	Vinod Upadhyaya	Karan Singh Chouhan	Ishwar Kumar	Sikandar	Ravi	Ajeet Yadav
Designation of the employee	Accountant	Office Assistant	Company Secretary	Sales executive	Office Assistant	Office Assistant	Driver
Remuneration received	120000	66000	114000	79000	75500	91000	108500
Nature of employment, whether contractual or otherwise	On roll	On roll	On roll	On roll	On roll	On roll	On roll
Qualifications and experience of the employee	B.com 13 years	M.sc 8 years	CS 1 year	Sr. Sec. 6 years	Secondary 4 Years	Sr. Sec. 3 years	Sr. Sec. 6 year
Date of commencement of employment	06/04/2004	05/06/2009	12/08/2016	08/07/2014	02/05/2013	04/06/2014	05/05/2011
The age of such employee	44 yrs	61 yrs	25 yrs	35 yrs	24 yrs	26 yrs	28 yrs
The last employment held by such employee before joining the company	NIL	NIL	NIL	NIL	NIL	NIL	NIL
The percentage of equity shares held by the employee in the company within the meaning of clause (iii) of sub-rule (2) above	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Whether any such employee is a relative of any director or manager of the company and if so, name of such director or manager	NIL	NIL	NIL	NIL	NIL	NIL	NIL

\*The number of employees was 7 on the rolls of the Company as on March 31<sup>st</sup>, 2017.

**18. Nomination and Remuneration Policy**

The Company has formulated Nomination and Remuneration Policy (NR Policy) in accordance with the requirements of the provisions of Section 178 of the Companies Act, 2013 and Listing Regulations.

The annexure of the same is attached hereto with this Report at “**Annexure-4**”.

Further, the payment of Remuneration to Managing and Whole-time Director during the Financial Year 2016-17 is governed by the prescribed limit mentioned in the Companies Act, 2013 and further is within the limits set by the Shareholders at the Annual General Meeting.

The Nomination and Remuneration Policy may be accessed on the following weblink of the Company’s website at the link: <http://hrb.co.in/code.html> .

**Details of Remuneration paid to the Directors for the year ended on March 31<sup>st</sup>, 2017 are as under:**

Name of Director	Salary	Benefits	Commission	Sitting fees
Mr. Krishan Kumar Parwal (MD)	Rs.6,60,000/-	-	-	-
Mr. Puneet Parwal (WTD & CFO)	Rs.4,80,000/-	-	-	-

**Notes:**

- The Company does not have any pecuniary relationship with any Non-Executive Independent Directors.
- No sitting fee is paid to any of the Directors of the Company for attending the Board Meeting or the Committee meetings.
- Mr. Puneet Parwal (WTD & CFO) is being paid for holding office in the capacity of WTD only, in the Company.

**19. Whistle Blower Policy and Vigil Mechanism**

The Company has formulated Whistle blower Policy/Vigil Mechanism as per the requirements of the Companies Act, 2013 and Listing Regulations, which inter-alia covers the malpractices and events which can take place/or are suspected to take place, fraud or suspected fraud, violation of Company’s rules, negligence causing danger to public health and safety, misappropriation of monies and other matters or activities on account of which the interest of the Company is affected.

All Employees and directors of the Company are eligible to make Protected Disclosures to the Chairman of the Audit Committee, Mr. Amit Sharda who has been nominated by the Board as Ombudsperson for this purpose. No employee was denied access to the Audit Committee during the year. There is no whistle blower event was reported during the year and mechanism is functioning well.

The policy on vigil mechanism and whistle blower policy may be accessed on the following weblink of the Company's website at the link: <http://hrb.co.in/code.html> .

## **20. Code of Conduct for Prohibition of Insider Trading**

In January 2015, SEBI notified the SEBI (Prohibition of Insider Trading) Regulations, 2015. Pursuant thereto, the Company has adopted a Code of Conduct for Prohibition of Insider Trading. All the Directors, Designated persons, employees and other Connected Persons who could have access to the unpublished price sensitive information of the Company are governed by this code. The trading window is closed during the time of declaration of results and occurrence of any material events as per the code. During the year under review, there has been due compliance with the said code.

The Code of Conduct for Prohibition of Insider Trading may be accessed on the following weblink of the Company's website at the link: <http://hrb.co.in/code.html> .

## **21. Extract of the Annual Return**

The extract of the Annual Return in **Form No. MGT-9** as on financial year ended 31<sup>st</sup> March, 2017, pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014 is attached hereto with this Report at **"Annexure-5"**.

## **22. Particulars with respect of conservation of energy, technology absorption, foreign exchange earnings and outgo:**

The information required under Section 134(3) (m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 relating to the conservation of energy and technology absorption is given below:

### **A. Conservation of Energy:**

Energy conservation dictates how efficiently a company can conduct its operations. The Company has recognised the importance of energy conservation and is aware of the deleterious effect of the global warming and climate change and thus, is making all round effort for conservation of energy.

The steps taken or impact on conservation of energy which were carried out on on-going basis throughout the year which are as follows:

- i. Reducing, reusing, recycling of resources;
- ii. Adopting of waste-reduction measures in the business activities;
- iii. Staying abreast of environmental issues; and
- iv. Promoting awareness on energy conservation on local level, etc.

### **B. Technology Absorption:**

Research and Development (R&D) plays a critical role in the innovation process. It's essentially an investment in technology and future capabilities which is transformed into new products, processes and services. R&D is essential to keep ahead in the Competition. R&D would make the products to get transformed frequently in line

with changing needs of the end users. These efforts were made by the company for technology absorption during the year under review:

1. Specific areas in which R & D work carried out by the company:  
The Company's R & D department made to concentrate on adaptation of new technology and techniques to suit the climatic and local conditions, mainly in the area of the productivity to improve quality of the produce.
2. Benefit derived as a result of the above R & D: The main benefits of using upgraded technologies are Cost reduction and Improvement in quality.
3. Future plan of action: The future plan of the Company is continuance of such efforts for improvement in quality of the produce and increase in production.
4. Expenditure on R & D: The expenditure form the part of general overhead of the company, the precise amount is not quantifiable.
5. Technology absorption, adaptation and innovation: Efforts were made towards technology absorption, adoption and innovation but due to continue loss for years the company had not absorbed any new technology and not made any innovation in it.

### **C. Foreign Exchange Earning and Outgo:**

During the year under review the company has expended nothing for foreign exchange. The company has not earned any foreign exchange.

### **23. Fixed Deposits**

The Company has not accepted any public deposits and as such, no amount on account of principal or interest on public deposits was outstanding as on the date of the balance sheet within the meaning of Section 73 and 76 of the Companies Act, 2013, read with the Companies (Acceptance of Deposits) Rules, 2014.

### **24. Corporate Governance Report**

Pursuant to the provisions of Regulation 15 (2) (a) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, compliance with the provisions of Regulation 27 is not mandatory in respect of the companies having paid up equity share capital not exceeding Rs.10 crore and net worth not exceeding Rs.25 crore, as on the last day of the previous financial year.

Since, the Company falls into the ambit of the above mentioned limits, compliance with the provisions of Regulation 27 of the Listing Regulations is not mandatory for the Company for the time being and consequently, the Compliance Report on Corporate Governance as stipulated under Schedule V of the Regulations does not form part of this Annual Report for the Financial Year 2016-17.

### **25. Management Discussion and Analysis Report**

The Management Discussion and Analysis Report as required under the Listing Regulations forms part of the Annual Report.

**26. Disclosure under the sexual harassment of women at workplace (Prevention, Prohibition and Redressal) Act, 2013**

The Company is committed to provide healthy environment to all employees of the Company and does not tolerate any discrimination and/or harassment in any form. The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013.

The following is a summary of sexual harassment complaints received and disposed off during the year 2016-17.

- No. of Complaints received: **'NIL'**
- No. of Complaints disposed off: **'NA'**

**27. Company's Policies**

The Company strive to conduct its business and strengthen the relationships in a manner that is dignified, distinctive and responsible. Thus, the Board of Directors have adopted various codes and policies to carry out the duties in an ethical manner. The various codes and policies are as under:

- 1) Code of Conduct of board of directors and senior management personnel;
- 2) Code of Conduct for Prohibition of Insider Trading;
- 3) Code of practices and procedures for fair disclosure of unpublished price sensitive information;
- 4) Whistle Blower Policy and Vigil Mechanism;
- 5) Risk Management Policy;
- 6) Policy for determining material related party transactions;
- 7) Nomination and Remuneration Policy;
- 8) Policy for determining materiality of events/information; and
- 9) Preservation of Documents & Archival Policy.
- 10) Anti-Sexual Harassment Policy.

Codes & Policies as above mentioned may be accessed on the Company's website at the link <http://hrb.co.in/code.html>

**28. Listing on Stock Exchange(s) and Scrip Code(s)**

The equity shares of the Company are listed on the BSE Limited.

Stock Exchange	ISIN	Security Code
BSE Limited (BSE), 14 <sup>th</sup> Floor, Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai- 400 001	INE284D01016	531724

**29. Payment of listing fees**

The Company has not paid the annual listing fees for the financial year 2017-18 to BSE Limited yet.

**30. Directors' Responsibility Statement**

Pursuant to the requirement under Section 134(3)(c) of the Companies Act, 2013 with respect to Directors' Responsibility statement, your directors hereby state and confirm that:

- a) in preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) the directors had selected such accounting policies and applied them consistently and made judgments 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 and loss of the company for that period;
- c) the directors had 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;
- d) the directors had prepared the annual accounts on a going concern basis;
- e) the directors, in the case of a listed company, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate & were operating effectively; and
- f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**31. Acknowledgements**

The Board of Directors wishes to place on record its sincere appreciation for due co-operation received from the Company's Bankers, Government, Advisors, Shareholders etc. The Directors are also thankful to the employees at all levels for their continued support.

**Place: Jaipur**  
**Date: 22.05.2017**

**For and on behalf of Board of Directors**  
**For HRB Floriculture Limited**

Sd/-  
**Krishan Kumar Parwal**  
**Chairman**  
**DIN: 00228200**



## **Management Discussion & Analysis Report**

Management's Discussion and Analysis Report for the year ended under review, as stipulated under Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, include the following:-

### Overview

The Company is involved in production & selling of agricultural produce like gram, guar, ground nut, onion, bajra etc. & trading in shares, securities and has completed 22 years in this business. Your Company is in process of finding new avenues to attain better profits which shall be beneficial for the growth of the Company and its members.

Statements in this Management Discussion and Analysis of financial condition and results of operation of the Company describing the Company's objectives, expectations or predictions may be forward looking within the meaning of applicable securities laws and regulations. Forward looking statements are based on certain assumptions and expectations of the future events. The Company cannot guarantee that these assumptions and expectations are accurate or will be realized. The Company assumes no responsibility to publically amend, modify or revise forward looking statements, on the basis of any subsequent developments, information or events. Actual results may differ materially from those expressed in the statement. Important factors that could influence the Company's operations include changes in government regulations, tax laws, economic developments within the country and such other factors globally.

#### (A) Industry structure and developments

The Indian agricultural industry suffered severe reversals in recent years due to back to back droughts. The year 2016-17 proved to be a challenging one for Indian Agriculture with the adverse effect of Monsoon resulting in scattered and uneven rains across the country.

The Government has provided for higher allocations in the recent budget to agriculture, which augurs well for the current financial year. Some of the thrust areas identified as growth drivers are irrigation, soil health, pulses and crop insurance. Your Company's vision and business strategy remain strongly in sync with the proposed growth areas.

#### (B) Opportunities and Outlook

Indian agriculture is on a growth path, with an increase in investments and private funding in the past few years. The sector is expected to grow with better momentum in the next few years, owing to an increase in investment in agricultural infrastructure such as irrigation facilities, warehousing and cold storage. Factors such as reduced transaction costs, time, better port gate management and fiscal incentives will also contribute to this upward trend. India's latest monsoon forecasting model predicts average rainfall in 2017 which will end the severe water shortage that is threatening power supply and encourage farmers who have been devastated by consecutive droughts. The Climate Forecast System (CFS) predicts mostly normal and sometimes heavy rainfall across the country.

#### (C) Risks, Concerns & Threat

The performance of the agricultural industry is dependent on monsoons, pest and disease incidences on crops. As this year's monsoon failure has shown, major fluctuations in total rainfall and its distribution affect the crop acreages and overall productivity and have a direct correlation with sales.

(D) Human Resources

Human Resources are key to the success of HRB. The Company try to attract and recruit new talent into the Company. HRB is an equal opportunity employer. The Company has processes in place to prevent discrimination and harassment, including sexual harassment. Whistle Blower Policy is also in place.

(E) Internal Controls Systems and Adequacy

The Company's internal audit systems and other geared towards ensuring adequate internal controls commensurate with the size and needs of the business, with the objective of efficient conduct of operations through adherence to the Company's policies, identifying areas of improvement, evaluating the reliability of Financial Statements, ensuring compliances with applicable laws and regulations and safeguarding of assets from unauthorized use.

The Internal Audit department monitors and evaluates the efficacy and adequacy of internal control system in the Company, its Compliance with operating systems, accounting procedures at all locations of the Company. Based on the report of internal audit function, process owners undertake corrective actions in their respective areas and thereby strengthen the controls. Significant audit observations and recommendations along with corrective actions thereon are presented to the Audit Committee of the Board.

Moreover, the Company has appointed M/s. C.R. Birla & Co., Chartered Accountants, Jaipur, as its Internal Auditors and they periodically test the efficacy of the prevailing internal control systems and submit their report to the Audit Committee.

(F) Financial and Operational Performance

The financial and operational performance of the Company for the year under review is discussed in detail in the Board's Report.

(G) Material Development in Human Resources / Industrial Relations Front

There can be no substitute for the work-force of the Company. The Company expects to continue to get their unflinching support in future also. During the year under review, industrial relations have generally remained healthy, cordial and harmonious. The number of permanent employees was 7 on the rolls of the Company as on March 31<sup>st</sup>, 2017.

(H) Segment or product-wise Performance

The Company dealing in two segments, a) agriculture, b) trading in shares & securities, performance of both the segments was below average in Financial Year 2016-17 which is reflecting in financial statements also.

**ANNEXURES TO THE BOARDS' REPORT****"Annexure-1"****Form No. MR-3****SECRETARIAL AUDIT REPORT**FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> March, 2017*[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]*

**To,  
The Members,  
HRB Floriculture Limited  
A-28, Ram Nagar, Shastri Nagar  
Jaipur – 302016 (Rajasthan)**

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **HRB Floriculture Limited** (hereinafter called "**the Company**"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2017 ('Audit Period') complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2017 according to the provisions of:

- (i) The Companies Act, 2013 ('the Act') and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; **(Not applicable to the Company during the Audit Period)**;

- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **(Not applicable to the Company during the Audit Period)**
  - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **(Not applicable to the Company during the Audit Period)**
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not applicable to the Company during the Audit Period)**
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not applicable to the Company during the Audit Period)**
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **(Not applicable to the Company during the Audit Period)** and
  - (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
- (vi) As confirmed by the management, there are no sector specific laws that are applicable specifically to the company.

We have also examined compliance with the applicable clauses of the following:

- i. Secretarial Standards issued by The Institute of Company Secretaries of India;
- ii. The Listing Agreements entered into by the Company with Stock Exchange(s)

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. as mentioned above *except that **Company has not published intimation of board meeting held on 30.05.2016 in the newspaper(s) and extract of Financial Results for the financial year ended on 31.03.2016 were not published in accordance with Regulation 47 and Regulation 33 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.***

**We further report that**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

**We further report that** there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**We further report that** during the audit period the Company has not undertaken any events/actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above.

**Place: Jaipur**

**Date: May 22, 2017**

**For V.M. & Associates**

**Company Secretaries**

**(ICSI Unique Code P1984RJ039200)**

**CS Vikas Mehta**

**Partner**

**ACS 28964**

**C P No. : 12789**

Note: This report is to be read with our letter of even date which is annexed as **Annexure A** and forms an integral part of this report.

**Annexure A**

**To,  
The Members  
HRB Floriculture Limited  
A-28, Ram Nagar, Shastri Nagar  
Jaipur – 302016 (Rajasthan)**

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

**Place: Jaipur  
Date: May 22, 2017**

**For V.M. & Associates  
Company Secretaries  
(ICSI Unique Code P1984RJ039200)**

**CS Vikas Mehta  
Partner  
ACS 28964  
C P No. : 12789**

**Form No. AOC-2****“Annexure- 2”**

[Pursuant to clause (h) of sub-section (3) of Section 134 of the Companies Act, 2013, and Rule 8(2) of the Companies (Accounts) Rules, 2014]

**Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto.**

**i. Details of contracts or arrangements or transactions not at arm's length basis:**

- a) Name(s) of the related party and nature of relationship: **Nil**
- b) Nature of contracts/arrangements/transactions: **Nil**
- c) Duration of the contracts / arrangements/transactions: **Nil**
- d) Salient terms of the contracts or arrangements or transactions including the value, if any: **Nil**
- e) Justification for entering into such contracts or arrangements or transactions: **Nil**
- f) Date(s) of approval by the Board: **Nil**
- g) Amount paid as advances, if any: **Nil**
- h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188: **Nil**

**ii. Details of material contracts or arrangement or transactions at arm's length basis:**

The Details of material contracts or arrangement or transactions at arm's length basis for the year ended on March 31<sup>st</sup>, 2017 are as under:

S. No.	Name(s) of the related party and nature of relationship	Nature of Contracts/ arrangements/ transactions	Duration of the Contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any:	Date(s) of approval by the Board, if any	Amount paid as advances, if any
1.	<b>Puneet Parwal</b> Relative of MD	Lease of Office Premises of 900 sq. ft of area situated at A-28, Ram Nagar, Shastri Nagar, Jaipur-302016.	For 5 Years w.e.f. 01.04.2015	Rent of Rs. 15,000/- p.m.	29.05.2015	NIL

2.	<b>Deepika Parwal</b> Relative of MD	Lease of 22 Bighas & 1 Biswas of Agricultural Land situated at Kalakh, near Jaipur.	For 10 yrs w.e.f. 01.10.2015	Rent of Rs. 500/- per month per bigha	29.05.2015	NIL
3.	<b>Basanti Devi Parwal</b> Relative of MD	Lease of 26 Bighas & 3 Biswas of Agricultural Land situated at Kalakh, near Jaipur.	For 10 yrs w.e.f. 01.10.2015	Rent of Rs. 500/- per month per bigha	29.05.2015	NIL
4.	<b>Ram Janki Devi Parwal</b> Member of HUF	Lease of 26 Bighas & 7 Biswas of Agricultural Land situated at Kalakh, near Jaipur.	For 10 yrs w.e.f. 01.10.2015	Rent of Rs. 500/- per month per bigha	29.05.2015	NIL
5.	<b>Sunita Parwal</b> Relative of MD	Lease of 43 Bighas & 19 Biswas of Agricultural Land situated at Kalakh, near Jaipur.	For 10 yrs w.e.f. 01.10.2015	Rent of Rs. 500/- per month per bigha	29.05.2015	NIL

**Place: Jaipur**  
**Date: 22.05.2017**

**For and on behalf of Board of Directors**

For **HRB Floriculture Limited**

Sd/-  
**Krishan Kumar Parwal**  
**Chairman**  
**DIN: 00228200**



**Analysis of Managerial Remuneration****“Annexure-3”****Information Pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014**

- i. The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year;

<b>Name of Director</b>	<b>Ratio to the Median</b>
Mr. Krishan Kumar Parwal (MD)	7.25:1
Mr. Puneet Parwal (WTD & CFO)	5.27:1

- ii. The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year 2016-17:

<b>Name</b>	<b>% Increase</b>
Mr. Krishan Kumar Parwal (MD)	NIL
Mr. Puneet Parwal (WTD & CFO)	NIL
Mrs. Sunita Parwal (Director)	NIL
Ms. Tanushree Dave (Company Secretary)	#NIL
Mr. Karan Singh Chouhan (Company Secretary)	*N/A

# Resigned on 29.07.2016      \* Appointed on 12.08.2016

- iii. The percentage increase in the median remuneration of employees in the financial year 2016-17: 1.14% average increased.
- iv. The number of permanent employees on the rolls of the Company as on March 31<sup>st</sup>, 2017 was 7 against 7 as on March 31<sup>st</sup>, 2016.
- v. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration: 17.34% percentile increase in the salaries of employees other than the managerial personnel in the last financial year.

Affirmation: It is affirmed that the remuneration paid to Directors and employees is as per the Remuneration Policy of the company.

**Place: Jaipur**  
**Date: 22.05.2017**

**For and on behalf of Board of Directors**  
**For HRB Floriculture Limited**

Sd/-  
**Krishan Kumar Parwal**  
**Chairman**

**NOMINATION AND REMUNERATION POLICY****“Annexure-4”****❖ PREAMBLE**

The Nomination and Remuneration Policy (NR Policy) has been formulated, inter alia, for nomination and remuneration of Directors, Key Managerial Personnel (KMP), Senior Management Personnel of HRB Floriculture Limited (hereinafter referred to as the Company), in accordance with the requirements of the provisions of Section 178 of the Companies Act, 2013 and Listing Agreement/SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**❖ OBJECTIVE**

The key objectives of the Policy would be:

1. To identify persons who are qualified to become Directors, Key Managerial Personnel and Senior Management of the Company in accordance with the criteria laid down by Nomination and Remuneration Committee and recommend to the Board their appointment and removal.
2. To lay down criteria to evaluate the performance of the members of the Board.
3. To determine the composition and recommend to the Board on level of remuneration payable including reward linked with the performance, which is reasonable and sufficient to attract, retain and motivate Directors, Key Managerial Personnel and Senior Management to work towards the long term growth and success of the Company.
4. To formulate criteria for determining qualification, positive attributes and Independence of a Director.

**❖ DEFINITIONS:**

- a. “Board” means Board of Directors of the Company.
- b. “Company” means “HRB Floriculture Limited.”
- c. “Directors” mean the Directors of the Company.
- d. “Independent Director” means a director referred to in Section 149 (6) of the Companies Act, 2013.
- e. “Key Managerial Personnel” (KMP) means
  - i. Chief Executive Officer or the Managing Director or the Manager,
  - ii. Company Secretary,
  - iii. Whole-time Director,
  - iv. Chief Financial Officer and
  - v. Such other officer as may be prescribed.
- f. “Nomination and Remuneration Committee” shall mean a Committee of Board of Directors of the Company, constituted in accordance with the provisions of Section 178 of the Companies Act, 2013 and the Listing Agreement/Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- g. “Policy or This Policy” means, “Nomination and Remuneration Policy.”
- h. “Remuneration” means any money or its equivalent given or passed to any person for services rendered by him and includes perquisites as defined under the Income-tax Act, 1961.
- i. “Senior Management Personnel” mean personnel of the Company who are members of its core management team excluding Board of Directors and KMPs. This would include all members of management one level below the executive directors, including all the functional heads.

❖ **GUIDING PRINCIPLES:**

The Policy ensures that:

1. The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
2. Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
3. Remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

❖ **ROLE OF THE COMMITTEE:**

The role of the Committee inter alia will be the following:

1. To formulate a criteria for determining qualifications, positive attributes and independence of a Director.
2. Formulate criteria for evaluation of Independent Directors and the Board.
3. Identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down in this policy.
4. To recommend to the Board the appointment and removal of Directors and Senior Management.
5. To recommend to the Board policy relating to remuneration for Directors, Key Managerial Personnel and Senior Management.
6. Ensure that level and composition of remuneration is reasonable and sufficient, relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
7. To devise a policy on Board diversity.
8. To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable.

❖ **COMPOSITION:**

- a) The Committee shall comprise at least three (3) Directors, all of whom shall be non executive Directors and at least half shall be Independent.
- b) Minimum two (2) members shall constitute a quorum for the Committee meeting.
- c) Membership of the Committee shall be disclosed in the Annual Report.
- d) The Chairman of the Committee shall be an Independent Director.
- e) The Chairperson of the Company may be appointed as a member of the Committee but shall not Chair the Committee.
- f) Chairman of the Nomination and Remuneration Committee could be present at the Annual General Meeting or may nominate some other member to answer the shareholders' queries.

❖ **APPOINTMENT AND REMOVAL OF DIRECTOR, KMP AND SENIOR MANAGEMENT**➤ **APPOINTMENT CRITERIA AND QUALIFICATIONS:**

- 1) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his / her appointment.
- 2) A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to

decide whether qualification, expertise and experience possessed by a person are sufficient / satisfactory for the concerned position.

- 3) The Company shall not appoint or continue the employment of any person as Managing Director/Whole-time Director/Manager who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.

➤ **TERM / TENURE:**

➤ **Managing Director/Whole-time Director/Manager (Managerial Person):**

The Company shall appoint or re-appoint any person as its Managerial Person for a term not exceeding **five years** at a time. No re-appointment shall be made earlier than one year before the expiry of term.

➤ **Independent Director:**

An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.

No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director.

Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly. However, if a person who has already served as an Independent Director for 5 years or more in the Company as on 1 October, 2014 or such other date as may be determined by the Committee as per regulatory requirement, he / she shall be eligible for appointment for one more term of 5 years only.

At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director Serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company.

❖ **Provisions relating to Remuneration of Managerial Person and KMP and Senior Management**

1) **General:**

- a) The remuneration / compensation / commission etc. to Managerial Person & KMP will be determined by the Committee and recommended to the Board for approval. The remuneration / compensation / commission etc. shall be subject to the prior/post approval of the shareholders of the Company and Central Government, wherever required.
- b) The remuneration and commission to be paid to Managerial Person shall be as per the statutory provisions of the Companies Act, 2013, and the rules made there under for the time being in force.
- c) Increments to the existing remuneration / compensation structure may be recommended by the Committee to the Board which should be within the slabs approved by the Shareholders in the case of Managerial Person.

- 2) Fixed pay: Managerial Person, KMP and Senior Management shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee in accordance with the statutory provisions of the Companies Act, 2013, and the rules made there under for the time being in force. The break-up of the pay scale and quantum of perquisites including, employer's contribution to P.F, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board on the recommendation of the Committee and approved by the shareholders and Central Government, wherever required.
- 3) Minimum Remuneration: If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Managerial Person in accordance with the provisions of Schedule V of the Companies Act, 2013 and if it is not able to comply with such provisions, with the prior approval of the Central Government.

❖ **REMUNERATION TO NON-EXECUTIVE / INDEPENDENT DIRECTOR:**

The remuneration / commission (if any) shall be in accordance with the statutory provisions of the Companies Act, 2013, and the rules made there under for the time being in force. The total remuneration of Non-executive Directors may include all or any combination of following elements:

- i. Fees for attending meeting of the Board of Directors as permissible under Section 197 of the Companies Act, 2013 read with Rule 4 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 and decided at the Meeting of the Board of Directors.
- ii. Fees for attending meetings of Committees of the Board which remunerate Directors for additional work on Board Committee as permissible under Section 197 of the Companies Act, 2013 read with Rule 4 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 and decided at the Meeting of the Board of Directors.
- iii. Commission on net profits as permissible under Section 197 of the Companies Act, 2013 and decided by the Board from time to time to be payable to any of the Non-executive Director.
- iv. Non-Executive Directors are entitled to be paid all traveling and other expenses they incur for attending to the Company's affairs, including attending and returning from General Meetings of the Company or Meetings of the Board of Directors or Committee of Directors.

Any increase in the maximum aggregate remuneration payable beyond permissible limit under the Companies Act, 2013 shall be subject to the approval of the Shareholders' at the Annual General Meeting by special resolution and/or of the Central Government, as may be applicable.

❖ **FREQUENCY OF COMMITTEE MEETINGS & MINUTES OF THE MEETING**

The meeting of the Committee shall be held at such regular intervals as may be required. Proceedings of all meetings must be minutised and signed by the Chairman of the said meeting or the Chairman of the next succeeding meeting. Minutes of the Committee meeting will be tabled at the subsequent Board and Committee meeting.

❖ **AMENDMENT**

Any change in the Policy shall, on recommendation of Nominations and Remuneration Committee, be approved by the Board of Directors of the Company. The Board of Directors shall have the right to withdraw and / or amend any part of this Policy or the entire Policy, at any time, as it deems fit, or from time to time, and the decision of the Board in this respect shall be final and binding.

**Form No.MGT-9****“Annexure-5”****EXTRACT OF ANNUAL RETURN**

As on the financial year ended on 31<sup>st</sup> March, 2017  
[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

**I. REGISTRATION AND OTHER DETAILS:**

i.	<b>CIN:</b>	L01300RJ1995PLC009541
ii.	<b>Registration Date:</b>	20.02.1995
iii.	<b>Name of the Company:</b>	H R B FLORICULTURE LTD
iv.	<b>Category/Sub-Category of the Company:</b>	Public Company/Limited by shares Indian Non-Government Company
v.	<b>Address of the registered office and contact details:</b>	A-28, Ram Nagar, Shastri Nagar, Jaipur-302016 Tel: +91-141-2303098 Fax: +91-141-2303097 E-mail: hrbflrltd@yahoo.com
vi.	<b>Whether listed company:</b>	Yes
vii.	<b>Name, Address and Contact details of Registrar and Transfer Agent, if any:</b>	M/s. Purva Sharegistry (India) Pvt. Ltd., No. 9, Shiv Shakti Industrial Estate, Ground Floor, J R Boricha Marg, Opp. Kasturba Hospital, Lower Parel, Mumbai, Maharashtra – 400011. Tel: +91-22-23018261 E-mail: <a href="mailto:busicomp@vsnl.com">busicomp@vsnl.com</a>

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:**

All the business activities contributing 10% or more of the total turnover of the company shall be stated:-

Sl.No.	Name and Description of main products/ services	NIC Code of the Product/ service	% to total turnover of the company
1.	Agricultural Activities	011	13%
2.	Other financial activities	661	87%

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:**

S. NO	Name & Address of The Company	CIN/GLN	Holding/Subsidiary /Associate	%of shares held	Applicable Section
	NA	NA	NA	NA	NA

**IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)****I. Category-wise Share Holding**

Category of Shareholders	No. of Shares held at the beginning of the year 01.04.2016				No. of Shares held at the end of the Year 31.03.2017				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
1) Indian									
a) Individual/ HUF	944500	NIL	944500	41.49	944500	NIL	944500	41.49	NIL
b) Central Govt	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
c) State Govt(s)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
d) Bodies Corp.	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
e) Banks/FI	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
f) Any Other....	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
<b>Sub-total (A)(1):-</b>	<b>944500</b>	<b>NIL</b>	<b>944500</b>	<b>41.49</b>	<b>944500</b>	<b>NIL</b>	<b>944500</b>	<b>41.49</b>	<b>NIL</b>
(2) Foreign									
a) NRIs- Individuals	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
b) Other- Individuals	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
c) Bodies Corp.	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
d) Banks/FI	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
e) Any Other....	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
<b>Sub-total (A) (2):-</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>
<b>Total shareholding of Promoter (A)= (A)(1)+(A)(2)</b>	<b>944500</b>	<b>NIL</b>	<b>944500</b>	<b>41.49</b>	<b>944500</b>	<b>NIL</b>	<b>944500</b>	<b>41.49</b>	<b>NIL</b>

B. Public Shareholding									
1. Institutions									
a) Mutual Funds	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
b) Banks/ FI	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
c) Central Govt	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
d) State Govt (s)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
e) Venture Capital Funds	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
f) Insurance	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Companies	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
g) FIs	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
h) Foreign Venture Capital Funds	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
i) Others (specify)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
<b>Sub-total(B)(1):</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
ii) Overseas	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
b) Individuals									
i) Individual shareholders holding nominal share capital up to Rs.1 lakh	11700	134800	146500	6.44	11700	134800	146500	6.44	NIL
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	425100	740200	1165300	51.19	425100	740200	1165300	51.19	NIL
c) Others (specify) HUF	10000	10000	20000	.88	10000	10000	20000	.88	NIL
<b>Sub-total(B)(2):-</b>	<b>446800</b>	<b>885000</b>	<b>1331800</b>	<b>58.51</b>	<b>446800</b>	<b>885000</b>	<b>1331800</b>	<b>58.51</b>	<b>NIL</b>
<b>Total Public Shareholding (B)=(B)(1)+ (B)(2)</b>	<b>446800</b>	<b>885000</b>	<b>1331800</b>	<b>58.51</b>	<b>446800</b>	<b>885000</b>	<b>1331800</b>	<b>58.51</b>	<b>NIL</b>
C. Shares held by Custodian for GDRs & ADRs	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
<b>Grand Total (A+B+C)</b>	<b>1391300</b>	<b>885000</b>	<b>2276300</b>	<b>100</b>	<b>1391300</b>	<b>885000</b>	<b>2276300</b>	<b>100</b>	<b>NIL</b>



**II. Shareholding of Promoters**

S. No.	Shareholder's Name	Shareholding at the beginning of the year 01.04.2016			Shareholding at the end of the year 31.03.2017			% change in share holding during the year
		No. of Shares	%of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	%of total Shares of the company	%of Shares Pledged/ encumbered to total shares	
1.	Krishan Kumar Parwal	864400	37.97	NIL	864400	37.97	NIL	NIL
2.	Sunita Parwal	80100	3.51	NIL	80100	3.51	NIL	NIL
	<b>Total</b>	<b>944500</b>	<b>41.49</b>	<b>NIL</b>	<b>944500</b>	<b>41.49</b>	<b>NIL</b>	<b>NIL</b>

**III. Change in Promoters' Shareholding (please specify, if there is no change)**

S. No.	Particulars	Shareholding at the beginning of the year 01.04.2016		Cumulative Shareholding during the year	
		No. of shares	%of total shares of the company	No. of shares	%of total shares of the company
1.	<b>Krishan Kumar Parwal</b>				
	As on 01.04.2016	864400	37.97	864400	37.97
	Transaction	-	-	864400	37.97
	At the end of the year 31.03.2017	-	-	864400	37.97
2.	<b>Sunita Parwal</b>				
	As on 01.04.2016	80100	3.51	80100	3.51
	Transaction	-	-	80100	3.51
	At the end of the year 31.03.2017	-	-	80100	3.51

**IV. Shareholding Pattern of top ten Shareholders**  
**(Other than Directors, Promoters and Holders of GDRs and ADRs):**

S.No	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year (01.04.2016)		Cumulative Shareholding during the year	
		No. Of shares	%of total shares of the company	No. of shares	% of total shares of the company
1.	<b>Vinod Kumar Parwal</b>				
	As on 01.04.2016	645100	28.33	645100	28.33
	Transaction(allotment/transfer/bonus)	-	-	645100	28.33
	At the end of the year 31.03.2017	-	-	645100	28.33
2.	<b>Hansraj Parwal</b>				
	As on 01.04.2016	200100	8.79	200100	8.79
	Transaction(allotment/transfer/bonus)	-	-	200100	8.79
	At the end of the year 31.03.2017	-	-	200100	8.79
3.	<b>Basanti Devi Parwal</b>				
	As on 01.04.2016	110100	4.83	110100	4.83
	Transaction(allotment/transfer/bonus)	-	-	110100	4.83
	At the end of the year 31.03.2017	-	-	110100	4.83
4.	<b>Nirmala Devi Parwal</b>				
	As on 01.04.2016	95100	4.17	95100	4.17
	Transaction(allotment/transfer/bonus)	-	-	95100	4.17
	At the end of the year 31.03.2017	-	-	95100	4.17
5.	<b>Ramjanki Devi Parwal</b>				
	As on 01.04.2016	55000	2.41	55000	2.41
	Transaction(allotment/transfer/bonus)	-	-	55000	2.41
	At the end of the year 31.03.2017	-	-	55000	2.41

6.	<b>Bharat Bagri</b>				
	As on 01.04.2016	20400	0.89	20400	0.89
	Transaction(allotment/transfer/bonus)	-	-	20400	0.89
	At the end of the year 31.03.2017	-	-	20400	0.89
7.	<b>Sarla Bharat Bagri</b>				
	As on 01.04.2016	20000	0.87	20000	0.87
	Transaction(allotment/transfer/bonus)	-	-	20000	0.87
	At the end of the year 31.03.2017	-	-	20000	0.87
8.	<b>Ravi Prakash Malpani</b>				
	As on 01.04.2016	19500	0.85	19500	0.85
	Transaction(allotment/transfer/bonus)	-	-	19500	0.85
	At the end of the year 31.03.2017	-	-	19500	0.85
9.	<b>Bharat Bagri HUF</b>				
	As on 01.04.2016	10000	0.43	10000	0.43
	Transaction(allotment/transfer/bonus)	-	-	10000	0.43
	At the end of the year 31.03.2017	-	-	10000	0.43
10.	<b>Aayush Malpani</b>				
	As on 01.04.2016	10000	0.43	10000	0.43
	Transaction(allotment/transfer/bonus)	-	-	10000	0.43
	At the end of the year 31.03.2017	-	-	10000	0.43

**V. Shareholding of Directors and Key Managerial Personnel:**

S.No.	For Each of the Directors and KMP	Shareholding at the beginning of the year (01.04.2016)		Cumulative Shareholding during the year	
		No. of shares	%of total shares of the company	No. of shares	%of total shares of the company
1.	<b>Krishan Kumar Parwal (Managing Director)</b> As on 01.04.2016 Transaction(allotment/transfer/bonus) At the end of the year 31.03.2017	864400 - -	37.97 - -	864400 864400 864400	37.97 37.97 37.97
2.	<b>Sunita Parwal (Director)</b> As on 01.04.2016 Transaction(allotment/transfer/bonus) At the end of the year 31.03.2017	80100 - -	3.51 - -	80100 80100 80100	3.51 3.51 3.51
3.	<b>Puneet Parwal ( CFO &amp; Whole Time Director)</b> As on 01.04.2016 Transaction(allotment/transfer/bonus) At the end of the year 31.03.2017	- - -	- - -	- - -	- - -
4.	<b>Vimal Jugal Kishor Chandak (Independent Director)</b> As on 01.04.2016 Transaction(allotment/transfer/bonus) At the end of the year 31.03.2017	- - -	- - -	- - -	- - -
5.	<b>Ramesh Kumar Somani (Independent Director)</b> As on 01.04.2016 Transaction(allotment/transfer/bonus) At the end of the year 31.03.2017	- - -	- - -	- - -	- - -

6.	<b>Amit Sharda (Independent Director)</b>				
	As on 01.04.2016	-	-	-	-
	Transaction(allotment/transfer/bonus)	-	-	-	-
	At the end of the year 31.03.2017	-	-	-	-
7.	<b>Karan Singh Chouhan (Company Secretary)</b>				
	As on 01.04.2016	-	-	-	-
	Transaction(allotment/transfer/bonus)	-	-	-	-
	At the end of the year 31.03.2017	-	-	-	-

**VI. INDEBTEDNESS****Indebtedness of the Company including interest outstanding/accrued but not due for payment**

(In Rs.)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i)Principal Amount	13,08,901.32	-	-	13,08,901.32
ii)Interest due but not paid	-	-	-	-
iii)Interest accrued but not due	10,235	-	-	10,235
<b>Total (i+ii+iii)</b>	<b>13,19,136.32</b>	-	-	<b>13,19,136.32</b>
Change in Indebtedness during the financial year				
• Addition	0	-	-	0
• Reduction	(10,08,705.32)	-	-	(10,08,705.32)
<b>Net Change</b>	<b>(10,08,705.32)</b>	-	-	<b>(10,08,705.32)</b>
Indebtedness at the end of the financial year				
i) Principal Amount	3,07,800	-	-	3,07,800
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	2,631	-	-	2,631
<b>Total (i+ii+iii)</b>	<b>3,10,431</b>	-	-	<b>3,10,431</b>

**VII. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL****A. Remuneration to Managing Director, Whole-time Directors and/or Manager:****(In Rs.)**

Sl. no.	Particulars of Remuneration	Name of MD/WTD/Manager		Total Amount
		Krishan Kumar Parwal (MD)	Puneet Parwal (WTD)	
1.	Gross salary			
	(a)Salary as per provisions contained in section17(1) of the Income-taxAct,1961	6,60,000/- p.a.	4,80,000/-p.a.	11,40,000/-p.a.
	(b)Value of perquisites u/s17(2)Income-tax Act,1961	NIL	NIL	NIL
	(c)Profits in lieu of salary undersection17(3)Income-tax Act,1961	NIL	NIL	NIL
2.	Stock Option	NIL	NIL	NIL
3.	Sweat Equity	NIL	NIL	NIL
4.	Commission - as % of profit - Others, specify...	NIL	NIL	NIL
5.	Others, please specify	NIL	NIL	NIL
	Total(A)	6,60,000/-	4,80,000/-	11,40,000/-
	Ceiling as per the Act	30,00,000/-	30,00,000/-	

**B. Remuneration to other directors:****(In Rs.)**

Sl. No	Particulars of Remuneration	Name of Directors			Total Amount
		Vimal Jugal Kishor Chandak	Ramesh Kumar Somani	Amit Sharda	
1.	Independent Directors:				
	• Fee for attending board committee Meetings	NIL	NIL	NIL	NIL
	• Commission	NIL	NIL	NIL	NIL
	• Others, please specify	NIL	NIL	NIL	NIL

	Total(1)	NIL	NIL	NIL	NIL
2.	Other Non-Executive Directors				
	• Fee for attending board committee meetings	NIL	NIL	NIL	NIL
	• Commission	NIL	NIL	NIL	NIL
	• Others, please specify	NIL	NIL	NIL	NIL
	Total(2)	NIL	NIL	NIL	NIL
	Total(B)=(1+2)	NIL	NIL	NIL	NIL
	Total Managerial Remuneration	NIL	NIL	NIL	NIL
	Overall Ceiling as per the Act	1% of the Net Profits of the Company			

**C.REMUNERATION TO KEY MANAGERIAL PERSONNEL ( OTHER THAN MD/MANAGER/WTD)**

(In Rs.)

Sl. no.	Particulars of Remuneration	Key Managerial Personnel				Total
		CEO	Company Secretary		CFO	
			*Tanushree Dave	#Karan Singh Chouhan		
1.	Gross salary					
	(a)Salary as per provisions contained in section17(1)of the Income-tax Act,1961	-	50,000/-	1,14,000/-	-	1,64,000/-
	(b)Value of perquisites u/s17(2)Income-tax Act,1961	-	-	-	-	-
	(c)Profits in lieu of salary under section17(3)Income-tax Act,1961	-	-	-	-	-
2.	Stock Option	-	-	-	-	-
3.	Sweat Equity	-	-		-	-
4.	Commission-					
	-as % of profit	-	-	-	-	-
	- Others, specify...	-	-	-	-	-
5.	Others, please specify	-	-	-	-	-
	Total	-	50,000/-	1,14,000/-	-	1,64,000/-

\*Resigned on 29.07.2016

#Appointed on 12.08.2016

**VIII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:**

Type	Section of the Companies Act	Brief Description	Details of Appeal/Penalty/Compounding/Fee imposed	Authority (RD/NCLT/Court)	Appeal made if any(Give details)
<b>A. COMPANY</b>					
Penalty	NA	NIL	NIL	NIL	NIL
Punishment	NA	NIL	NIL	NIL	NIL
Compounding	NA	NIL	NIL	NIL	NIL
<b>B. DIRECTORS</b>					
Penalty	NA	NIL	NIL	NIL	NIL
Punishment	NA	NIL	NIL	NIL	NIL
Compounding	NA	NIL	NIL	NIL	NIL
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	NA	NIL	NIL	NIL	NIL
Punishment	NA	NIL	NIL	NIL	NIL
Compounding	NA	NIL	NIL	NIL	NIL

**For and on behalf of Board of Directors**  
For **HRB Floriculture Limited**

Sd/-

**Krishan Kumar Parwal**  
**Chairman**  
**DIN: 00228200**

**Place: Jaipur**  
**Date: 22.05.2017**



**CEO/CFO Certification**

**To,  
The Board of Directors  
HRB Floriculture Limited  
A-28, Ram Nagar, Shastri Nagar,  
Jaipur – 302016 (Rajasthan)**

We hereby certify that:

- A. we have reviewed the financial statements and the cash flow statement for the financial year ended 31<sup>st</sup> March, 2017 and that to the best of our knowledge and belief:
1. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  2. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. there are, to the best of our knowledge and belief, no transactions entered into by the Company during the year 2016-17 which are fraudulent, illegal or violative of the Company's code of conduct.
- C. we accept responsibility of establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps that we have taken or propose to take to rectify the identified deficiencies.
- D. we have indicated to the auditors and the audit committee-
1. significant changes in internal control over financial reporting during the financial year 2016-17, if any;
  2. significant changes in accounting policies during the year 2016-17 and that the same have been disclosed in the notes to the financial statements, if any; and
  3. no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

**Place: Jaipur  
Date: 22.05.2017**

**Sd/-  
Krishan Kumar Parwal  
Managing Director  
DIN: 00228200**

**Sd/-  
Vinod Upadhyaya  
Director & CFO  
DIN: 07809571**

**INDEPENDENT AUDITORS' REPORT****B. KHOSLA & CO.**

Chartered Accountants

To The Members of  
HRB FLORICULTURE LIMITED

**Report on the Financial Statements**

We have audited the accompanying financial statements of HRB FLORICULTURE LIMITED ('the Company') which comprise the Balance Sheet as at March 31, 2017, Profit and Loss Statement, 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 of these financial statements to 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 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; 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 thereunder. 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 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 accounting policies used and the reasonableness of the accounting estimates made by 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.

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the 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 March 31, 2017, its Loss and its cash flow 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 issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013( hereinafter referred to the "Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the informaiton and explantions given to us, we give in the Annexure "A" a statement on the matters specified in paragraphs 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 purpose of our audit;
  - (b) 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 those books ;
  - (c) The Balance Sheet, Profit and Loss Statement and 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 Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rule 2014.
  - (e) On the basis of written representations received from the directors as on March 31, 2017, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017 from being appointed as a director in terms of sub-section (2) of section 164 of the Companies Act, 2013.
  - (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 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 litigations which would impact its financial position.
    - (ii) The Company did not have any long-term contracts including derivative contracts hence, the question of any material foreseeable losses does not arise;
    - (iii) There are no amounts which are required to be transferred to the Investor Education and Protection Fund by the Company.
    - (iv) The Company has provided requisite disclosures in its financial statements as to holdings as well as dealing in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016 and the same are in accordance with the books of accounts maintained by the company.

**For B. KHOSLA & CO.**Chartered Accountants  
**FRN No: 000205C**JAIPUR  
22 May 2017**SANDEEP MUNDRA**Partner  
M.No. 075482



**B. KHOSLA & CO.**  
Chartered Accountants

**HRB FLORICULTURE LIMITED**  
**ANNEXURE "A" TO THE INDEPENDENT AUDITORS' REPORT**

*(Referred to in paragraph 1 under the heading of "Report on Other Legal and Regulatory Requirements" of our Report of even date)*

- i a. The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- b. All the assets have been physically verified by the management during the year. There is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification.
- c. The Company does not have any immovable properties therefor we have no comments under para 3(i) (c) of the order.
- ii The inventory held in tangible form has been physically verified during the year by the management. The discrepancies noticed on verification between the physical stocks and the book records were not material and have been properly dealt with in the books of account;
- iii The Company has not granted any loans, secured or unsecured to companies, firm, limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act 2013, therefore we have no comments under para 3(iii)(a) to 3(iii)(c) of the order.
- iv In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.
- v The Company has not accepted any deposits from the public covered under Section 73 to 76 of the Companies Act, 2013
- vi The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the Company.
- vii a. According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues have been regularly deposited during the year by the Company with the appropriate authorities.  
According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues were in arrears as at 31 March 2017 for a period of more than six months from the date they became payable.
- b. According to the information and explanations given to us and based on the records of the company examined by us, there are no dues of Income Tax or sales tax or Service Tax or duty of Customs or duty of Excise or value added tax which have not been deposited on account of any disputes.
- viii According to the information and explanations given to us, the company has not defaulted in repayment of loans or borrowing to a financial institution, bank or government. The Company has not issued any debentures..
- ix 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.

- x According to the information and explanations 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.
- xi (i) According to the information and explanations given to us, managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- xii 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.
- xiii According to the information and explanations given to us and based on our examination 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 transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv According to the information and explanations given to us and based on our examination of the records 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.
- xv According to the information and explanations given to us and based on our examination of the records 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.
- xvi The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

**B. KHOSLA & CO.**

Chartered Accountants

**FRN No: 000205C**

Jaipur

Date: 22-May-17

**SANDEEP MUNDRA**

Partner

M.No. 075482

**B. KHOSLA & CO.**  
Chartered Accountants**HRB FLORICULTURE LIMITED****Annexure - B to the Auditors' Report****Report on the Internal Financial Controls 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 HRB FLORICULTURE LIMITED ("Company") as of March 31, 2017 in conjunction with our audit of the standalone 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 March 31, 2017, 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.

**For B. KHOSLA & CO.**

Chartered Accountants  
**FRN No: 000205C**

JAIPUR  
22 May 2017

**SANDEEP MUNDRA**

Partner  
M.No. 075482

**HRB FLORICULTURE LIMITED**  
**Balance Sheet as at March 31, 2017**

			In Rs.
Particulars	Note No.	As at March 31st, 2017	As at March 31st, 2016
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholders' funds</b>			
(a) Share capital	<a href="#">1.01</a>	30,729,750.00	30,729,750.00
(b) Reserves and surplus	<a href="#">1.02</a>	(25,314,982.66)	(20,099,921.60)
(c) Money received against share warrants		-	-
		<b>5,414,767.34</b>	<b>10,629,828.40</b>
<b>(2) Share application money pending allotment</b>		-	-
<b>(3) Non-current liabilities</b>			
(a) Long-term borrowings	<a href="#">1.03</a>	-	307,800.00
(b) Deferred tax liabilities (Net)	<a href="#">1.04</a>	109,874.00	123,724.00
(c) Other Long term liabilities		-	-
(d) Long-term provisions		-	-
		<b>109,874.00</b>	<b>431,524.00</b>
<b>(4) Current liabilities</b>			
(a) Short-term borrowings	<a href="#">1.05</a>	-	111,253.32
(b) Trade payables	<a href="#">1.06</a>	-	-
(i) total outstanding dues of micro and small enterprises		-	-
(ii) total outstanding dues of creditors other than micro and small enterprises		110,900.00	97,295.00
(c) Other current liabilities	<a href="#">1.07</a>	310,431.00	905,083.00
(d) Short-term provisions	<a href="#">1.08</a>	-	-
		<b>421,331.00</b>	<b>1,113,631.32</b>
<b>TOTAL</b>		<b>5,945,972.34</b>	<b>12,174,983.72</b>
<b>II. ASSETS</b>			
<b>(1) Non-current assets</b>			
(a) Fixed assets	<a href="#">1.09</a>		
(i) Tangible assets		3,594,241.00	4,206,512.00
(ii) Intangible assets		-	-
(iii) Capital work-in-progress		-	-
(iv) Intangible assets under development		-	-
(b) Non-current investments		-	-
(c) Deferred tax assets (net)		-	-
(d) Long-term loans and advances		-	-
(e) Other non-current assets		-	-
		<b>3,594,241.00</b>	<b>4,206,512.00</b>
<b>(2) Current assets</b>			
(a) Current investments		-	-
(b) Inventories	<a href="#">1.10</a>	1,823,071.00	7,126,192.00
(c) Trade receivables		-	-
(d) Cash and Bank Balances	<a href="#">1.11</a>	520,416.37	826,651.22
(e) Short-term loans and advances	<a href="#">1.12</a>	8,243.97	15,628.50
(f) Other current assets		-	-
		<b>2,351,731.34</b>	<b>7,968,471.72</b>
<b>TOTAL</b>		<b>5,945,972.34</b>	<b>12,174,983.72</b>
<i>Significant Accounting Policies and Notes to the financial statements</i>		<a href="#">1 &amp; 2</a>	-

By Order of the Board

**KRISHAN KUMAR PARWAL**  
Managing Director  
DIN:00228200**KARAN SINGH CHOUHAN**  
Company Secretary  
M. No. A45180Jaipur  
May 22, 2017**SUNITA PARWAL**  
Director  
DIN: 00228289**VINOD UPADHYAYA**  
Director & CFO  
DIN 07809571As per Our Report of even date  
**For B. KHOSLA & CO.**  
Chartered Accountants  
FRN: 000205C**SANDEEP MUNDRA**  
Partner  
M. No. 075482



**HRB FLORICULTURE LIMITED****Statement of Profit and Loss for the year ended March 31, 2017**

			in Rs.
Particulars	Note No.	Year ended March 31, 2017	Year ended March 31, 2016
I. Revenue from operations	<a href="#">2.01</a>	4,339,044.73	7,058,901.90
II. Other income	<a href="#">2.02</a>	46,483.27	68,940.00
<b>III. Total Revenue (I + II)</b>		<b>4,385,528.00</b>	<b>7,127,841.90</b>
<b>IV. Expenses:</b>			
Cost of materials consumed	<a href="#">2.03</a>	32,400.00	31,600.00
Purchases of Stock-in-Trade	<a href="#">2.04</a>	-	1,207,069.97
Changes in inventories of finished goods work-in-progress and Stock-in-Trade	<a href="#">2.05</a>	5,303,121.00	6,764,774.46
Employee benefits expense	<a href="#">2.06</a>	1,856,000.00	1,740,000.00
Finance costs	<a href="#">2.07</a>	74,164.00	161,285.00
Depreciation and amortization expense	<a href="#">1.09</a>	612,271.00	1,191,048.00
Other expenses	<a href="#">2.08</a>	1,736,483.06	3,286,567.92
<b>Total expenses</b>		<b>9,614,439.06</b>	<b>14,382,345.35</b>
V. Profit before exceptional and extraordinary items and tax (III-IV)		<b>(5,228,911.06)</b>	<b>(7,254,503.45)</b>
VI. Exceptional items		-	-
VII. Profit before extraordinary items and tax (V - VI)		<b>(5,228,911.06)</b>	<b>(7,254,503.45)</b>
VIII. Extraordinary Items		-	-
IX. Profit before tax (VII- VIII)		<b>(5,228,911.06)</b>	<b>(7,254,503.45)</b>
X Tax expense:			
(1) Current tax		-	(152,743.60)
(2) Earlier year tax		-	7,153.00
(3) Deferred tax	<a href="#">1.04</a>	(13,850.00)	
<b>XI Profit (Loss) for the period from continuing operations (IX-X)</b>		<b>(5,215,061.06)</b>	<b>(7,108,912.85)</b>
XII Profit/(loss) from discontinuing operations		-	-
XIII Tax expense of discontinuing operations		-	-
<b>XIV Profit/(loss) from Discontinuing operations (after tax) (XII-XIII)</b>		<b>-</b>	<b>-</b>
<b>XV Profit (Loss) for the period (XI + XIV)</b>		<b>(5,215,061.06)</b>	<b>(7,108,912.85)</b>
<b>XVI Earnings per equity share:</b>	<a href="#">2.10 (v)</a>		
(1) Basic		(2.29)	(3.12)
(2) Diluted		(2.29)	(3.12)

Significant Accounting Policies and Notes to the financial statements

[1 & 2](#)

By Order of the Board

As per Our Report of even date

**KRISHAN KUMAR PARWAL**

Managing Director  
DIN:00228200

**For B. KHOSLA & CO.**

Chartered Accountants  
FRN: 000205C

**KARAN SINGH CHOUHAN**

Company Secretary  
M. No. A45180

**SUNITA PARWAL**

Director  
DIN: 00228289

**VINOD UPADHYAYA**

Director & CFO  
DIN 07809571

**SANDEEP MUNDRA**

Partner  
M. No. 075482

Jaipur  
May 22, 2017

**HRB FLORICULTURE LIMITED****Cash Flow Statement for the year ended 31st March 2017**

	2016-17	2015-16
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net profit before tax and extraordinary items	(5,228,911)	(7,254,503)
<b>Adjustment for</b>		
Depreciation/Amortisation	612,271	1,191,048
Interest paid	74,164	161,285
Interest and Dividend	(46,483)	(68,940)
<b>Operating Profit before Working Capital Changes</b>	<b>(4,588,959)</b>	<b>(5,971,110)</b>
<b>Adjustment for</b>		
Trade and other receivable	7,385	161,171
Inventories	5,303,121	6,764,774
Trade payable	(888,847)	(939,275)
<b>Cash generated from operations</b>	<b>(167,301)</b>	<b>15,560</b>
Interest paid	(74,164)	(161,285)
Direct taxes paid	-	152,744
Cash flow before extraordinary item	<b>(241,465)</b>	<b>7,018</b>
Extraordinary item	-	-
<b>Net cash from Operating Activities</b>	<b>(241,465)</b>	<b>7,018</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	-	(100,000)
Sale of Fixed Assets	-	-
Movement in deposits	214,949	(65,464)
Sale of Investments	-	-
Interest and Dividend received	46,483	68,940
<b>Net cash from investing activities</b>	<b>261,432</b>	<b>(96,524)</b>
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceed from Borrowings	(111,253)	111,253
Proceed from Long term Investment	-	-
Movement in Loans		
<b>Net cash from financing activities</b>	<b>(111,253)</b>	<b>111,253</b>
<b>Net increase in cash and cash equivalent (A+B+C)</b>	<b>(91,286)</b>	<b>21,748</b>
<b>Cash and Cash equivalent in the opening balance</b>	<b>161,702</b>	<b>139,954</b>
<b>Cash and Cash equivalent in the Closing balance</b>	<b>70,416</b>	<b>161,702</b>

By Order of the Board

**KRISHAN KUMAR PARWAL**

Managing Director

DIN:00228200

As per our report of even date attached

**For B. KHOSLA & CO.**

Chartered Accountants

FRN: 000205C

**KARAN SINGH CHOUHAN**

Company Secretary

M. No. A45180

**SUNITA PARWAL**

Director

DIN: 00228289

**VINOD UPADHYAYA**

Director &amp; CFO

DIN 07809571

**SANDEEP MUNDRA**

Partner

M. No. 075482

Jaipur

May 22, 2017

**HRB FLORICULTURE LIMITED****1 Significant Accounting Policies****a BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

The financial statements are prepared under the historical cost convention, on accrual basis except dividend income and penal interest on loan is accounted for on cash basis, in accordance with the generally accepted accounting principles in India, the Accounting Standards specified under section 133 of the Companies Act 2013 read with Rule (7) of the Companies (Accounts) Rules 2014 and the provisions of the Companies Act, 2013.

**b FIXED ASSETS AND DEPRECIATION**

- i Fixed assets are stated at cost of acquisition or construction inclusive of freight, duties and taxes less Accumulated Depreciation.
- ii Lump sum payments made at the time of the lease of agriculture land are capitalized and are being amortized equally over the period of lease.
- iii Depreciation on Fixed Assets is being provided on straight-line method on the basis of useful life specified in Schedule II to the Companies Act, 2013.

**c IMPAIRMENT OF ASSETS**

As at each balance sheet date, the carrying amount of assets is tested for impairment so as to determine

- i the provision for impairment loss, if any, required or
  - ii the reversal, if any, required for impairment loss recognized in previous periods.
- Impairment loss is recognized when the carrying amount of an asset exceed its *recoverable* amount.  
*Recoverable* amount is determined
- i in the case of an individual asset, at the higher of net selling price and the value in use.
  - ii in the case of cash generating unit (a group of assets that generates identified independent cash flows), at higher of the cash generating unit's selling price and the value in use.
- Value in use* is determined as the present value of estimated future cash flow from the continuing use of assets and from its disposal at the end of its useful life.

**d INVESTMENTS**

Non-Current Investments are stated at cost. Provision for diminution in the value of Non-Current Investment is made if such decline is other than temporary in nature

**e INVENTORIES**

Inventories are valued as under: -

- i **Agricultural Produce** – *at realizable value*
- ii **Standing Agricultural Crop**- *at NIL value*
- iii **Shares and Securities**- *Scrip-wise at cost or market price whichever is less. Bonus shares/ units etc. are valued at Nil value.*

**f SALES**

Sales of Agricultural product are accounted for as net of discount, Freight, brokerage etc on sale.

**g CURRENT TAX AND DEFERRED TAX**

- i Income Tax is accounted in accordance with AS-22 "Accounting for taxes on income" issued by ICAI. Deferred income taxes reflect impact of current year timing difference between taxable income and accounting income for the year and reversal of timing difference of earlier years. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available.
- ii Current tax is determined as the amount of tax payable in respect of taxable income using the applicable tax rates and tax laws for the year.

**h SEGMENT REPORTING**

- i **Identification** : The Company's operating businesses are organized and managed separately according to the nature of product and services with each segment representing a strategic business unit that offers different product and services to different markets.
  - ii **Allocation of common cost** : Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common costs.
  - iii **Unallocable Items** : includes general corporate incomes and expenses items which are not allocated to any business segment.
  - iv **Segment Policies** : The company prepares its segment information in conformity with the accounting policies adopted for preparing the financial statement of the company as a whole
- i EMPLOYEE BENEFITS**
- i Short term employee benefits are recognized as an expense at the undiscounted amount in which the related service is rendered
  - ii There is no liability of the company as of now towards gratuity or any other long term benefits payable to employees.

**HRB FLORICULTURE LIMITED****Notes Accompanying to the financial Statement for the year ended March 31, 2017***(in accordance with Schedule III to the Companies Act, 2013- to the extent applicable)***1.01 SHARE CAPITAL**

- a The details of Authorised, Issued, Subscribed and fully paid up, and subscribed but not fully paid up are as under :-

Share Capital	As at 31st March, 2017		As at 31st March, 2016	
	Number	Amt	Number	Amt
<b>Authorised</b>				
55,00,000 Equity Shares of Rs. 10/- each	5,500,000	55,000,000	5,500,000	55,000,000
<b>Issued, Subscribed and Paid up</b>				
22,76,300 Equity Shares of Rs. 10/- each	2,276,300	22,763,000	2,276,300	22,763,000
Add: Forfeited 2823900 Equity Shares (amount originally paid up)	2,823,900	7,966,750	2,823,900	7,966,750
		<b>30,729,750</b>		<b>30,729,750</b>

- b The Reconciliation of the number of Shares outstanding at the beginning and at the end of the reporting year is as under:-

Equity Shares	As at March 31, 2017		As at March 31, 2016	
	Number	Amount	Number	Amount
Outstanding at the beginning of the year	2,276,300	22,763,000	2,276,300	22,763,000
Shares Issued during the year	-	-	-	-
Shares Forfeited during the year	-	-	-	-
Shares outstanding at the end of the year	2,276,300	22,763,000	2,276,300	22,763,000

- c The Equity Shares issued by the company have equal right as to voting and dividend.  
d The details of shareholders holding more than 5% equity shares as at reporting date are as under :-

Name of Equity Shareholder	As at 31 March 2017		As at 31 March 2016	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Krishan Kumar Parwal	864,400	37.97%	864,400	37.97%
Hansraj Parwal	200,100	8.79%	200,100	8.79%
Vinod Kumar Parwal	645,100	28.34%	645,100	28.34%

**1.02 RESERVES AND SURPLUS**

Particulars	As at March 31, 2017	As at March 31, 2016
<b>Debit Balance in Profit and Loss Account</b>		
Opening balance	(20,099,921.60)	(12,991,008.75)
Add:		
Net Loss for the current year	(5,215,061.06)	(7,108,912.85)
	<b>(25,314,982.66)</b>	<b>(20,099,921.60)</b>

**NON-CURRENT LIABILITIES****1.03 LONG TERM BORROWINGS**

Particulars	As at March 31, 2017	As at March 31, 2016
<b>Secured</b>		
Car Loan from ICICI Bank (Secured against hypothecation of Car)	-	307,800
	<b>-</b>	<b>307,800</b>

**1.04 DEFERRED TAX LIABILITY**

The deferred tax liability consists of following components

Particulars	As at March 31, 2017	As at March 31, 2016
On account of timing difference of depreciation	109,874	123,724
	<b>109,874</b>	<b>123,724</b>

In the opinion of the management there is no virtual certainty supported by convincing evidence that future taxable income will be available and therefore no deferred tax assets on carried forward losses have been recognized. The decrease in deferred tax liability amounting to Rs 13850/- has been credited to profit and Loss Account.

**1.05 SHORT TERM BORROWINGS**

- a Short-term borrowings consists on the following -

Particulars	As at March 31, 2017	As at March 31, 2016
<b>Secured</b>		
Overdraft from Bank	-	111,253.32
(Secured against lein of FDRs)		
	<u>-</u>	<u>111,253.32</u>

**1.06 TRADE PAYABLE**

- a Trade payable consists of following

Particulars	As at March 31, 2017	As at March 31, 2016
Trade Payable	110,900	97,295

- b On the basis of information available with the company, no amount is outstanding to the MSM Enterprises.

**1.07 OTHER CURRENT LIABILITIES**

- a Other Current Liabilities consists of following

Particulars	As at March 31, 2017	As at March 31, 2016
Current Maturity of Long Term Loans	307,800	889,848
Interest Accrued but not due	2,631	10,235
TDS Payable	-	5,000
	<u>310,431</u>	<u>905,083</u>

**1.08 SHORT TERM PROVISIONS**

Particulars	As at March 31, 2017	As at March 31, 2016
Income Tax Provision (Net of TDS)	-	-
	<u>-</u>	<u>-</u>

**NON CURRENT ASSETS****1.09 FIXED ASSETS**

A separate Sheet detailing the fixed assets is attached herewith.

**1.10 INVENTORIES**

- a The inventories consists of following

Particulars	As at March 31, 2017	As at March 31, 2016
<b>- Stock-in-trade</b>		
Stock of Shares & Securities (Quoted)	1,823,071	7,126,192
(Valued at lower of cost and market price)		

- b The company is dealing in mainly a) Trading in quoted Shares and Securities and b) Production and Selling of Agricultural Produce. As at the year ended March 31, 2017 and corresponding previous year ended March 31, 2016, there is no closing stock of Agricultural Produce.

**1.11 CASH AND BANK BALANCES**

		As at	As at
Particulars		March 31, 2017	March 31, 2016
- Balances with Banks			
i	- in current account	54,861	30,433
	- in Fixed Deposits (pledged) (due with 12 months)	450,000	664,949
ii	- Cheques/ drafts in hand		
iii	- Cash on hand	15,556	131,270
		520,416	826,651
<b>Cash and Cash Equivalent as per AS-3 "Cash Flow Statements"</b>		70,416	161,702

(a) In terms of Ministry of Corporate Affairs (MCA) notification no. G.S.R. 308 (E) dated 30.03.2017, the details of Specified Bank Notes (SBN) held and transacted during the period from 08/11/2016 to 30/12/2016 is as under;

Particulars	SBNs*	Amount in Rs.	
		Other Denomination notes	Total
Closing Cash in hand as on 08.11.2016	46,000.00	1,236.62	47,236.62
(+) Permitted receipts		239,000.00	239,000.00
(-) Permitted payments	6,000.00	68,501.00	74,501.00
(-) Amount deposited in Banks	40,000.00	-	40,000.00
Closing Cash in hand as on 30.12.2016	-	171,735.62	171,735.62

\* Bank notes of denominations of existing series of the value of 500 rupees and 1,000 rupees (MoF Notification No. S.O 3407(E) dated 08/11/2016).

**1.12 SHORT TERM LOANS AND ADVANCES**

Short-Term Loans & Advances consists of following

		As at	As at
Particulars		March 31, 2017	March 31, 2016
Others (Unsecured considered good)			
- Advance Tax/ Income Tax Recoverable	4,545		5,602
-Interest Accrued on FDRs	3,201		9,942
Other Advances	498		84.50
		8,244	15,629

**2.01 REVENUE FROM OPERATIONS**

Revenue from operations are as under :-

		As at	As at
Particulars		March 31, 2017	March 31, 2016
Sale of Agrcultural Produce	564,947		1,144,439.13
Sale of Shares & Securities	3,771,158		5,903,862.77
Dividend	2,939		10,600
		4,339,045	7,058,901.90

**2.02 OTHER INCOME**

		As at	As at
Particulars		March 31, 2017	March 31, 2016
Interest	46,483		68,940
Profit on Trading of Futures & options	-		-
		46,483	68,940

**2.03 COST OF MATERIAL CONSUMED**

		As at	As at
Particulars		March 31, 2017	March 31, 2016
Cultivation Expenses (Seeds)	32,400		31,600

**2.04 PURCHASE OF STOCK IN TRADE**

		As at	As at
Particulars		March 31, 2017	March 31, 2016
Purchase of Shares & Securities	-		1,207,070

**2.05 CHANGES IN INVENTORIES**

The details of Opening and Closing stocks are as under:

		As at	As at
Particulars		March 31, 2017	March 31, 2016
Opening Stock-in Trade (Shares & Securities)	7,126,192		13,890,966
Less:			
Closing Stock-in Trade (Shares & Securities)	1,823,071		7,126,192
<b>Increase/ (Decrease) in stock-in trade</b>		(5,303,121)	6,764,774

-There is no opening and closing stock of finished agricultural produce as at the year end.

**2.06 EMPLOYEE BENEFITS EXPENSES**

Employee Benefit Expenses includes

	As at March 31, 2017	As at March 31, 2016
<b>Particulars</b>		
Director's Remuneration	1,140,000	1,140,000
Salaries & Wages	716,000	600,000
	<u>1,856,000</u>	<u>1,740,000</u>

**2.07 FINANCE COST**

	As at March 31, 2017	As at March 31, 2016
<b>Particulars</b>		
Interest on Car Loan	74,164	161,285
Interest on Income Tax	-	-
	<u>74,164</u>	<u>161,285</u>

**2.08 OTHER EXPENSES**

Other expenses Includes

	As at March 31, 2017	As at March 31, 2016
<b>Particulars</b>		
Conveyance	227,020	222,154
Travelling Expenses	24,127	-
Rent	891,000	891,000
Loss on Trading of Futures & options	307	1,650,258
Auditor's Remuneration		
- as auditor	57,500	57,250
- for taxation matter	5,750	5,725
- for other services	-	-
	<u>63,250</u>	<u>62,975</u>
Legal Expenses	389,570	362,250
Other Miscellaneous Expenses	141,209	97,931
	<u>1,736,483</u>	<u>3,286,568</u>

**2.09 CONTINGENT LIABILITY & COMMITMENTS**

Contingent Liabilities	Nil	Nil
Commitments	Nil	Nil

**2.10 ACCOUNTING STANDARD DISCLOSURES**

i The company has taken land on lease 118 Bigha and 10 Biswa from the directors/ relative of directors for the 10 years as per terms and condition of the agreement. These lease agreements are cancelable lease agreements and therefore no disclosure is required to be made in accordance with AS-19 "Leases" issued by ICAI.

ii Employees Benefits are recognized as on expense in the profit and loss account in which the related service is rendered. In respect of payment of gratuity, the same is neither applicable as per statute nor payable under any formal plan or agreement between company and its employees

**iii SEGMENT DISCLOSURE**

In pursuant to Accounting Standard 17 regarding Segment Reporting, the Segment wise disclosure are as under:

	Agriculture		Investment & Securities		Total	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
<b>REVENUE</b>						
External Sales	564,947	1,144,439	3,774,097	5,914,463	4,339,045	7,058,902
Inter-Segment Sales	-	-	-	-	-	-
<b>Total revenue</b>	<u>564,947</u>	<u>1,144,439</u>	<u>3,774,097</u>	<u>5,914,463</u>	<u>4,339,045</u>	<u>7,058,902</u>
<b>RESULTS</b>						
Segments Results	(178,453)	(180,661)	(1,544,511)	(3,743,048)	(1,722,964)	(3,923,709)
Unallocated Expenses					(3,478,266)	(3,238,449)
Interest Expense					(74,164)	(161,285)
Interest Income					46,483	68,940
Net (loss)/profit					<b>(5,228,911)</b>	<b>(7,254,503)</b>
<b>OTHER INFORMATION</b>						
Segment Assets	15,012	15,012	1,823,569	7,126,277	1,838,581	7,141,289
Unallocated Assets					4,107,391	5,033,695
<b>Total Assets</b>					<b>5,945,972</b>	<b>12,174,984</b>
Segment Liabilities	-	-	-	-	-	-
Unallocated Liabilities					531,205	1,545,155
<b>Total Liabilities</b>					<b>531,205</b>	<b>1,545,155</b>
Capital expenditure	-	-	-	-	-	-
Depreciation	-	-	-	-	-	-
Amortization	-	582,500	-	-	-	582,500
Non-cash expenses other than depreciation/ amortization	-	-	-	-	-	-

**iv RELATED PARTY DISCLOSURE**

In pursuant to Accounting Standard 18 regarding Related Party Disclosure, the details are as under :

**a Related parties (with whom transactions entered)**

Name	Relationship
Krishan Kumar Parwal -Managing Director	KMP
Punit Parwal- Director	KMP
Basanti Devi Parwal	Relatives of KMP
Ram Janaki Devi Parwal	Relatives of KMP
Sunita Parwal	Director/ Relatives of KMP
Deepika Parwal	Relatives of KMP

**b Following transactions were carried out or outstanding balances with related party in ordinary course of business**

Nature of Transaction	KMP	Relatives of KMP	Associates	Total
Lease rent	-	711,000	-	711,000
	-	(711,000)	-	(711,000)
Office rent	180,000	-	-	180,000
	(180,000)	-	-	(180,000)
Remuneration	1,140,000	-	-	1,140,000
	(1,140,000)	-	-	(1,140,000)

**v EARNING PER SHARE**

Earning per share as per Accounting Standard 20 is calculated as under :

	2016-2017	2015-2016
Profit/ (Loss) for the year	(5,215,061)	(7,108,913)
Weighted Average Number of Shares	2,276,300	2,276,300
Nominal Value of Shares	10	10
Basic and Diluted EPS	(2.29)	(3.12)

**2.11** The company has entered into an agreement for cultivation of crops at its land. The party has borne labour and tractor running and maintenance expenses for a consideration of 25% of total produced crops at the said land of the company. The company has taken into account the production of only 75% of total produced crop at the said land being its share and sales thereof have been accounted for in the books of accounts

**2.12** In the opinion of the Board, all the assets other than fixed assets and non-current investments have a value on realization in the ordinary course of business at least equal to the amount at which they are stated and provision for all liabilities have been made.

**2.13** Figures for the previous year have been regrouped and rearranged wherever considered necessary.

By Order of the Board

JAIPUR  
May 22, 2017

**SUNITA PARWAL**  
Director  
DIN: 00228289

**KRISHAN KUMAR PARWAL**  
Managing Director  
DIN:00228200

**KARAN SINGH CHOUHAN**  
Company Secretary  
M. No. A45180

**VINOD UPADHYAYA**  
Director & CFO  
DIN 07809571



STATEMENT SHOWING DEPRECIATION/AMORTISATION OF FIXED ASSETS FOR THE YEAR ENDED 31.03.2017  
HRB FLORICULTURE LIMITED

Note No. 1.09

		GROSS BLOCK					DEPRECIATION/ AMORTISATION				NET BLOCK	
S. No.	NAME OF ASSETS	As On 1.4.2016	Addition during the year	Deductions during the year	Total as on 31.3.2017	Upto 31.3.2016	Provided during the year	Adj. For Deductions	Total upto 31.3.2017	As On 31.3.2017	As On 31.3.2016	
TANGIBLE ASSETS												
1	Office Equipment	237,444			237,444	141,025	11,460		152,485	84,959.00	96,419	
2	Furniture	143,906			143,906	99,537	7,216		106,753	37,153.00	44,369	
3	Tubewell	300,239			300,239	285,227	-		285,227	15,012.00	15,012	
4	Computer	366,765			366,765	348,427	-		348,427	18,338.00	18,338	
5	U.P.S.	12,070			12,070	11,466	-		11,466	604.00	604	
6	Air conditioner	100,000			100,000	1,111	6,333		7,444	92,556.00	98,889	
7	Car	4,945,361			4,945,361	1,013,630	587,262		1,600,892	3,344,469.00	3,931,731	
8	Cellular	23,000			23,000	21,850	-		21,850	1,150.00	1,150	
	Total	6,128,785			6,128,785	1,922,273	612,271		2,534,544	3,594,241.00	4,206,512	
INTANGIBLE ASSETS												
1	Advance for Lease Rights For Agricultural Land	11,650,000			11,650,000	11,650,000	-		11,650,000	-	-	
	Total	11,650,000			11,650,000	11,650,000	-		11,650,000	-	-	
	Total	17,778,785			17,778,785	12,194,154	612,271		14,184,544	3,594,241	4,206,512	
	Fig. for pre. Yr.	17,678,785	100,000		17,778,785	12,194,154	1,191,048		13,572,273	4,206,512	5,297,560	

Signed for Identification  
For B. KHOSLA & CO.  
Chartered Accountants  
FRN: 000205CSUNITA PARWAL  
Director  
DIN: 00228289VINOD UPADHYAYA  
Director & CFO  
DIN: 07809571KRISHAN KUMAR PARWAL  
Managing Director  
DIN: 00228200SANDEEP MUNDRA  
Partner  
M. No. 075482KARAN SINGH CHOUHAN  
Company Secretary  
M. No. A45180JAIPUR  
May 22, 2017

[illegible]

**HRB FLORICULTURE LIMITED****CIN: L01300RJ1995PLC009541**

Registered Office: A-28, Ram Nagar, Shastri Nagar, Jaipur-302016

Ph. +91-141-2303098, 2303097(Telefax), E-mail:hrbflrltd@yahoo.com, Website: www.hrb.co.in

**ATTENDANCE SLIP****PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL**  
Joint shareholders may obtain additional slip at the venue of the meeting.

DP ID*	
Client ID*	

Master Folio No.: .....

**Name and Address of the Shareholder:** .....**No. of share(s) held:** .....**Name of Proxy:** .....**(To be filled by the proxy who attends instead of the member.)**I/we hereby record my/our presence at the **22<sup>nd</sup> Annual General Meeting** of the Company held on **Tuesday**, the **26<sup>th</sup>** Day of **September, 2017** at **02:00 P.M.** at A-28, Ram Nagar, Shastri Nagar, Jaipur.-----  
Signature of the Shareholder or Proxy

\* Applicable for investors holding shares in electronic form.

*(Shareholders/Proxy holders are requested to bring the attendance slip with them duly completed when they come to the meeting and hand it over at the gate after affixing signature on it.)*

**HRB FLORICULTURE LIMITED**

CIN: L01300RJ1995PLC009541

Registered Office: A-28, Ram Nagar, Shastri Nagar, Jaipur-302016

Ph. +91-141-2303098, 2303097(Telefax), E-mail:hrbflrltd@yahoo.com, Website: www.hrb.co.in

**PROXY FORM****[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]**

**Name of the Member(s):** \_\_\_\_\_  
**Registered address:** \_\_\_\_\_  
**E-mail Id:** \_\_\_\_\_  
**Folio No/ Client Id\*:** \_\_\_\_\_  
**DP ID\*:** \_\_\_\_\_

I/We, being the member(s) of \_\_\_\_\_ equity shares of HRB Floriculture Ltd., hereby appoint:

1. Name:.....Address:.....

E-mail Id: .....Signature:.....,or failing him/her

2. Name:.....Address:.....

E-mail Id: .....Signature:.....,or failing him/her

3. Name:.....Address:.....

E-mail Id: .....Signature:.....,or failing him/her

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 22<sup>nd</sup> Annual General Meeting of the Company, to be held on **Tuesday**, the **26<sup>th</sup>** Day of **September**, **2017** at **02:00 P.M.** at the registered office at A-28, Ram Nagar, Shastri Nagar, Jaipur-302016 and at any adjournment thereof in respect of such resolutions as are indicated below:

S.No	Resolutions	For	Against
<b>Ordinary Business:</b>			
1.	To consider and adopt the Audited Financial Statements of the Company for the Financial year ended March 31st, 2017 together with reports of the Board of Directors and Auditors thereon.		
2.	To Re-appointment of Mrs. Sunita Parwal, Director, retiring by rotation.		
3.	To appoint new statutory auditor for the term of 5 years and to fix their remuneration.		
<b>Special Business:</b>			
4.	To regularize the appointment of Mr. Vinod Upadhyaya as Director.		

Signed this .....Day of ....., 2017.

Signature of Shareholder.....

Signature of Proxy Holder(s).....

**NOTES:**

**This form of proxy in order to be effective should be duly completed and deposited at the registered office of the company, not less than 48 hours before the commencement of the meeting.**

- For the resolutions, Explanatory Statement and Notes, please refer to the Notice of the Annual General Meeting
- The Proxy need not be a member of the Company.
- Members holding shares under more than one folio may use photocopy of this Proxy Form for other folios. The Company shall provide additional form on request.
- Appointing a proxy does not prevent a member from attending the meeting in person if he/she so wishes.

\* Applicable for investors holding shares in electronic form.

Affix a  
Revenue  
Stamp of  
Rs. 1/-

**Courier/Registered Post /Speed Post**

**To,**



**If undelivered please return to:  
H R B Floriculture Limited  
A-28, Ram Nagar, Shastri Nagar,  
Jaipur-302016 (Rajasthan)**