# H R B 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

**Date: 04-09-2023**

**To,**
**BSE Limited,**
**Phiroze Jeejeebhoy Towers,**
**Dalal Street,**
**Fort, Mumbai-400 001**
**Maharashtra**

**Subject:** **Notice of 28th Annual General Meeting along with the Annual Report for the Financial Year 2022-23 and Book Closure.**

**Reference:** **HRB Floriculture Limited, Scrip Code: 531724.**

Dear Sir/Ma'am,

Pursuant to the applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, we hereby intimate as under:-

1. The 28th Annual General Meeting of the Company will be held on Wednesday, September 27, 2023 at 02:00 P.M. (IST) at its registered office situated at A-28, Ram Nagar, Shastri Nagar, Jaipur-302016 (Rajasthan).

2. The Register of Members and Share Transfer Books of the Company will remain closed from **Thursday, 21st September, 2023 to Wednesday, 27th September, 2023** (both days inclusive) for the purpose of Annual General Meeting.

3. Pursuant to Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we have provided the facility to vote by electronic means (e-voting) on all resolutions as set out in the notice of AGM to those members, who are holding shares either in physical or in electronic form as on the cut-off date i.e. Wednesday, September 20, 2023. The remote e-voting period **starts** on **Saturday,** the **23th** day of **September, 2023** at **09.00 A.M.** and **ends** on **Tuesday**, the **26th** day of **September, 2023** at **05.00 P.M.**

4. Pursuant to Regulation 34(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are forwarding herewith a copy of Annual Report for the Financial Year 2022-23.

   Further, in terms of Regulation 46 of SEBI LODR, the Annual Report along with the AGM Notice is also available on the website of the Company at www.hrb.co.in

You are requested to kindly take the same on record.

Thanking you,

Yours Faithfully,

**For H R B Floriculture Limited**

**Shubhali Khandelwal**
**Company Secretary & Compliance officer**
**Membership No.:A56914**

H R B FLORICULTURE LTD. JAIPUR

Encl: a/a

# H R B FLORICULTURE LIMITED

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

CC:

1. **Calcutta Stock Exchange Ltd.**
   7, Lyons Range,
   Kolkata, West Bengal-700001

2. **National Securities Depository Ltd.**
   Trade World, 'A' wing, 4th & 5th Floors,
   Kamala Mills Compound,
   Lower Parel, Mumbai - 400 013

3. **Central Depository Services (India) Ltd.**
   17th Floor, P. J. Towers,
   Dalal Street, Mumbai - 400 001

4. **Purva Sharegistry (India) Pvt. Ltd.**
   No.9, Shiv Shakti Ind. Estt.,
   J.R. Boricha Marg,
   Lower Parel (East),
   Opp. Kasturba Hospital,
   Mumbai - 400 011

**28th**
**ANNUAL REPORT**
**2022-23**

# HRB FLORICULTURE LIMITED

## CORPORATE INFORMATION

**BOARD OF DIRECTORS:**

i. **Mr. Krishan Kumar Parwal**
Managing Director
DIN: 00228200

ii. **Mrs. Sunita Parwal**
Non-Executive Director
DIN: 00228289

iii. **Mr. Vinod Upadhyaya**
Non-Executive Director &
Chief Financial Officer
DIN: 07809571

iv. **Mr. Ramesh Kumar Somani**
Independent Director
DIN: 05297951

v. **Mr. Amit Sharda**
Independent Director
DIN: 05297954

vi. **Mr. Vimal Jugalkishor Chandak**
Independent Director
DIN: 02550154

**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
E-mail: - busicomp@vsnl.com

**Principal Banker:**
Yes Bank, Jaipur

**BOARD COMMITTEES:**

**Audit Committee:**
Mr. Amit Sharda (Chairman)
Mr. Vimal Jugalkishor Chandak (Member)
Mr. Ramesh Kumar Somani (Member)

**Nomination & Remuneration Committee:**
Mr. Vimal Jugalkishor 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 Jugalkishor Chandak (Member)

**Company Secretary & Compliance Officer**
Ms. Nitiksha Khandelwal (From 29-06-2021-01-11-2022)
Ms. Shubhali Khandelwal (From 07-11-2022)

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

**Statutory Auditors:**
M/s. Gupta Rajiv & Associates,
Chartered Accountants
"Atulyam" F-141, Azad Marg,
C-scheme, 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
Website:-www.hrb.co.in

**Corporate Identification Number (CIN):**
L01300RJ1995PLC009541

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# H R B FLORICULTURE LIMITED

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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 **28th** (Twenty Eighth) **Annual General Meeting** ("AGM") of the members of **H R B FLORICULTURE LIMITED** will be held on Wednesday the **27th** day of **September, 2023** at **02:00 P.M.** at its Registered Office situated at A-28, Ram Nagar, Shastri Nagar, Jaipur-302016 (Rajasthan) to transact the following business:-

## ORDINARY BUSINESS:-

1. To adopt the Audited Financial Statements of the Company for the Financial Year ended on 31st March, 2023, 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.

**Place: Jaipur**
**Date: 11-08-2023**

**By order of the Board of Directors**
For **H R B Floriculture Limited**

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

**Shubhali Khandelwal**
**Company Secretary & Compliance officer**
**Membership No.:A56914**

**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.**

2. **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 to this report.***

3. Members / Proxies / Authorised Representatives attending the meeting are requested to bring attendance slip duly filled and signed mentioning their details of the DP ID and Client ID/Folio No. , along with their copy of Annual Report at the Annual General Meeting.

4. Corporate members/HUF/Trust, intending to send their authorized representative(s) to attend the AGM, pursuant to Section 113 of the Companies Act, 2013, are requested to send to the Company, a certified true copy of the relevant Board Resolution/Authorisation letter together with the specimen signature(s) of the representative(s) authorised under the said Board resolution/Authorisation letter to attend and vote on their behalf at the Meeting.

5. 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 at the Meeting.

6. 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'.

7. During the period beginning 24 hours before the time fixed for the commencement of the AGM and until the conclusion of the AGM, a member would be entitled to inspect the proxies lodged at any time during the business hours of the Company, provided that not less than three days of notice in writing is given to the Company.

8. A details of directors seeking re-appointment at this AGM as stipulated under Regulation 36(3) of the Listing Regulations and Clause 1.2.5 of Secretarial Standard on General Meetings(SS-2), are annexed to the Notice of AGM.

9. Pursuant to Section 91 of the Companies Act,2013 and Regulation 42 of the Listing Regulations, the Register of Members and Share Transfer Books of the Company will remain closed from **Thursday, 21st September, 2023 to Wednesday, 27th September, 2023** (both days inclusive) for the purpose of AGM.

10. The Register of Contracts and arrangements in which Directors are interested 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. The Notice of the 28th AGM and the Annual Report of the Company for the year ended on 31st March, 2023 is uploaded on the Company's website at www.hrb.co.in and may be assessed by the members

and will also be available on the website of Stock Exchange (s) where the shares of the Company have been listed viz., BSE Limited at www.bseindia.com, CSE Limited and on the website of NSDL at www.nsdl.co.in.

12. All the relevant documents referred to in the Notice and Explanatory Statement are available for inspection by the members at the Registered Office of the Company on all working days (i.e. except Saturdays, Sundays and Public holidays) during business hours up to the date of Annual General Meeting.

13. SEBI vide its circular dated 08th June, 2018 amended Regulation 40 of the Listing Regulation pursuant to which requests for effecting transfer of securities shall not be processed unless the securities are held in the dematerialised form. Members holding the shares in physical form are requested to dematerialise their holdings at the earliest as it will not be possible to transfer shares held in physical mode.

    Further, dematerialisation would facilitate paperless trading through state-of-the-art technology, quick transfer of corporate benefits to members and avoid inherent problems of bad deliveries, loss in postal transit, theft and mutilation of share certificate and will not attract any stamp duty. It also substantially reduces the risk of fraud. Hence, we request all those members who have still not dematerialized their shares to get their dematerialized at the earliest.

14. SEBI vide its circular dated 20th April, 2018, directed all the listed companies to record the Income Tax PAN and bank account details of all their shareholders holding shares in physical form. All those shareholders who are yet to update their details with the Company are requested to do so at the earliest.

15. 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.

16. Members are requested to address all correspondence to M/s. Purva Sharegistry (India) Pvt. Ltd, Unit No. 9, Shiv Shakti Industrial Estate, Ground Floor, J R Boricha Marg, Near Lodha Excelus, Lower Parel East, Worli, Mumbai, Maharashtra - 400011, who is acting as our Registrar and Share Transfer Agent. Further, kindly quote your folio number and our company's name in all your future correspondences.

17. 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.

18. Members desirous of seeking any information/clarification(s) about the Annual Report of the Company are requested to write to the Company at least seven days before the date of meeting. This would enable the Company to compile the information and provide the replies at the meeting.

19. Members holding shares in electronic form are requested to intimate immediately any change in their address or bank mandates (if any), to their Depository Participants ("DPs") 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 i.e. M/s. Purva Sharegistry India Pvt. Ltd quoting reference of the registered folio number.

20. 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 or to RTA i.e. M/s. Purva Sharegistry India Pvt. Ltd, Mumbai.

21. 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.

22. With a view to conserve natural resources, 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).

    We request members who have not registered their email address with the Company to update and register their e-mail addresses with their M/s Purva Sharegistry (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 addresses with their respective Depository Participants (DPs) to enable the Company to send communications including the Annual Report, Notices and other documents electronically.

23. In terms of Section 101 and 136 of the Companies Act, 2013 read together with the Rules made thereunder, the copy of the Annual Report including Financial Statements, Board's Report etc. and Notice of the 28th AGM are being sent by electronic mode, to those members who have registered their e-mail 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 hrbflrltd@yahoo.com mentioning your Folio No./ 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.

24. 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 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. Once the vote on a resolution is cast by a member, whether partially or otherwise, the member shall not be allowed to change it subsequently or caste the vote again.

25. **(I) Information relating to remote E-voting are as under:-**

    a) CS Manoj Maheshwari, Practicing Company Secretary (Membership No.: FCS3355) and CS Priyanka Agarwal Practicing Company Secretary (Membership No.: FCS11138) have been appointed as the scrutinizer and alternate scrutnizerrespectively, to scrutinize the remote e-voting and poll process to be carried out at the AGM in a fair and transparent manner.

    b) The voting rights of shareholders shall be in proportion to their shares in the paid up equity share capital of the Company as on **Wednesday, the 20th day of September, 2023 (Cut off date).**

       The remote e-voting period **starts** on **Saturday,** the **23rd** day of **September, 2023** at **09.00 A.M.** and **ends** on **Tuesday**, the **26th** day of **September, 2023** at **05.00 P.M.** The remote e-voting module will be disabled by NSDL for voting thereafter.

c) The Scrutinizer shall submit a consolidated Scrutinizers' Report votes casted during the AGM and vote casted through remote e-voting of the total votes cast in favour or against, if any, within 2 (two) working days from the conclusion of the AGM to the Chairman of the Company. The Chairman, or any other person authorised by the Chairman, shall declare the result of the voting. The result declared along with the consolidated Scrutinizer's Report shall be simultaneously placed on the Company's website www.hrb.co.in and on the website of NSDL and communicated to the stock exchange(s) where the shares of the Company are listed.

d) The Company has also arranged 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

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

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

**Step 1 : Log-in to NSDL e-Voting system at** https://www.evoting.nsdl.com/
**Step 2 : Cast your vote electronically on NSDL e-Voting system.**

**Details on Step 1 is mentioned below:**

**How to Log-in to NSDL e-Voting website?**

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile.

2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.

3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

   *Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.*

4. Your User ID details are given below :

| **Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical** | **Your User ID is:** |
|---|---|
| a) For Members who hold shares in demat account with NSDL. | 8 Character DP ID followed by 8 Digit Client ID<br><br>For example if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******. |
| b) For Members who hold shares in demat account with CDSL. | 16 Digit Beneficiary ID<br><br>For example if your Beneficiary ID is 12********** then your user ID is |

| | |
|---|---|
| | 12********** |
| c) For Members holding shares in Physical Form. | EVEN Number followed by Folio Number registered with the company<br><br>For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001*** |

5. Your password details are given below:

   a) If you are already registered for e-Voting, then you can user your existing password to login and cast your vote.

   b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

   c) How to retrieve your 'initial password'?

      (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

      (ii) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered

6. If you are unable to retrieve or have not received the " Initial password" or have forgotten your password:

   a) Click on "**Forgot User Details/Password**?"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.

   b) **Physical User Reset Password**?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.

   c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.

   d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

8. Now, you will have to click on "Login" button.

9. After you click on the "Login" button, Home page of e-Voting will open.

**Details on Step 2 is given below:**

**How to cast your vote electronically on NSDL e-Voting system?**

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.

2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.

3. Select "EVEN" of company for which you wish to cast your vote.

4. Now you are ready for e-Voting as the Voting page opens.

5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.

6. Upon confirmation, the message "Vote cast successfully" will be displayed.

7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.

8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

**General Guidelines for shareholders**

1 Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to cs.vmanda@gmail.com with a copy marked to evoting@nsdl.co.in.

2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.

3. In case you have any queries you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request at Email evoting@nsdl.co.in.

**Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:**

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to hrbflrltd@yahoo.com.

2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to hrbflrltd@yahoo.com.

3. Route Map showing directions to reach to the venue of the 28th AGM is given at the end of this Notice as per the requirement of the Secretarial Standards-2 on "General Meeting".

**Place: Jaipur**
**Date: 11-08-2023**

**By order of the Board of Directors**
For **H R B Floriculture Limited**

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

**Shubhali Khandelwal**
**Company Secretary & Compliance officer**
**Membership No.:A56914**

## Annexure to Item No. 2 of the Notice of the 28th AGM

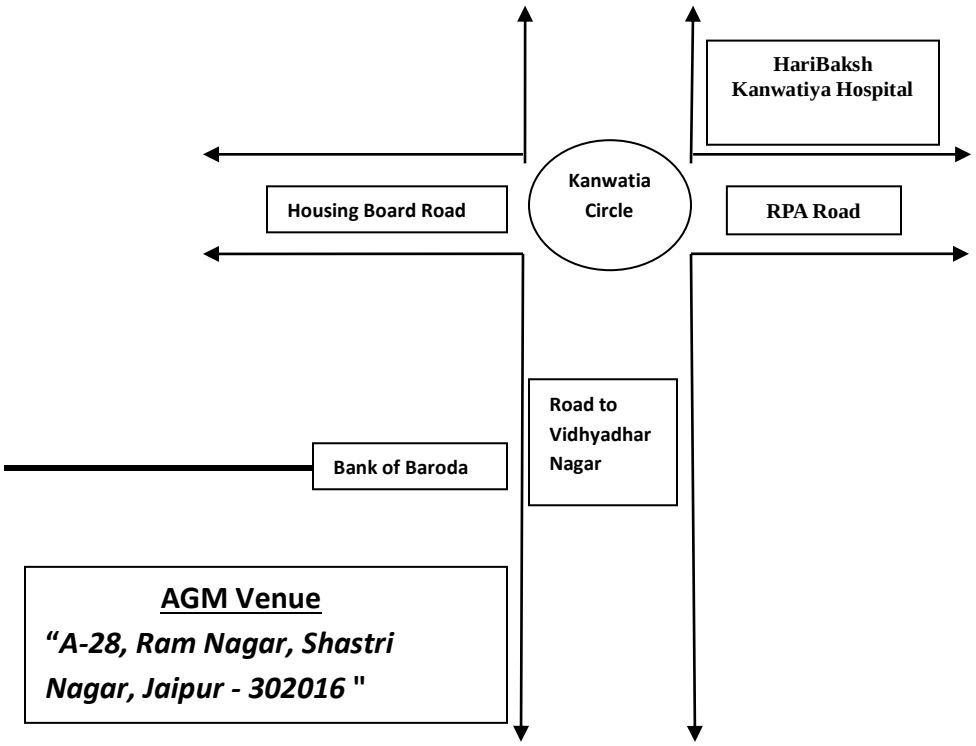
*Brief profile and other relevant details of Director seeking re-appointment at the forthcoming Annual General Meeting*

*{Pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard-2:-}*

| | |
|---|---|
| **Name of the Director** | Mrs. Sunita Parwal<br>Director |
| **DIN (Director Identification Number)** | 00228289 |
| **Date of Birth & Age** | 12/10/1959 & 64 years |
| **Date of First Appointment on the Board of the Company** | 20/02/1995 |
| **Nationality** | Indian |
| **Qualifications** | Bachelor's in Arts |
| **Brief Resume** | Mrs. Sunita Parwal is a Nonexecutive Director in the Company She is associated with the Company since 1995 and continuously making efforts to take the Company on higher level with her administration and supervision skills |
| **Experience & Expertise in specific functional areas** | Possesses the experience of 20 years in General Administration |
| **Terms and Conditions of re-appointment** | Proposed Non-Executive Director, liable to retire by rotation. |
| **Remuneration** | Remuneration sought to be paid: NIL<br>Remuneration last drawn: NIL |
| ***List of Companies in which outside Directorship held as on 31/03/2023** | 1. Sufal Granites Private Limited<br>2.HRB Constructions Private Limited |
| **Names of listed entities in which the person also holds the directorship and the membership of Committees of the board along with listed entities from which the person has resigned in the past three years** | NIL |
| **Chairman / Member in Committees of the Boards of other Companies in which she is Director** | NO |
| **Number of Shares held in the Company** | 80,100 |
| **Relationship with other Directors, Managers and KMP** | Wife of Mr. Krishan Kumar Parwal, Managing Director |
| **Number of meetings of Board attended during the year** | 4 |

* ***Includes the Private Companies also.***

## Route map to the venue of the 27th AGM



# H R B 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

**To,**
**The Shareholders,**

Your Directors take pleasure to present the 28th Annual Report together with the Audited Financial Statements of the Company for the Financial Year ended on 31st March, 2023.

### 1. Financial Summary

The Company's Financial Performance for the year ended on 31st March, 2023 is summarized below:

**(Amount in Rs. Hundreds)**

| Particulars | Financial Year 2022-23 | Financial Year 2021-22 |
|---|---|---|
| Net Profit/(Loss) for the year (before depreciation and tax) | (-5308) | (5,157) |
| **Less:** Depreciation/ Amortization | | 144 |
| **Net Profit/(Loss) for the year (after depreciation before tax)** | | (5,301) |
| **Less:** | - | - |
| Income Tax | - | - |
| Deferred Tax | (272) | (66) |
| **Net profit/loss for the year (after depreciation and tax)** | (5,580) | (5,367) |
| Brought Forward Profit/(Loss) from last year | (3,57,330) | (3,51,963) |
| Depreciation excess claimed | - | - |
| Balance as at year end carried over to next year | **(362910)** | **(357330)** |

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

The Company is mainly engaged in the business of agricultural activities and dealing in securities market. The Company's financial performance has started dropping 4-5 years ago. The highlights of the Company's performance are as under:-

During the year under review, the total income of the company stood at Rs. 33/- as against Rs. 3156/- in previous financial year. The Net Loss before Tax is Rs. 5308,/- as against loss of Rs. 5,157/- in last financial year and the Net Loss after Tax is Rs. 5,580/- as against loss of Rs.5,367/- in the last Financial year (Amount in Rs. Hundreds).

The Company's financial position improved during the year as compared to the previous Financial Year. The Company has conducted some business activity during the Financial Year 2022-23 and but the net worth of the Company is in negative and your Directors will strive to improve the performance for the growth of the Company.

**3. Dividend**

In view of losses incurred during the year, your Directors regret their inability to recommend any dividend for the Financial Year 2022-23.

**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 31st March, 2023.

**5. Capital Structure**

During the Financial Year 2022-23, 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 Lakh and Sixty Three Thousand only). The Company has not issued any shares / debentures during the financial year.

**6. Material changes and commitments**

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 to which the financial statements relate till the date of the report.

**7. Human Resources**

Human Resources are invaluable assets of the Company. The Organisation takes pride in its human capital, which comprises of people from diverse backgrounds and cultures. In order to sustain this vital resource, the Company continues to build on meritocracy that will aid the organisation to be ready to embrace the new competencies for a sustainable future.

Various women friendly facilities like flexi-work timing and Anti-Sexual harassment policy has supported the women employees in carrying on with their career along with other responsibilities.

Special activities focusing on health, well-being and stress-free life is also organised thereby fostering employees personal and professional growth.

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.

**8. Directors and Key Managerial Personnel**

**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 applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

As on 31st March, 2023 there are (6)six Directors on the Board of Company out of which one is Executive Director, (5) are Non-Executive Directors including (3)three Independent Directors.

During the year, there were no changes the Board of the Company.

- **Retire by Rotation**

In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company, Mrs. Sunita Parwal (DIN:00228289) is retiring by rotation at the ensuing Annual General Meeting, and being eligible for re-appointment seeks re-appointment as Director of the Company. The Board and Nomination and Remuneration Committee recommended her re-appointment at the ensuing Annual General Meeting.

At the last Annual General Meeting of the Company held on 29th September, 2022, Mr. Vinod Upadhyaya (DIN:07809571)) was liable to retire by rotation and was re-appointed as Director, being eligible for the same.

- **Woman Director**

The Company has Mrs. Sunita Parwal (DIN:00228289) as Woman Director in the Board of the Company 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 Company presently has on its Board, three Independent Directors, namely:-

1. Mr. Vimal Jugalkishor Chandak (DIN: 02550154)
2. Mr. Ramesh Kumar Somani (DIN: 05297951)
3. Mr. Amit Sharda (DIN: 05297954)

These Independent Directors were appointed on their second term and the tenure of these Independent Directors will be 5 years from their date of appointment which is 1st April, 2019 till 31st March, 2024. Also, Independent Directors are not liable to retire by rotation.

The Company has received declarations as per Rule-6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, amended as on date has been received from all the independent directors. Further, they also affirmed compliance regarding online registration with the 'Indian Institute of Corporate Affairs" (IICA) for inclusion of name in the databank of Independent Directors. With regard to proficiency of the Independent Directors, ascertained from the online proficiency self-assessment test conducted by the Institute, as notified under sub section (1) of Section 150 of the Companies Act, 2013, the Board of Directors have taken on record the declarations submitted by Independent Directors that they are exempt from appearing in the test or they have passed the exam as required by the institute.

The Board of the Company confirms that the Independent Directors have complied with the Code for

Independent Directors prescribed in Schedule IV of the Act.

The Company has devised the following policies:-

- Terms and Conditions for appointment of Independent Directors available on the following web link https://hrb.co.in/Terms%20&%20Conditions%20for%20Independent%20Directors.pdf.
- Code of Conduct of Independent Directors available on the following web link https://hrb.co.in/COC%20Independent%20Director-converted.pdf.

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

| Name of Directors | Designation/Category | *Directorship held in other Companies as on 31-03-2023 | *Committee Membership/ Chairmanship held in other Companies as on 31-03-2023 |
|---|---|---|---|
| **Mr. Krishan Kumar Parwal** DIN:00228200 | Managing Director | 4 | NIL |
| **Mr. Vinod Upadhyaya** DIN: 07809571 | Non-Executive Director & Chief Financial Officer | NIL | NIL |
| **Mrs. Sunita Parwal** DIN:00228289 | Non-Executive Director | 2 | NIL |
| **Mr. Ramesh Kumar Somani** DIN:05297951 | Non-Executive Independent Director | NIL | NIL |
| **Mr. Amit Sharda** DIN:05297954 | Non-Executive Independent Director | NIL | NIL |
| **Mr. Vimal Jugalkishor Chandak** DIN:02550154 | Non-Executive Independent Director | 1 | NIL |

* Includes private and public Companies

**b) No. of Board Meetings**

The Board of Directors of your Company met 4 (Four) times during the Financial Year 2022-23 (on 28.05.2022, 12.08.2022, 07.11.2022, 14.02.2023). The details of Board Meetings and the attendance of the Directors thereat are provided below. The intervening time gap between two consecutive Meetings of the Board was within the limit prescribed under the Companies Act, 2013.

| Name of Directors | Category | No. of Board Meetings held | No. of Board Meeting attend | Attendance at last AGM |
|---|---|---|---|---|

| | | | | |
|---|---|---|---|---|
| **Mr. Krishan Kumar Parwal** DIN:00228200 | Managing Director | 4 | 4 | Yes |
| **Mrs. Sunita Parwal** DIN:00228289 | Non-Executive Director | 4 | 4 | Yes |
| **Mr. Ramesh Kumar Somani** DIN:05297951 | Non-Executive Independent Director | 4 | 4 | Yes |
| **Mr. Amit Sharda** DIN:05297954 | Non-Executive Independent Director | 4 | 4 | Yes |
| **Mr. Vimal Jugalkishor Chandak** DIN:02550154 | Non-Executive Independent Director | 4 | 4 | Yes |
| **Mr. Vinod Upadhyaya** DIN: 07809571 | Non-Executive Director & Chief Financial Officer | 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:-

| Name of Key Managerial Personnel (KMP) | Category |
|---|---|
| Mr. Krishan Kumar Parwal | Managing Director |
| Mr. Vinod Upadhyaya | Chief Financial Officer |
| Ms. Nitiksha Khandelwal (With effect from 29-06-2021 to 01-11-2022) | Company Secretary |
| Ms. Shubhali Khandelwal (with effect from 07-11-2022) | Company Secretary |

## 9. 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 Audit Committee of the Company is constituted in line with the Section 177 of the Companies Act, 2013 and the Rules notified by the Central Government in this regard. The Board decides the Membership and terms of reference of the Audit Committee within the framework laid down by Companies Act. The Committee comprises of three Independent Directors including the Chairman of the Committee. 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.

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

**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.** Meetings:

During the Financial Year 2022-23, Four (4) Audit Committee Meetings were held i.e. on 28.05.2022, 12.08.2022, 07.11.2022, 14.02.2023 and not more than one hundred and twenty days lapsed between two consecutive meetings of the Audit Committee.

The attendance of each committee member of Audit committee is as under:-

| Name of Members | Category | No. of Committee Meetings held | No. of Committee Meetings attended |
|---|---|---|---|
| **Mr. Amit Sharda(Chairman)** DIN:05297954 | Non-Executive Independent Director | 4 | 4 |
| **Mr. Ramesh Kumar Somani** DIN:05297951 | Non-Executive Independent Director | 4 | 4 |
| **Mr. Vimal Jugalkishor Chandak** DIN:02550154 | Non-Executive Independent Director | 4 | 4 |

- **Nomination and Remuneration Committee:**

The Nomination and Remuneration Committee formulates the criteria for remuneration of Directors, Senior Management and Key Managerial Personnel and, after evaluation, recommends the same to the Board of Directors. This Committee also evaluates the performance of Directors from time to time-based upon descriptive performance evaluation forms. Non-Independent Directors conduct a detailed evaluation of the performance of Independent Directors based upon a pre-filled questionnaire setting out expectations from Independent Directors and their actual performance on same.

The Nomination and Remuneration Committee was constituted by the Board. The Committee comprises of three Independent Directors including the Chairman of the Committee. Mr. Vimal Jugalkishor Chandak is the Chairman of the Committee.

i. Terms of Reference:

The Committee is empowered to-

a) Formulate criteria for determining qualifications, positive attributes and independence of Directors and evaluating the performance of the Board of Directors;

b) 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;

c) Support Board in evaluation of performance of all the Directors & in annual self-assessment of the Board's overall performance;

d) Conduct Annual performance review of MD and CEO and senior management employees;

e) Formulate a policy relating to remuneration for the Directors, Committee and also the senior management employees.

ii. Meetings:

The Committee met three(3) times during the Financial Year ended on 31st March, 2023 on 28.05.2022, 12.08.2022,07.11.2022 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 |
|---|---|---|---|
| **Mr. Vimal Jugalkishor Chandak** DIN:02550154 | Chairman Independent Director | 3 | 3 |
| **Mr. Ramesh Kumar Somani** DIN:05297951 | Member Independent Director | 3 | 3 |
| **Mr. Amit Sharda** DIN:05297954 | Member Independent Director | 3 | 3 |

➢ **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.

The Stakeholders Relationship Committee consists of three Independent Directors including the Chairman of the Committee. Mr. Ramesh Kumar Somani is the Chairman of the Committee.

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.

ii. Meetings:

The Committee met Four (4) times on 28.05.2022, 12.08.2022, 07.11.2022, and 14.02.2023 during the Financial Year ended on 31st March, 2023. The attendance of each member at the meeting is as under:-

| Name of Directors | Category | No. of Committee Meetings held | No. of Committee Meeting attend |
|---|---|---|---|
| **Mr. Ramesh Kumar Somani** DIN:05297951 | Chairman Independent Director | 4 | 4 |
| **Mr. Vimal Jugalkishor Chandak** DIN:02550154 | Member Independent Director | 4 | 4 |
| **Mr. Amit Sharda** DIN:05297954 | Member Independent Director | 4 | 4 |

**10. Performance Evaluation:**

In terms of the requirement of the Companies Act, 2013 an annual performance evaluation of the Board is undertaken where the Board formally assesses its own performance with an aim to improve the effectiveness of the Board and the Committees. During the year, Board Evaluation cycle was completed by the Company internally which includes the evaluation of the Board as a whole, committees, independent directors and other individual directors. The evaluation process focused on various aspects of the functioning of the Board and Committees such as composition of the Board and Committees, experience and competencies, performance of specific duties and obligations, governance issues, etc. The guidance note issue by Securities and Exchange Board of India on Board Evaluation was duly considered while conducting the evaluation exercise. Separate exercise was carried out to evaluate the performance of individual Directors on parameters such as attendance, contribution and independent judgment.

- **By BOD:**

  The Board of Directors of the Company evaluated and assessed the performance of the Company's Chairman, Individual Directors, Board as a whole and its Committees on the basis of parameters set by the Nomination and Remuneration Committee on emerging and leading practices and performance criteria such as strategic engagement, knowledge, diligence, ethics & values, oversight of the financial reporting process, including Internal Controls and Composition of the Board and its Committees etc.

- **By NRC:**

  The Nomination and Remuneration Committee has also carried out evaluation of the performance of all the Directors.

- **By Independent Directors:**

  Independent Directors of your Company have also conducted in-depth evaluation of performance of Non Independent Directors and Board as a whole.

**11. 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 web link of the company, i.e. https://hrb.co.in/Code%20of%20Conduct%20Policy-converted.pdf. All the Board members and the senior management personnel have affirmed compliance with the Code of Conduct during the year ended on 31st March, 2023 and a declaration was also submitted to the Company for compliance of the same.

**12. Auditors and Auditors' Report**

**i. Statutory Auditors**

M/s Gupta Rajiv & Associates, Chartered Accountants, Jaipur (FRN: 004915C) were appointed as Statutory Auditors of the Company to hold office for a term of five years from the conclusion of the 22nd Annual General Meeting of the Company held on 26th September, 2017, till the conclusion of the 27th AGM. Accordingly, the tenure is being concluded in the AGM to be held on 29th September, 2022 in the calendar year 2022. Hence, it was recommended by the Audit Committee for re-appointment of M/s. Gupta Rajiv & Associates, Chartered Accountants for second consecutive term of five years.

Based on the recommendation of the Audit Committee, the Board has approved the re-appointment of M/s. Gupta Rajiv & Associates for the second consecutive term of five years from the conclusion of the 27th Annual General Meeting of the Company till the conclusion of the 32nd Annual General Meeting of the Company to be held in year 2027 subject to approval of shareholders of the Company.

As required under the provisions of Section 139(1) of the Companies Act, 2013, the company has obtained a written consent and certificate from the above mentioned Auditors to the effect that they confirm with the limits specified in the said Section and eligibility certificate stating that they are not disqualified within the meaning of Section 141 of the Companies Act, 2013.

Further, the Audit Report on the Financial Statements for the financial year ended on 31st March, 2022 given by M/s Gupta Rajiv & Associates, Chartered Accountants, Jaipur does not contain any qualification, reservation or adverse remark and the observations of the auditors are self- explanatory and have been explained/ clarified wherever necessary in appropriate notes to Accounts. Further, pursuant to Section 143 (12) of the Companies Act, 2013, the Statutory Auditors of the Company have not reported any instances of frauds committed in the Company by its officers or employees.

**ii. Secretarial Auditors**

Pursuant to the requirements of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board had appointed M/s. V.M. & Associates, (Firm Registration No.P1984RJ039200), Company Secretaries, Jaipur, as Secretarial Auditors of the Company to conduct Secretarial Audit for the Financial Year 2022-23.

The Secretarial Audit Report in form MR-3 for the Financial Year ended on 31st March, 2023 is annexed to this report as **"Annexure-1"**

The Management's Reply on the Secretarial Audit Report is as under:-

| Sr. No. | Observations | Management's Reply |
|---|---|---|
| 1. | The Company has not paid annual listing fees to the Stock Exchange(s); | The Company has made an application for delisting of its shares in April, 2017 to BSE and continuously sending reminders thereafter for the same. The Company has also provided the written confirmation of compulsory delisting to BSE. The matter is pending at the end of BSE and that is the reason the Company has not paid listing fees to BSE. |
| 2. | The Company has been suspended from BSE Limited due to penal | The Company has made several applications for Delisting to BSE but BSE is delaying the matter |

| | | |
|---|---|---|
| | reasons; | since 2017. |
| 3. | The Company has been non-compliant with maintaining SDD under SEBI (PIT) Regulations, 2015 | The company does not have adequate funds , to manage the day to day expenses of the Business. Hence , company is not maintaining SDD Software. The Company has made an application for delisting of its shares in April, 2017 to BSE and continuously sending reminders thereafter for the same. The Company has also provided the written confirmation of compulsory delisting to BSE. Further the Company is also planning for voluntary winding up and will initiate the process soon. |
| 4. | The Company has been non-compliant with certain provisions of Securities and Exchange Board of India (Listing Regulations and Disclosure Requirements) Regulations, 2015. | The Company has inadequate funds to run daily affairs of the company. Further the Company is also planning for voluntary winding up and will initiate the process soon. |

Further, the Board of Directors of the Company, in its meeting held on May 26, 2023 has re-appointed M/s V.M. & Associates, (Firm Registration No. P1984RJ039200) Company Secretaries, Jaipur, as Secretarial Auditors of the Company to conduct Secretarial Audit for the Financial Year 2023-24 after getting the receipt of eligibility and written consent from M/s V.M. & Associates for the same. Also, the Secretarial Auditors of the Company have not reported any instances of frauds committed in the Company by its officers or employees.

**iii. Internal Auditors**

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 to conduct the Internal Audit of the Company for the Financial Year 2022-23. Accordingly, M/s. C.R. Birla & Co. conducted Internal Audit of the Company for the Financial Year 2022-23 and provided Quarterly Internal Audit Reports during the Financial Year 2022-23. Also, the Internal Auditors of the Company have not reported any instances of frauds committed in the Company by its officers or employees.

The Board of Directors of the Company in its meeting held on May 26, 2023 have re-appointed M/s C.R. Birla & Co., (FRN: 005189C), Chartered Accountants, Jaipur, as Internal Auditors of the Company for the Financial Year 2023-24 after getting the receipt of eligibility certificate and consent from M/s C.R. Birla & Company for the same.

**13. Contracts and arrangements with Related Parties**

During the Financial year 2022-23, the company has not entered into any contract or arrangement in the nature of Related Party Transaction under sub-section (1) of section 188 of the Companies Act, 2013. Thus, disclosure in FormAOC-2 is not required.

The policy on Related Party Transactions laid down by the Board of the Company may be accessed on the following web link https://hrb.co.in/RELATED%20PARTY%20TRANSACTIONS%20POLICY_REVISED(1).pdf.

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

During the year under review, the company has not provided any loan or given any guarantee or provided security in connection with a loan nor it has acquired by way of subscription, purchase or otherwise the securities of any other body corporate.

**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 Board 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.

To overcome such risk, the Board has envisaged a Risk Management Policy which covers the ways and manner through which the Company is coping with these associated risks. The Policy gets regularly reviewed by the Board of Directors and altered time to time according to the situations and circumstances.

The Risk Management Policy laid down by the Board of the Company may be accessed on the following web link https://hrb.co.in/risk%20management%20policy.pdf.

**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 placed adequate Internal Financial Controls with reference to financial statements.

The Board appointed M/s C.R. Birla & Co., Chartered Accountants, Jaipur (FRN: 005189C) as the Internal Auditor of the Company for the Financial Year 2022-23. To maintain its objectivity and independence, auditor directly reports to the Chairman of the Audit Committee of the Company. Further, the Statutory Auditors have also, in compliance with the requirements of the Companies Act, 2013, issued an opinion with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls details of which may be referred to in the Auditor's Report attached to the Audited Financial Statements of Financial Year 2022-23.

**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 2"** 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 employees in terms of remuneration drawn during the year is as follows:-

| Sr. No. | Name | Vinod Upadhyaya | **Nitiksha Khandelwal | **Shubhali Khandelwal |
|---|---|---|---|---|
| 1 | **Designation of the employee** | Chief Financial Officer | Company Secretary | Company Secretary |
| 2 | **Remuneration received** | NIL | NIL | Rs. 96000 |
| 3 | **Nature of employment, whether contractual or otherwise** | On roll | On roll | On roll |
| 4 | **Qualifications and experience of the employee** | M.A<br>11 years | CS | B,COM,CS, L.L.B.<br>4 Years |
| 5 | **Date of commencement of employment** | 22/05/2017 | 29/06/2021 | 07/11/2022 |
| 6 | **The age of such employee** | 64 years | 26 years | 29years |
| 7 | **The last employment held by such employee before joining the company** | Worked in a Private Company | CS | CS |
| 8 | **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 |
| 9 | **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 |

*The number of employees was 2 on the rolls of the Company as on 31-03-2023.
** Ms. Shubhali Khandelwal was appointed as Company Secretary w.e.f. 07.11.2022.
*** Ms. Nitiksha Khandelwal has resigned from the post of Company Secretary of the Company w.e.f. 01.11.2022.

**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. Vinod Upadhyaya (Non- Executive Director & CFO) is being paid for holding office in the capacity of Chief Financial Officer only, in the Company.

**18. Nomination and Remuneration Policy**

Nomination and Remuneration Policy (NR Policy) was formulated by the Company in accordance with the requirements of the provisions of Section 178 of the Companies Act, 2013.

The scope and coverage under the Nomination and Remuneration Policy is briefly mentioned in the policy which inter alia includes:- the criteria for appointment, re-appointment and removal of Directors,

KMP and other senior management in the Company and also their remuneration; the criteria of performance evaluation of Independent and Individual Directors of the Company etc. Also, during the financial year, the Nomination and Remuneration Policy of the Company was amended by the Board of Directors.

The Nomination and Remuneration Policy laid down by the Board of the Company may be accessed on the following web link https://hrb.co.in/NRC%20Policy.pdf.

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

Whistle Blower Policy/Vigil Mechanism was formulated by the Company 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. It also provides adequate safeguards against victimisation of Directors/Employees who avail the mechanism and are free to report violations of applicable laws and regulations and code of conduct.

All Employees and Directors of the Company are eligible to make Protected Disclosures to the Chairman of the Audit Committee. No employee was denied to directly access the Chairman of the Audit Committee during the year. There is no whistle blower event reported during the year and mechanism is functioning well.

The Whistle Blower Policy and Vigil Mechanism laid down by the Board may be accessed on the following web link: https://hrb.co.in/whistle%20blower%20policy%20&%20vigil%20mechanism.pdf.

**20. Significant and Material Orders passed by Regulators, Courts and Tribunals.**

During the Financial Year 2022-23, the Company has not received any order and earlier one SEBI order received in the month of June, 2019 vide order no. WTM/GM/CFD/13/2019-20 dated 10-06-2019 in the matter of non-compliance with the requirement of minimum public shareholding by the Company.

The Board of Directors of the Company further inform that the above order as received was timely informed to the BSE pursuant to Regulation 30 of the Listing Regulations.

**21. Penalties imposed by Regulators, Courts and Tribunals.**

During the Financial Year 2022-23, no penalty has been imposed on the Company by any of the Regulators, Courts or Tribunal.

**22. Code of Conduct for Prohibition of Insider Trading**

The Company has laid down a policy on Code of Conduct for Prohibition of Insider Trading pursuant to SEBI (Prohibition of Insider Trading) Regulations, 2015.

The Code of Conduct also includes the handling and reporting in case of leakage of Unpublished Price Sensitive Information of the Company.

Further, the Company has made changes time to time in the said policy as per the amendments made by the Securities and Exchange Board of India in SEBI (Prohibition of Insider Trading) Regulations, 2015. 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 was closed from the starting of quarter till 48 hours after the declaration of results and occurrence of any material events as per the code. The Code of Conduct for Prohibition of Insider Trading may be accessed on the following web link: https://hrb.co.in/Insider%20Trading%20ammended%20code.pdf.

**23. Annual Return**

Pursuant to Section 134 (3) (a) and Section 92 (3) of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014, the copy of the Annual Return as on 31st March 2023 is available on the website of the Company at https://hrb.co.in/code.html.

**24. Particulars with respect of Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and outgo:**

The information regarding conservation of energy, technology absorption, foreign exchange earnings and outgo as required under section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 forms part of this report as **"Annexure-3"**

**25. 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 to 76 of the Companies Act, 2013, read with the Companies (Acceptance of Deposits) Rules, 2014.

Your Company has taken loan **of Rs. 41,00,000 /- (Rupees Forty One Lakh) from one of the Directors which is covered under the exemptions of Deposits**. You can also refer "Note No. 11" of the financial Statements attached to this Boards' Report.

**26. Corporate Governance Report**

Pursuant to the provisions of Regulation 15 (2) (a) of the Listing Regulations, compliance with the corporate governance provisions are not applicable 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 Regulations 17 to 27, clauses (b)to (i) and (t)of sub-regulation 2 of regulation 46 and para C,D and E of ScheduleV 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 Listing Regulations does not form part of this Annual Report for the Financial Year 2022-23.

**27. Management Discussion and Analysis Report**

The Management Discussion and Analysis Report as required under Regulation 34 (2) (e) of the Listing Regulations forms part of this report as **"Annexure-4"**.

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

Your 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 2022-23:-

- No. of Complaints at the beginning of the Year:**Nil**
- No. of Complaints received: **NIL**
- No. of Complaints disposed off: **NA**
- No of Complaints at the end of the Year**:Nil**

**29. Company's Other Policies**

Your Company strive to conduct its business and strengthen the relationships in a manner that is dignified, distinctive and responsible.

Accordingly, the Board of Directors have adopted various codes and policies to carry out the duties in an ethical manner. Apart from the Codes/Policies already mentioned above, following are a few more which have been adopted by the Company:-

- Anti-Sexual Harassment Policy.
- Policy for determining materiality of events/information;
- Preservation of Documents & Archival Policy.
- Prevention & Utilization of Stationery Policy.

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

**30. 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),** 14th Floor, Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai- 400 001 | INE284D01016 | 531724 |

**31. Secretarial Standards**

During the Financial Year 2022-23, your Company has complied with all the applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

**32. 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 the 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, 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.

**33. Corporate Insolvency Resolution Process Initiated Under The Insolvency And Bankruptcy Code, 2016 (IBC)**

During the financial year 2022-23, No application has been filed for corporate insolvency resolution process, by a financial or operational creditor or by the company itself under the IBC before National Company Law Tribunal (NCLT).

**34. Other Disclosures**

Other disclosures with respect to Board's Report as required under the Companies Act, 2013 and the rules notified thereunder are either NIL or NOT APPLICABLE.

**35. Acknowledgement**

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 and committed services.

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

**For and on behalf of the Board of Directors**
For **H R B Floriculture Limited**

**Place: Jaipur**
**Date: 11-08-2023**

**Krishan Kumar Parwal**
**Managing Director**
**DIN: 00228200**

**Vinod Upadhyaya**
**Director**
**DIN: 07809571**

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDEDMARCH31, 2023

[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, the explanations and clarifications given to us and the representations made by the Management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic,we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended onMarch 31, 2023("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, 2023according 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, 2018(Not applicable to the Company during the Audit Period);
    (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (Not applicable to the Company during the Audit Period);
    (e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021(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, 2021 (Not applicable to the Company during the Audit Period);
    (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018(Not applicable to the Company during the Audit Period);

(i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

(vi) As confirmedby 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 Agreemententered into by the Company with BSE Limited and The Calcutta Stock Exchange Limited.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned aboveexcept that:

1. The Company has not paid annual listing fees to the Stock Exchange(s);
2. The Company has been suspended from BSE Limited due to penal reasons;
3. The Company has been non-compliant with maintaining SDD under SEBI (PIT) Regulations, 2015
4. The Company has been non-compliant with certain provisions of Securities and Exchange Board of India (Listing Regulations 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 advanceand 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.

Place: Jaipur
Date: August 11, 2023
UDIN: F011024E000788724

For V. M. & Associates
Company Secretaries
(ICSI Unique Code P1984RJ039200)
PR 581 / 2019

CS Sunita Agarwal
Partner
Membership No.: FCS11024
C P No.: 11097

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: August 11, 2023
UDIN: F011024E000788724
P1984RJ039200)

For V. M. & Associates
Company Secretaries
(ICSI Unique Code
PR 581 / 2019

CS Sunita Agarwal
Partner
Membership No.: FCS11024
C P No.: 11097

**"Annexure-2"**

**Analysis of Managerial Remuneration**

**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 2022-23:-

| Name of Director | Ratio to the Median |
|---|---|
| Mr. Krishan Kumar Parwal, Managing Director | *NIL |
| Mrs. Sunita Parwal, Director | *NIL |
| Mr. Vimal Jugalkishor Chandak, Independent Director | *NIL |
| Mr. Amit Sharda, Independent Director | *NIL |
| Mr. Ramesh Kumar Somani, Independent Director | *NIL |
| Mr. Vinod Upadhyaya, Director | *NIL |

*Since no remuneration has been paid to any of the Directors of the Company during the year 2022-23.

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 2022-23:-

| Name | % Increase |
|---|---|
| Mr. Krishan Kumar Parwal, Managing Director | NIL |
| Mrs. Sunita Parwal, Director | NIL |
| Mr. Vimal Jugalkishor Chandak, Independent Director | NIL |
| Mr. Amit Sharda, Independent Director | NIL |
| Mr. Ramesh Kumar Somani, Independent Director | NIL |
| Mr. Vinod Upadhyaya, Director & CFO | NIL |
| *Ms. Shubhali Khandelwal, Company Secretary | NIL |

*Appointed w.e.f 07.11.2022

iii. The percentage increase in the median remuneration of employees in the Financial Year 2022-23: 0%

iv. The number of permanent employees was 2 on the rolls of the Company as on 31st March, 2023.

v. Average percentile increase already made in the salaries of employees other than the managerial personnel in the year before 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: there is no 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.

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

**For and on behalf of the Board of Directors**
For **H R B Floriculture Limited**

**Place: Jaipur**
**Date: 11-08-2023**

**Krishan Kumar Parwal**
**Managing Director**
**DIN: 00228200**

**Vinod Upadhyaya**
**Director**
**DIN: 07809571**

**"Annexure-3"**

**Conservation of Energy, Technology Absorption and Foreign Exchange and Outgo**

Information as required u/s 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 pertaining to measures for Conservation of Energy, Technology Absorption and Details of Foreign Exchange Earning and Outgo forming part of this Report for Financial Year 2022-23

*The Company has conducted no production activity during the Financial Year 2022-23 and also, the net worth of the Company is in negative hence the capital investments and steps required regarding energy conservation are not taken by Company during this year.*

**A. Conservation of Energy:-**

| Sr. No. | Particulars | Detail |
|---|---|---|
| (i) | The steps taken or impact of conservation of energy | In order to conserve energy, the company has taken various steps like increased the usage of low electricity consuming monitors in place of conventional monitors. |
| (ii) | The steps taken by the Company for utilising alternate sources of energy | The Company is using energy efficient cooling systems for its operations. In similar ways, energy efficient lighting systems like LEDs have been widely used in the office of the Company |
| (iii) | The capital investment on energy conservation equipments | Nil |

**B. Technology Absorption:-**

| Sr. No. | Particulars | Detail |
|---|---|---|
| (i) | the efforts made towards technology absorption | The Company has not made any Technological absorption by making investment during the year. |
| (ii) | The benefits derived like product improvement, cost reduction, product development or product substitution | N/A |
| (iii) | Technology imported (during the last three years)<br>a) Details of the technology imported<br>b) Year of import<br>c) Whether the technology has been fully absorbed and if not, areas where absorption has not taken place and reasons thereof | N/A |
| (iv) | The expenditure incurred on research and development | Company is unable to provide any efforts in Research & Development |

**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 and there was no outgo.

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

**For and on behalf of the Board of Directors**
For **H R B Floriculture Limited**

**Place: Jaipur**
**Date: 11.08.2023**

**Krishan Kumar Parwal**
**Managing Director**
**DIN: 00228200**

**Vinod Upadhyaya**
**Director**
**DIN: 07809571**

**"Annexure-4"**

**Management Discussion & Analysis Report**

Management's Discussion and Analysis Report for the year ended 31 March,2023, as stipulated under Regulation 34 (2) (e) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, include the following:-

Overview

The Company was involved in production & selling of agricultural produce like gram, guar, ground nut, onion, bajra etc. & trading in securities and has completed 28 years in this business.

The Company has conducted no business activity during the Financial Year 2022-23 and also, the net worth of the Company is in negative.

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 publicly 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. The year 2022-23 has also proved to be a challenging one for Indian Agriculture with the adverse effect of Monsoon resulting in scattered and uneven rains across the country. Our Company is not in the state of working currently as the Company has negative net worth.

The Government has provided for higher allocations 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

The Board is hopeful of improving in the years to come.

(C) Segment or product-wise Performance

The Company does not conduct any of its business activities during the year under review.

(D) Risks, Concerns & Threat

The after effects of global health pandemic COVID-19 is a new risk factor which has been added to the list. However, the effect of the pandemic can be seen globally and almost every industry has been greatly affected by this. The organisations are working very hard to make their businesses stable at this tough time. Along with this, the Competition among the companies worldwide, lockdown, lockouts etc. are such common constant risk factors which every company has to consider while working for the growth of the Company.

(E) Human Resources

Human Resources are key to the success of H R B. 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. Currently, the Company has 02 (two) permanent employees working full-time by contributing in the growth of the Company.

(F) 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.

(G) 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.

(H) 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 unhealthy and non-harmonious. In other words, the Company has not made changes in the human resource and currently have two permanent full time employees.

(I) Significant changes in Key Financial Ratios

There is no significant change (change of 25% or more as compared to the immediately previous financial year) in key financial ratios during the year under review and till the date of making this report.

(J) Changes in Return or Net Worth
(K) Cautionary Statement

The statements in the "Management Discussion and Analysis Report" describe your Company's objectives, projections, estimates and expectations which may be "forward-looking statements" within the meaning of the applicable laws and regulations. The actual results could differ materially from those expressed or implied, depending upon the economic and climatic conditions, government policies, taxation and other laws and other incidental factors.

**Registered Office:**
**A-28, Ram Nagar,**
**Shastri Nagar , Jaipur - 302016**
**Rajasthan**
**Place: Jaipur**
**Date: 11.08.2023**

**For and on behalf of the Board of Directors**
For **H R B Floriculture Limited**

**Krishan Kumar Parwal**
**Managing Director**
**DIN: 00228200**

**Vinod Upadhyaya**
**Director**
**DIN: 07809571**

## MD/CFO Certification

**To,**

**The Board of Directors**
**H R B 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 31st March, 2023 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 2022-23 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 we have taken or propose to take to rectify these 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 2022-23, if any;

2. Significant changes in accounting policies during the year 2022-23 and that the same have been disclosed in the notes to the financial statements; 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.

For **H R B Floriculture Limited**

**Place: Jaipur**
**Date: 26.05.2023**

**Krishan Kumar Parwal**
**Managing Director**
**DIN: 00228200**

**Vinod Upadhyaya**
**Director & CFO**
**DIN: 07809571**

GUPTA RAJIV & ASSOCIATES
CHARTERED ACCOUNTANTS

F 141, "ATULYAM", Azad Marg,
Jaipur 302001
gra@computaxonline.com
9829069100

***Independent Auditor's Report***

To the Members of **M/S HRB FLORICULTURE LTD**

Opinion

We have audited the financial statements of M/S HRB FLORICULTURE LTD ("the Company"), which comprise the Balance sheet as at 31st March 2023, and the statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and Statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023 and its loss, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Description of Key Audit Matter

1.Going Concern

See Note No. 29 to Financial Statements

We draw attention to Statement of Profit & Loss for the year ended 31st March 2023 which indicates that the company incurred a net loss of Rs. 5.58 lakhs during the year ended 31st March 2023 (Rs. 5.37 lakhs for year ended 31st March, 2022), and as of that date, the Company's current liabilities exceeded the current assets by Rs. 55.61 lakhs (Rs 50.031lakhs for year ended 31st March, 2022). These events indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern.

To address this matter, the situation has to be monitored by management in future from time to time.

Other Information

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and our auditors' report thereon. Our opinion on the standalone financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon. In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance 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 that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

• Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

• Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

• Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the 'Annexure A', a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143 (3) of the Act, we report that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
   *b)* In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
   c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
   d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

e) On the basis of the written representations received from the directors as on 31st March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.

f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in 'Annexure B'.

g) With respect to the matter to be included in the Auditor's Report under section 197(16), In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under section 197(16) which are required to be commented upon by us.

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company does not have any pending litigations which would impact its financial position except an order passed by SEBI in the matter of non-compliance with the requirement of Minimum Public Shareholding by the Company as shown in Note No. 26 of Notes forming part of Financial Statements.

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

iv. (a) The management has represented that, to the best of it's knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The management has represented, that, to the best of it's knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(c) Based on such audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material mis-statement.

v. No dividend have been declared or paid during the year by the company.

vi. Company has not used such accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility since the company was not required to have such accounting software for FY 22-23 pursuant to Notification No. G.S.R. 235(E). dated 31.03.2022 issued by MCA.

For **Gupta Rajiv and Associates**
Chartered Accountants
Firm Registration No. 004915C

**Kuldeep Saini**
Partner
M. No. 441824
UDIN : 22441824AJTZWX9353

Place: Jaipur
Dated : 26.05.2023

**Annexure 'A'**

**The Annexure referred to in paragraph 1 of Our Report on "Other Legal and Regulatory Requirements".**
**We report that:**

**(i) (a) (A) The company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment;**

**(B) The Company does not have any intangible assets. Accordingly, clause 3(i)(a)(B) of the Order is not applicable to the Company.**

**(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Property, Plant and Equipment have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification;**

**(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company does not have any immovable property and therefore this clause is not applicable.**

**(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets during the year. Accordingly, the reporting under Clause 3(i)(d) of the Order is not applicable to the Company.**

**(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.**

**(ii) (a) As explained to us & on the basis of the records examined by us, in our opinion, physical verification of inventory has been conducted at reasonable intervals by the management. In our opinion, the coverage and procedure of such verification by the management is appropriate. No discrepancy of 10% or more in the aggregate for each class of inventory were noticed on physical verification of stocks by the management as compared to book records.**

**(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company has not been sanctioned during any point of time of the year, working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order is not applicable.**

**(iii) According to the information and explanations given to us and on the basis of our examination of the records of the company, the company has not made investments in, nor provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year. Accordingly, provisions of clause 3(iii)(a), 3(iii)(b), 3(iii)(c), 3(iii)(d), 3(iii)(e) and 3(iii)(f) of the Order are not applicable to the Company.**

**(iv) According to the information and explanations given to us and on the basis of our examination of the records, in respect of loans, investments, guarantees, and security, provisions of section 185 and 186 of the Companies Act, 2013 have been complied with.**

**(v) The company has not accepted any deposits or amounts which are deemed to be deposits covered under sections 73 to 76 of the Companies Act, 2013. Accordingly, clause 3(v) of the Order is not applicable.**

**(vi) As per information & explanation given by the management, maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act.**

**(vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the company, the company is regular in depositing**

**undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues, as applicable on company, to the appropriate authorities. According to the information and explanation given to us there were no outstanding statutory dues as on 31st of March, 2023 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 on the basis of our examination of the records of the company, there is no statutory dues referred to in sub-clause (a) that have not been deposited on account of any dispute.**

**(viii) According to the information and explanations given to us and on the basis of our examination of the records of the company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.**

**(ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the company, the company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.**

**(b) According to the information and explanations given to us and on the basis of our examination of the records of the company, the company has not been declared a willful defaulter by any bank or financial institution or other lender;**

**(c) According to the information and explanations given to us by the management, the Company has not obtained any term loans during the year. Accordingly, clause 3(ix)(c) of the Order is not applicable.**

**(d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short term basis have been used for long term purposes by the company.**

**(e) The Company does not hold any investment in any subsidiary, associate or joint venture (as defined under the Act) during the year ended 31 March 2022. Accordingly, clause 3(ix)(e) is not applicable.**

**(f) The Company does not hold any investment in any subsidiary, associate or joint venture (as defined under the Act) during the year ended 31 March 2022. Accordingly, clause 3(ix)(f) is not applicable.**

**(x) (a) Based on our audit procedures and according to the information given by the management, the company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, clause 3(x)(a) of the Order is not applicable.**

**(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.**

**(xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the company or any fraud on the company has been noticed or reported during the course of audit.**

**(b) According to the information and explanations given to us, no report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government;**

**(c) According to the information and explanations given to us by the management, no whistle-blower complaints had been received by the company.**

**(xii) The company is not a Nidhi Company. Accordingly, clause 3(xii)(a), 3(xii)(b) and 3(xii)(c) of the Order is not applicable.**

**(xiii) In our opinion and according to the information and explanations given to us, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, where applicable and the details have been disclosed in the financial statements, as required by the applicable accounting standards;**

**(xiv) (a) Based on information and explanations provided to us and our audit procedures, the company has an internal audit system commensurate with the size and nature of its business;**

**(b) We have considered the internal audit reports of the Company issued till date for the period under audit.**

**(xv) In our opinion and according to the information and explanations given to us, the company has not entered into any non-cash transactions with directors or persons connected with him and hence, provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company**

**(xvi) (a) In our Opinion and based on our examination, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934). Accordingly, clause 3(xvi)(a) of the Order is not applicable.**

**(b) In our Opinion and based on our examination, the Company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable. ,**

**(c) In our Opinion and based on our examination, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.**

**(d) According to the information and explanations given by the management, the Group does not have any CIC as part of the Group.**

**(xvii) Based on our examination, the company has incurred cash losses in the financial year and in the immediately preceding financial year. Amount of cash loss during current financial year is Rs. 526076/- and in the immediately preceding financial year is Rs.515687/-.**

**(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.**

**(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, we are of the opinion that material uncertainty exists as on the date of the audit report that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any**

**(xx) guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will not get discharged by the company as and when they fall due.**

**(xxi) Based on our examination, the provision of section 135 are not applicable on the company. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.**

**(xxii) The company is not required to prepare Consolidate financial statement hence this clause is not applicable.**

For **Gupta Rajiv and Associates**
Chartered Accountants
Firm Registration No. 004915C
**Kuldeep Saini**
Partner
M. No. 441824

Place : Jaipur
Dated : 26.05.2023

**Annexure'B'**

***Report on Internal Financial Controls with reference to financial statements***

**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 M/S HRB FLORICULTURE LTD ("the Company") as of March 31, 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.**

**Management's Responsibility for Internal Financial Controls**

**The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. 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 judgement, 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**

**pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect**

1. **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 unauthorized 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, 2023, 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 **Gupta Rajiv and Associates**
Chartered Accountants
Firm Registration No. 004915C

**Kuldeep Saini**
Partner
M. No. 441824
UDIN :
Place : Jaipur
Dated : 26.05.2023

| HRB Floriculture Limited | | | |
|---|---|---|---|
| CIN: L01300RJ1995PLC009541 | | | |
| Balance Sheet as at 31st March, 2023 | | | |
| | | | (In Rs. Hundreds) |
| **Particulars** | **Note No** | **As at 31st March 2023** | **As at 31st March 2022** |
| | | | |
| **ASSETS** | | | |
| **Non-Current Assets** | | | |
| (a) Property, Plant and Equipment | 2 | - | 898 |
| (b) Deferred tax assets(Net) | 10 | - | 272 |
| **Total Non-Current Assets** | | **-** | **1,170** |
| | | | |
| **Current assets** | | | |
| (a) Inventories | 3 | - | - |
| (b) Financial Assets | | | |
| (i) Cash and cash equivalents | 4 | 1,233 | 770 |
| (ii) Bank balances other than (i) above | 5 | 671 | 637 |
| (iii) Others financial assets | 6 | - | - |
| (c) Current Tax Assets (Net) | 7 | - | - |
| **Total Current Assets** | | **1,904** | **1,407** |
| **Total Assets** | | **1,904** | **2,577** |
| | | | |
| **EQUITY AND LIABILITIES** | | | |
| **Equity** | | | |
| (a) Equity Share capital | 8 | 307,298 | 307,298 |
| (b) Other Equity | 9 | -362,909 | -357,329 |
| **Total Equity** | | **-55,611** | **-50,031** |
| **Current liabilities** | | | |
| (a) Financial Liabilities | | | |
| (i) Borrowings | 11 | 41,302 | 36,500 |
| (ii) Trade payables | 12 | | |
| -Total outstanding dues of Micro enterprises and Small enterprises | | - | - |
| -Total outstanding dues of creditors other than Micro enterprises and and Small enterprises | | 1,193 | 1,090 |
| (iii) Other financial liabilities | | - | - |
| (b) Other current liabilities | 13 | 20 | 18 |
| (c) Provisions | 14 | 15,000 | 15,000 |
| **Total Current Liabilities** | | **57,515** | **52,608** |
| **Total Equity and Liabilities** | | **1,904** | **2,577** |
| **Significant Accounting policies** | 1 | | |
| **The notes referred to above form an integral part of financial statements** | | | |
| | | | |
| **As per our attached report of even date** | **for and on behalf of the board of directors of** | | |
| **For Gupta Rajiv & Associates** | **HRB Floriculture Limited** | | |
| **Chartered Accountants** | | | |
| **(FRN: 004915C)** | | | |
| | | | |
| | | | |
| **Kuldeep Saini** | **Krishan Kumar Parwal** | | **Sunita Parwal** |
| **Partner** | **Director** | | **Director** |
| **Membership No. 441824** | **DIN 00228200** | | **DIN : 00228289** |

**HRB FLORICULTURE LIMITED**
**CIN: L01300RJ1995PLC009541**
**Statement of Profit and Loss for the year ended 31st March, 2023**

**(In Rs. Hundreds, except per equity share data)**

| | Particulars | Note No. | Year ended March 31st 2023 | Year ended March 31st 2022 |
|---|---|---|---|---|
| I | Revenue From Operations | 15 | - | 3,097 |
| II | Other Income | 16 | 33 | 59 |
| **III** | **Total Income (I+II)** | | **33** | **3,156** |
| IV | **EXPENSES** | | | |
| | Cost of raw material and components consumed | 17 | - | - |
| | Changes in Inventories | 18 | - | 2,708 |
| | Employee benefits expenses | 19 | 1,533 | 2,565 |
| | Finance costs | 20 | 4 | 35 |
| | Depreciation and amortization expense | 2 | 47 | 143 |
| | Other Expenses | 21 | 3,757 | 3,005 |
| | **Total Expenses (IV)** | | **5,341** | **8,456** |
| V | **Profit/(loss) before exceptional items and tax (I- IV)** | | -5,308 | -5,300 |
| VI | **Exceptional Items** | | - | - |
| VII | **Profit/(loss) before tax (VII-VIII)** | | -5,308 | -5,300 |
| | **Tax expense:** | | | |
| VIII | (1) Current tax | | - | - |
| | (2) Deferred tax | | -272 | -66 |
| IX | **Profit (Loss) for the period from continuing operations (VII-VIII)** | | -5,580 | -5,366 |
| X | **Profit/(loss) from continuing operations attributable to:** | | | |
| | **Other Comprehensive Income** | | | |
| | (i) Items that will not be reclassified to profit or loss | | | |
| | (ii) Income tax relating to items that will not be reclassified to profit or loss | | | |
| | (i) Items that will be reclassified to profit or loss | | | |
| | (ii) Income tax relating to items that will be reclassified to profit or loss | | | |
| | Other Comprehensive Income for the year attributable to | | | |
| XI | **Total Comprehensive Income for theperiod (IX+X)(Comprising Profit(Loss) and Other Comprehensive Income for the period)** | | **-5,580** | **-5,366** |
| | **Earnings per equity share before exceptional item** | | | |
| | Basic & Diluted | | -0.25 | -0.24 |
| XII | | | | |
| | **Earnings per equity share after exceptional item** | | | |
| | Basic & Diluted | | -0.25 | -0.24 |

**Significant Accounting policies** 1

**The notes referred to above form an integral part of financial statements**

**As per our attached report of even date**
**For Gupta Rajiv & Associates**
**Chartered Accountants**
**(FRN: 004915C)**

**for and on behalf of the board of directors of**
**HRB Floriculture Limited**

**Kuldeep Saini**
**Partner**
**Membership No. 441824**

**Krishan Kumar Parwal**
**Director**
**DIN 00228200**

**Sunita Parwal**
**Director**
**DIN : 00228289**

**Place: Jaipur**

**HRB Floriculture Limited**
**CIN: L01300RJ1995PLC009541**
**Statement of cash flows for the year ended March 31st, 2023**

**(In Rs. Hundreds)**

| PARTICULARS | Year ended March 31st 2023 | | Year ended March 31st 2022 | |
|---|---|---|---|---|
| | Details | Amount | Details | Amount |
| **A) CASH FLOW FROM OPERATING ACTIVITIES** | | | | |
| Net Profit before exceptional items and extraordinary and tax as per Statement Profit & Loss for the year ending 31st march | (5,308) | | (5,301) | |
| Adjusted for :- | | | | |
| Finance Cost | 4 | | 35 | |
| Interest received | (33) | | (59) | |
| Depreciation | 47 | | 144 | |
| Sundry balance written off | - | | - | |
| Loss/ (Profit) on sale of Property, Plant and Equipmet | 600 | | - | |
| **Operating Profit before Working Capital Changes** | **(4,690)** | | **(5,181)** | |
| Adjusted for:- | | | | |
| Increase /( Decrease) in Trade Payables | 103 | | 15 | |
| (Increase)/Decrease in Inventory | - | | 2,708 | |
| (Increase)/Decrease in Others current financial assets | - | | - | |
| (Increase)/Decrease in other current liabilities | 2 | | (2) | |
| (Increase)/Decrease in Bank balances other than cash and cash equivalent | (33) | | 616 | |
| (Increase)/Decrease in Provision | - | | - | |
| **Cash Generated From Operations** | **(4,618)** | | **(1,844)** | |
| Less:- Taxes Paid | - | | - | |
| **Net Cash Flow/(used)From Operating Activites** | | **(4,618)** | | **(1,844)** |
| **B) CASH FLOW FROM INVESTING ACTIVITIES** | | | | |
| Proceeds From Sales/written off of Fixed Assets | 250 | | - | |
| Interest received | 33 | | 59 | |
| **Net Cash Flow/(used) in Investing Activities** | | **283** | | **59** |
| **C) CASH FLOW FROM FINANCING ACTIVITIES** | | | | |
| Procurement of Borrowings | 4,802 | | 2,000 | |
| Repayment of borrowings | | | | |
| Interest paid | (4) | | (35) | |
| **Net Cash Flow/(used) From Financing Activities** | | **4,798** | | **1,965** |
| Net Increase/(Decrease) in Cash and Cash Equivalent | | 463 | | 180 |
| Opening balance of Cash and Cash Equivalent as at April 01st | | 770 | | 590 |
| **Closing balance of Cash and Cash Equivalent (Including overdraft) as at March 31st** | | **1,233** | | **770** |

**1 Reconciliation of cash and cash equivalent and bank balances**

| **NOTE : Cash and Cash Equivalent consists of following:-** | **Rs.** | **Rs.** |
|---|---|---|
| Cash on hand | 1,099 | 430 |
| Balances with Banks | 134 | 340 |
| In Deposit account (maturity less than 3 months) | - | |
| Bank Overdraft | - | |
| **Closing balance of Cash and Cash Equivalent** | **1,233** | **770** |

**As per our attached report of even date**
**For Gupta Rajiv & Associates**
**Chartered Accountants**
**(FRN: 004915C)**

**for and on behalf of the board of directors of**
**HRB Floriculture Limited**

**Kuldeep Saini**
**Partner**
**Membership No. 441824**
**Place: Jaipur**
**Date: 26-05-2023**

**Krishan Kumar Parwal**
**Director**
**DIN 00228200**

**Sunita Parwal**
**Director**
**DIN : 00228289**

**HRB Floriculture Limited**
**CIN: L01300RJ1995PLC009541**
**Statement of changes in equity as at 31st March, 2023**

**A. Equity Share Capital**

**1 Current reporting period**

(In Rs. Hundreds)

| Balance at the beginning of the current reporting period | Changes in Equity Share Capital due to prior period errors | Restated balance at the beginning of the current reporting period | Changes in equity share capital during the current year | Balance at the end of the current reporting period |
|---|---|---|---|---|
| 307,298 | - | - | - | 307,298 |

**2 Previous reporting period**

(In Rs. Hundreds)

| Balance at the beginning of the current reporting period | Changes in Equity Share Capital due to prior period errors | Restated balance at the beginning of the current reporting period | Changes in equity share capital during the current year | Balance at the end of the current reporting period |
|---|---|---|---|---|
| 307,298 | - | - | - | 307,298 |

**B. Other Equity**

**1 Current reporting period**

(In Rs. Hundreds)

| Particulars | Share application money pending allotment | Equity component of compound financial instruments | Reserves and Surplus | Total |
|---|---|---|---|---|
| | | | Retained Earnings | |
| Balance at the beginning of the current reporting period | - | - | -357,329 | -357,329 |
| Changes in accounting policy or prior period errors | - | - | - | - |
| Restated balance at the beginning of the current reporting period | - | - | - | - |
| Total Comprehensive Income for the current year | - | - | - | - |
| Dividends | - | - | - | - |
| Transfer to retained earnings | - | - | -5,580 | -5,580 |
| Any other change (to be specified) | - | - | - | - |
| Balance at the end of the current reporting period | - | - | -362,909 | -362,909 |

| 2 | Previous reporting period | | | | |
|---|---|---|---|---|---|
| | | | | | (In Rs. Hundreds) |
| | Particulars | Share application money pending allotment | Equity component of compound financial instruments | Reserves and Surplus | Total |
| | | | | Retained Earnings | |
| | Balance at the beginning of the current reporting period | - | - | -351,963 | -351,963 |
| | Changes in accounting policy or prior period errors | - | - | - | - |
| | Restated balance at the beginning of the current reporting period | - | - | - | - |
| | Total Comprehensive Income for the current year | - | - | - | - |
| | Dividends | - | - | - | - |
| | Transfer to retained earnings | - | - | -5,366 | -5,366 |
| | Any other change (to be specified) | - | - | - | - |
| | Balance at the end of the current reporting period | - | - | -357,329 | -357,329 |

## HRB FLORICULTURE LIMITED

1 **Significant Accounting Policies**

a **BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

The Ind-AS financial statements of the company have been prepared in accordance with the relevant provisions of the Companies Act, 2013, the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 read with the Companies (Indian Accounting Standards) Amendment Rules, 2016 and the Guidance Notes and other authoritative pronouncements issued by the Institute of Chartered Accountants of India (ICAI).The Company's financial statements are reported in Indian Rupees, which is also the Company's functional currency. The Company's financial statements were authorised for issue in accordance with a resolution of the Board of Directors on 26th May, 2023 in accordance with the provisions of the Companies Act, 2013 and are subject to the approval of the shareholders at the Annual General Meeting.

b **PROPERTY, PLANT AND EQUIPMENT**

i The cost of property, plant and equipment comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, including relevant borrowing costs for qualifying assets.

ii. Capital work in progress comprise of those costs that relate directly to specific assets and those that are attributable to the construction or project activity in general and can be allocated to specific assets up to the date the assets are put to their intended use. At the point when an asset is operating at management's intended use, the capital work in progress is transferred to the appropriate category of property, plant and equipment and depreciation commences. Major inspections and overhauls are identified and accounted for as an asset if that component is used over more than one reporting period.

iii. Depreciation is recognized so as to write off the cost of assets less their residual values over their useful lives, using straight line method as per the useful life prescribed in Schedule II to the Companies Act, 2013

iv. The Company reviews the residual value, useful lives and depreciation method annually and, if expectations differ from previous estimates, the change is accounted for as a change in accounting estimate on a prospective basis.

v. Property, Plant and Equipment are derecognised from the standalone financial statements, either on disposal or when retired from active use. Gains and losses on disposal or retirement of Property, Plant and Equipment are determined by comparing proceeds with carrying amount. These are recognized in the Statement of Profit and Loss.

c **IMPAIRMENT**

At the end of each reporting period, the carrying amounts of tangible and intangible assets are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation

can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the Statement of Profit and Loss.

d **INVENTORIES**

Inventories are valued as under: -

i. Agricultural Produce – at realizable value

ii Standing Agricultural Crop- at NIL value

iii Shares and Securities- At FVTPL

e **SALES**

The company is engaged in the sale of agriculture produce.

Ind AS 115 provides a single, principles based five-step model to be applied to all contracts with customers. The five steps in the model are as follows:

• Identify the contract with the customer;

• Identify the performance obligations in the contract;

• Determine the transaction price;

• Allocate the transaction price to the performance obligations in the contracts;

• Recognise revenue when (or as) the entity satisfies a performance obligation.

The Company has adopted Ind AS 115 using the cumulative effect method. In this method this standard is applied to contracts that are not completed on as at the date of initial application (i.e. April 01, 2018) and the comparative information in the statement of profit and loss is not restated.

There is no impact on the financial statement of the Company on initial application of this standard.

Revenue is recognised upon rendering of promised services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services. In case of sales of agricultural product are accounted for as net of discount, Freight, brokerage etc on sale.

For all financial instruments measured at amortised cost, interest income is measured using the Effective Interest Rate (EIR), which is the rate that exactly discounts the estimated future cash flows through the contracted or expected life of the financial instrument, as appropriate, to the net carrying amount of the financial asset.

f **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.

g TAXATION

Current Income Taxes:

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised directly in equity is recognised in other comprehensive income / equity and not in the statement of profit and loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

**Deferred Taxes**:

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognised for all taxable temporary differences, when the deferred tax liability arises from an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except, when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

The concern has not created any deferred tax on carried forward of losses and unabsorbed depreciation due to absence of virtual certainityof being set off in future years.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

h **EARNING PER SHARE (EPS)**

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year are adjusted for events including a bonus issue, bonus element in right issue to existing shareholders, share split, and reverse share split (consolidation of shares).

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of equity shares outstanding during the year are adjusted for the

effects of all dilutive potential equity shares.

i FINANCIAL INSTRUMENTS

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(i) "Financial Assets:

Initial Recognition and Measurement:

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset"

Subsequent Measurement:

For purposes of subsequent measurement, financial assets are classified in two categories:

• Financial assets at amortised cost

• Equity instruments measured at fair value through other comprehensive income FVTOCI

• Equity instruments measured at fair value through other comprehensive income FVTPL"

Where assets are measured at fair value, gains and losses are either recognised entirely in the statement of profit and loss (i.e. fair value through profit or loss), or recognised in other comprehensive income (i.e. fair value through other comprehensive income).

**Financial Assets at Amortised Cost**:

A financial asset is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and any fees or costs that are an integral part of the EIR.

A financial asset that meets the following two conditions is measured at fair value through other comprehensive income unless the asset is designated at fair value through profit or loss under the fair value option.

• Business model test: The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.

• Cash flow characteristics test: The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Even if an instrument meets the two requirements to be measured at amortised cost or fair value through other comprehensive income, a financial asset is measured at fair value through profit or loss if doing so eliminates or significantly reduces a measurement or recognition inconsistency (sometimes referred to as an ''accounting mismatch'') that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

All other financial assets are measured at fair value through profit or loss.

**Derecognition**

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's statement of financial position) when:

i) The rights to receive cash flows from the asset have expired, or

ii) The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a ''pass-through'' arrangement and either;

a. the Company has transferred substantially all the risks and rewards of the asset, or

b. the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

**Impairment of financial assets**

The company applies the expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposures:

• Financial assets at amortised cost.

For recognition of impairment loss on other financial assets and risk exposures, the company determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the company reverts to recognising impairment loss allowance based on 12-month ECL.

(ii) Financial Liabilities:

Initial Recognition and Measurement:

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables.

**Derecognition**:

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the Derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

**Offsetting of Financial Instruments:**

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise an asset and settle the liabilities simultaneously."

J PROVISION AND CONTINGENCIES

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources.

When the Company expects some or all of a provision to be reimbursed, the same is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

A Contingent Liability is a possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of

enterprise or a present obligation that arises from past events that may, but probably will not, require an outflow of resources.

Both provisions and contingent liabilities are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent Liabilities are not recognized but are disclosed in the notes.

K **LEASES**

The company as a lessee

The Company's lease asset classes primarily consist of leases for office premises. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows

**Transition to Ind AS 116**

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified Ind AS 116 Leases which replaces the existing lease standard, Ind AS 17 leases and other interpretations. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lease accounting model for lessees.

The Company adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on April 1, 2019 using the modified retrospective method. However, there is no impact on financial statement of the Company on adoption of this standard.

L **IMPACT OF COVID-19**

Since, the Company is not carrying any substantial business activities it has been concluded that there is no impact which is required to be recognised in the financial statements as at March 31, 2023. Accordingly, no adjustments have been made to the financial statements.

| HRB Floriculture Limited | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| Notes forming part of IND AS financial statement | | | | | | | | | |
| | | | | | | | | | |
| 2 Property, Plant and Equipment | | | | | | | | | |
| The components of Property, Plant and Equipment are as follows: | | | | | | | | | |
| | | | | | | | | | (In Rs. Hundreds) |
| Cost/ Valuation | Office Equipment | Furniture | Tubewell | Computer | U.P.S. | Air conditioner | Car | Cellular | Total |
| 1. Cost | | | | | | | | | |
| At 31 March 2021 | - | 1,551 | - | 4,218 | - | 1,000 | - | - | 6,769 |
| Additions | - | - | - | - | - | - | - | - | - |
| Disposals | | | | | | | | | |
| At 31 March 2022 | - | 1,551 | - | 4,218 | - | 1,000 | - | - | 6,769 |
| Additions | - | - | - | - | - | - | - | - | - |
| Disposals | | 1,551 | | 4,218 | | 1,000 | | | 6,769 |
| At 31 March 2023 | - | - | - | - | - | - | - | - | - |
| | | | | | | | | | |
| | | | | | | | | | |
| Depreciation and impairment | Office Equipment | Furniture | Tubewell | Computer | U.P.S. | Air conditioner | Car | Cellular | Total |
| At 31 March 2021 | - | 1,394 | - | 4,007 | - | 327 | - | - | 5,728 |
| Depreciation expense | | 80 | | - | | 63 | - | - | 143 |
| Impairment | | | | | | | | | - |
| Disposal | | | | | | | | | - |
| At 31 March 2022 | - | 1,474 | - | 4,007 | - | 390 | - | - | 5,871 |
| Depreciation expense | | - | | - | | 47 | - | - | 47 |
| Impairment | | - | | | | | | | - |
| Disposal | | 1,474 | | 4,007 | | 437 | | | 5,918 |
| At 31 March 2023 | - | - | - | - | - | - | - | - | - |
| | | | | | | | | | |
| | | | | | | | | | |
| Net Carrying Amount | Office Equipment | Furniture | Tubewell | Computer | U.P.S. | Air conditioner | Car | Cellular | Total |
| At 31 March 2023 | - | - | - | - | - | - | - | - | - |
| At 31 March 2022 | - | 77 | - | 211 | - | 610 | - | - | 898 |
| At 31 March 2021 | - | 157 | - | 211 | - | 673 | - | - | 1,041 |

**HRB Floriculture Limited**
**Notes forming part of IND AS financial statement**

## 3 Inventories

(In Rs. Hundreds)

| Particulars | As at 31st March 2023 | As at 31st March 2022 |
|---|---|---|
| **(a) Stock-in-trade** | | |
| Stock of Shares & Securities *(Valued at FVTPL)* | - | - |
| **Total** | **-** | **-** |

(i) 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 31st, 2021 and corresponding previous year ended March 31,2020 , there is no closing stock of Agricultural Produce.

(ii) Value of shares of delisted company held has been taken at Re 1 and the loss arising on account of such valuation has been charged to Statement of Profit and Loss. Company currently have stock of Rs. 14.

## 4 Cash and cash equivalents

(In Rs. Hundreds)

| Particulars | As at 31st March 2023 | As at 31st March 2022 |
|---|---|---|
| **(a) Balances with bank** | | |
| In current account | 134 | 340 |
| In Fixed deposit receipt | - | - |
| **(b)** Cash on hand | 1,099 | 430 |
| **Total** | **1,233** | **770** |

## 5 Bank balances other than cash and cash equivalent

(In Rs. Hundreds)

| Particulars | As at 31st March 2023 | As at 31st March 2022 |
|---|---|---|
| **(a) Other Bank Balances** | | |
| In Fixed deposit receipt | 671 | 637 |
| **Total** | **671** | **637** |

## 6 Other current financial assets

(In Rs. Hundreds)

| Particulars | As at 31st March 2023 | As at 31st March 2022 |
|---|---|---|
| Interest Accrued on FDRs | | - |
| Other Advances | - | - |
| **Total** | **-** | **-** |

## 7 Current Tax Assets

(In Rs. Hundreds)

| Particulars | As at 31st March 2023 | As at 31st March 2022 |
|---|---|---|
| Advance Tax/ Income tax recoverable | - | |
| **Total** | **-** | **-** |

**HRB Floriculture Limited**
**Notes forming part of IND AS financial statement**

**8 Equity share capital**

(In Rs. Hundreds, except equity share data)

**(a)**

| Particulars | | As at 31st March 2023 | | As at 31st March 2022 | |
|---|---|---|---|---|---|
| | | Number | Amount | Number | Amount |
| **Authorised** | | | | | |
| Equity Shares of Rs. 10/- each | | 5,500,000 | 550,000 | 5,500,000 | 550,000 |
| **Total** | | **5,500,000** | **550,000** | **5,500,000** | **550,000** |
| **Issued, Subscribed & Fully Paid up** | | | | | |
| Equity Shares of Rs. 10/- each | | 2,276,300 | 227,630 | 2,276,300 | 227,630 |
| Add: Forfeited Equity Shares | | 2,823,900 | 79,668 | 2,823,900 | 79,668 |
| *(amount originally paid up)* | | | | | |
| **Total** | | **5,100,200** | **307,298** | **5,100,200** | **307,298** |

**(b) Reconciliation of the shares outstanding at the beginning and at the end of the reporting year**

**Equity Shares:**

| Particulars | | As at 31st March 2023 | | As at 31st March 2022 | |
|---|---|---|---|---|---|
| | | Number | Amount in Rs. | Number | Amount in Rs. |
| Shares outstanding at the beginning of the year | | 2,276,300 | 227,630 | 2,276,300 | 227,630 |
| Shares Issued / (bought back)/ forfeited during the year | | | | - | - |
| **Shares outstanding at the end of the year** | | **2,276,300** | **227,630** | **2,276,300** | **227,630** |

**(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 Shareholder | | As at 31st March 2023 | | As at 31st March 2022 | |
|---|---|---|---|---|---|
| | | 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% |

**(e)** Shareholding of Promoters is as under :

| S. No. | Promoters Name | Shares held by promoter at the beganing of the year | | Shares held by promoter at the end of the year | | % change during the year |
|---|---|---|---|---|---|---|
| | | No. of shares held | % of total shares | No. of shares held | % of total shares | |
| 1 | Krishna Kumar Parwal | 864400 | 37.97% | 864400 | 37.97% | 0 |
| 2 | Hansraj Parwal | 200100 | 8.79% | 200100 | 8.79% | 0 |
| 3 | Vinod Kumar Parwal | 645100 | 28.34% | 645100 | 28.34% | 0 |
| | | | | | | |
| | | | | | | |

**HRB Floriculture Limited**
**Notes forming part of IND AS financial statement**

## 9 Other Equity

(In Rs. Hundreds)

| Particulars | As at 31st March 2023 | As at 31st March 2022 |
|---|---|---|
| **Retained earnings** | | |
| Opening Balance | (357,329) | (351,963) |
| Add: Profit during the year | (5,580) | (5,366) |
| **Total** | **(362,909)** | **(357,329)** |

**Retained earnings**
Retained earnings are the profits of that the company earned till date after all distribution made to shareholders.

## 10 Deferred Tax Liability/(assets)

(In Rs. Hundreds)

| Particulars | As at 31st March 2023 | As at 31st March 2022 |
|---|---|---|
| On account of timing difference of depreciation | 0 | (272) |
| **Total** | **0** | **(272)** |

* Deferred tax assets has been written off during the year due to absense of reasonable certainity that future taxable income would be there against which such deferred tax assets can be set off.

## 11 Short Term Borrowing

(In Rs. Hundreds)

| Particulars | As at 31st March 2023 | As at 31st March 2022 |
|---|---|---|
| **Secured** | | |
| Overdraft from Bank | 302 | - |
| (Secured against lein of FDRs) | | - |
| **Unsecured** | | |
| From Directors | 41,000 | 36,500 |
| **Total** | **41,302** | **36,500** |

**12 Trade Payable**

(In Rs. Hundreds)

| Particulars | | | | As at 31st March 2023 | As at 31st March 2022 |
|---|---|---|---|---|---|
| Trade Payable | | | | 1,193 | 1,090 |
| **Total** | | | | **1,193** | **1,090** |

The Company has not received any intimation from any of its suppliers about their having filed a memorandum in pursuance of Micro, Small and Medium Enterprise Development Act, 2006. Hence, the disclosure requirement u/s 22 of MSMED Act, 2006 cannot be furnished by the Company.

**Trade Payables aging schedule**

| Particulars | Outstanding for following periods from due date of payment | | | | Total |
|---|---|---|---|---|---|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| (i) MSME | - | - | - | - | - |
| (ii) Others | 1087 | 31 | 25 | 50 | 1193 |

**13 Other Current Liabilities**

(In Rs. Hundreds)

| Particulars | As at 31st March 2023 | As at 31st March 2022 |
|---|---|---|
| Provision for Outstanding Expense | 20 | 18 |
| TDS Payable | - | - |
| **Total** | **20** | **18** |

**14 Provision**

(In Rs. Hundreds)

| Particulars | As at 31st March 2023 | As at 31st March 2022 |
|---|---|---|
| Other Provision | 15,000 | 15,000 |
| **Total** | **15,000** | **15,000** |

The Securities and Exchange Board of India has passed an order WTM/GM/CFD/13/2019-20 dated 10th June, 2019. This order is in reference with the earlier SEBI orders dated 15th June, 2016 & 7th April, 2017 and SAT order dated 3rd November, 2017 in the matter of non-compliance with the requirement of Minimum Public Shareholding by our Company H R B Floriculture Limited.

**HRB Floriculture Limited**
**Notes forming part of IND AS financial statement**

## 15 Revenue from Operations

(In Rs. Hundreds)

| Particulars | For the year ended 31st March 2023 | For the year ended 31st March 2022 |
|---|---|---|
| Sale of Agrcultural Produce | - | - |
| Sale of Shares & Securities | - | 3,097 |
| Dividend | - | |
| **Total** | **-** | 3,097 |

## 16 Other Income

(In Rs. Hundreds)

| Particulars | For the year ended 31st March 2023 | For the year ended 31st March 2022 |
|---|---|---|
| Interest on IT refund | - | - |
| Interest | 33 | 59 |
| Profit on sale of property, plant and equipment | - | - |
| Sundry balance write off | - | - |
| **Total** | **33** | **59** |

## 17 Cost of Material Consumed

(In Rs. Hundreds)

| Particulars | For the year ended 31st March 2023 | For the year ended 31st March 2022 |
|---|---|---|
| Cultivation Expenses (Seeds) | - | - |
| **Total** | **-** | **-** |

## 18 Changes in Inventories

(In Rs. Hundreds)

| Particulars | For the year ended 31st March 2023 | For the year ended 31st March 2022 |
|---|---|---|
| Opening Stock-in Trade (Shares & Securities) | - | 2,708 |
| Less: | | |
| Closing Stock-in Trade (Shares & Securities) | - | - |
| **Total** | **0** | **2,708** |

**19 Employee Benefit Expenses**

(In Rs. Hundreds)

| Particulars | For the year ended 31st March 2023 | For the year ended 31st March 2022 |
|---|---|---|
| Director's Remuneration | - | 1,050 |
| Salaries & Wages | 960 | 1,300 |
| Independent director registration fees | 573 | 215 |
| **Total** | **1,533** | **2,565** |

**20 Finance Cost**

(In Rs. Hundreds)

| Particulars | For the year ended 31st March 2023 | For the year ended 31st March 2022 |
|---|---|---|
| Interest expenses | 4 | - |
| Other borrowing cost | - | 35 |
| **Total** | **4** | **35** |

**21 Other expenses**

(In Rs. Hundreds)

| Particulars | For the year ended 31st March 2023 | For the year ended 31st March 2022 |
|---|---|---|
| Auditor's Remuneration | | |
| - as auditor | 600 | 500 |
| - for taxation matter | - | - |
| - for other services | - | - |
| Secretarial Audit Fees | 800 | 700 |
| Internal Audit Fees | 25 | 25 |
| Legal Expenses | 383 | 159 |
| Office Electricity and water charges | 412 | 378 |
| Share Registrar Charges | 513 | 483 |
| Loss on sale/disposal of Property, Plant & Equipment | 600 | - |
| Other Miscellaneous Expenses | 424 | 760 |
| **Total** | **3,757** | **3,005** |

**HRB Floriculture Limited**
**Notes forming part of IND AS financial statement**

**22 Financial Instruments**

The significant accounting policies, including the criteria of recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability, and equity instrument are disclosed in Ind AS financial statements.

**(a) Financial assets and liabilities**

The carrying value of financial instruments by categories as at March 31, 2023 is as follows:

(In Rs. Hundreds)

| Particulars | Fair Value through Profit or Loss | Amortised Cost | Total carrying value |
|---|---|---|---|
| **Financial Assets** | | | |
| Other Financial Assets | - | - | - |
| Cash and cash equivalent | | 1,233 | 1,233 |
| Bank balances other than cash and cash equivalent | | 671 | 671 |
| **Total** | **-** | **1,904** | **1,904** |
| **Financial Liabilities** | | | - |
| Borrowings | | 41,302 | 41,302 |
| Trade Payable | | 1,193 | 1,193 |
| Other Financial liabilities | | - | - |
| **Total** | **-** | **42,495** | **42,495** |

The carrying value of financial instruments by categories as at March 31, 2022 is as follows:

(In Rs. Hundreds)

| Particulars | Fair Value through Profit or Loss | Amortised Cost | Total carrying value |
|---|---|---|---|
| **Financial Assets** | | | |
| Other Financial Assets | - | - | - |
| Cash and cash equivalent | | 770 | 770 |
| Bank balances other than cash and cash equivalent | | 637 | 637 |
| **Total** | **-** | **1,407** | **1,407** |
| **Financial Liabilities** | | | |
| Borrowings | | 36,500 | 36,500 |
| Trade Payable | | 1,090 | 1,090 |
| Other Financial liabilities | | - | - |
| **Total** | **-** | **37,590** | **37,590** |

Carrying amounts of cash and cash equivalents, trade receivables, loans and trade payable as at March 31, 2022 and March 31, 2021 approximate the fair value because of their short term nature. Difference between the carrying amount and fair values of other financial liabilities subsequently measured at amortised cost is not significant in each year presented.

**Fair Value Hierarchy**

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are whether observable or unobservable and consists of the following three levels:

| | |
|---|---|
| **Level 1:** | Inputs are quoted prices (unadjusted) in active markets for identical assets and liabilities. |
| **Level 2:** | Inputs are other than quoted prices included within level 1 that are observable for the asset or liability either directly (i.e. prices) or indirectly (i.e. derived from prices). |
| **Level 3:** | Inputs are not based on observable market data unobservable inputs. Fair value are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data. |

The following table summarizes financial assets and liabilities measured at fair value on a recurring basis and financial assets that are not measured on fair value on recurring basis (but fair value disclosure are required)

(In Rs. Hundreds)

| As at 31st March 2023 | Level 1 | Level 2 | Level 3 | Total |
|---|---|---|---|---|
| **Financial Assets :** | | | | |
| Inventory of Shares and Securities | - | - | - | - |
| **Total** | - | - | - | - |

| As at 31st March 2022 | Level 1 | Level 2 | Level 3 | Total |
|---|---|---|---|---|
| **Financial Assets :** | | | | |
| Inventory of Shares and Securities | - | - | - | - |
| **Total** | - | - | - | - |

**(b) Financial Risk Management**

The Board of Directors reviews the risk management policy from time to time and the said policy aims at enhancing shareholders' value and providing an optimum risk-reward trade off. The risk management approach is based on clear understanding of variety of risk that the organisation faces, disciplined risk monitoring and measurement and continuous risk assessment and mitigation measures.

A brief description of the various risks which the company is likely to face are as under:

**(i) Market Risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market conditions. Market risk comprises three types of risk: interest rate risk, credit and default risk and liquidity risk. Financial instruments affected by market risk include loans and borrowings, deposits, FVTPL investments.

**(ii) Interest Risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The company do not have borrowing from outside parties and also invested its money in fixed depsoit so its interest risk is negligible.

**(iii) Credit Risk and Default Risk**

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The company is exposed to credit risk from its operating activities (primarily trade receivables, business advances/deposit given) and from its investing activities (primarily loans granted to various parties including related parties). Since, Company's receivable is only from related parties and banks credit and default risk is minimal .

**(iv) Liquidity risk**

The company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts and loans.

(In Rs. Hundreds)

| | | Amount payable during below period | | |
|---|---|---|---|---|
| **Particulars** | **As at 31st March 2022** | **Within 1 year** | **1-5 years** | **More than 5 years** |
| **Financial liabilities** | | | | |
| Long-term borrowings | - | - | - | - |
| Short-term borrowings | - | 41,302 | - | - |
| Trade payables | - | 1,193 | - | - |
| Other financial liabilities | - | - | - | - |
| **Total** | **-** | **42,495** | **-** | **-** |

(In Rs. Hundreds)

| | | Amount payable during below period | | |
|---|---|---|---|---|
| **Particulars** | **As at 31st March 2021** | **Within 1 year** | **1-5 years** | **More than 5 years** |
| **Financial liabilities** | | | | |
| Long-term borrowings | - | - | - | - |
| Short-term borrowings | - | 36,500 | - | - |
| Trade payables | - | 1,090 | - | - |
| Other financial liabilities | - | - | - | - |
| **Total** | **-** | **37,590** | **-** | **-** |

**Capital Management**

For the purposes of the company's capital management, capital includes share capital. The primary objective of the company's capital management is to maximise shareholders' value. The company manages its capital structure and market adjustments in the light of changes in economic environment and the requirements of the financial convenants.

**HRB Floriculture Limited**
**Notes forming part of IND AS financial statement**

**23 Income Taxes**

The Company is subject to Indian income tax on a standalone basis. Entity is assessed to tax on taxable profits determined for each fiscal year beginning on April 1 and ending on March 31. For each fiscal year, the entity profit or loss is subject to the higher of the regular income tax payable or the Minimum Alternative Tax ("MAT").

Provision for tax is determined based on book profits prepared under generally accepted accounting principles and adjusted for, inter alia, the Company's assessment of allowable expenditure (as applicable), including exceptional items, set off of tax losses and unabsorbed deprecation. Statutory income tax is charged at 30% plus a Surcharge and Cess. MAT for the fiscal year 2021-22 is payable at 15% plus Surcharge and Cess. MAT paid in excess of regular income tax payable during a year can be carried forward and set off against regular income taxes payable within a period of twelve years succeeding the fiscal year in which MAT credit arises.

**a) Income taxes recognised in statement of profit and loss**

(In Rs. Hundreds)

| Particulars | For the year ended March 31, 2023 (Rs in hundreds) | For the year ended March 31, 2022 (Rs in hundreds) |
|---|---|---|
| **Current tax** | | |
| In respect of the current year | - | - |
| In respect of prior years | - | - |
| **Deferred tax** | | |
| In respect of the current year | - | (272) |
| **Total** | **-** | **(272)** |

A reconciliation of income tax expense applicable to accounting profit / (loss) before tax at the statutory income tax rate to recognise income tax expense for the year indicated are as follows :

| Particulars | For the year ended March 31, 2023 (In Rs. Hundreds) | For the year ended March 31, 2022 (In Rs. Hundreds) |
|---|---|---|
| **Income / (loss) before taxes** | **(5,308)** | **(5,300)** |
| Enacted tax rate in India | 26.00% | 26.00% |
| Expected income tax benefit expense at statutory tax rate | (1,380) | (1,378) |
| **Effect of:** | | |
| DTA not recognised on unabsorbed business loss and unabsorbed business loss | 1,380 | 1,106 |
| **Current tax recognised in the statement of income** | **-** | **(272)** |

**Movement in deferred tax balances:**

| Deferred tax balances in relation to | As at April 01, 2022 (In Rs. Hundreds) | Reversed during the year (In Rs. Hundreds) | As at March 31, 2023 (In Rs. Hundreds) |
|---|---|---|---|
| Property, plant and equipment | 272 | (272) | - |
| **Total deferred tax for the year** | **272** | **(272)** | **-** |

**Components of deferred tax (assets) and liabilities**

| Deferred tax balances in relation to | As at April 01, 2021 (In Rs. Hundreds) | Reversed during the year (In Rs. Hundreds) | As at March 31, 2022 (In Rs. Hundreds) |
|---|---|---|---|
| Property, plant and equipment | 338 | (66) | 272 |
| **Total deferred tax for the year** | **338** | **(66)** | **272** |

**HRB Floriculture Limited**
**Notes forming part of IND AS financial statement**

**24 Segment Reporting**

The operating segments have been identified on the basis of nature of products.

i. Segment revenue includes sales and other income directly identifiable with the segment including inter-segment revenue.

ii. Expenses that are directly identifiable with the segment are considered for determining the segment result.

iii. Expenses / Incomes which are not directly allocable to the segments are included under un-allocable expenditure / incomes.

iv. Segment results include margins on inter-segment sales which are reduced in arriving at the profit before tax of the Group.

v. Segment assets and liabilities include those directly identifiable with the respective segments. Un-allocable assets and liabilities represent the assets and liabilities that relate to the Group as a whole and not allocable to any segment.

vi. Inter – Segment revenue :- Segment revenue resulting from transactions with other business segments is accounted on the basis of transfer price agreed between the segments. Such transfer prices are either determined to yield a desired margin or agreed on a negotiated basis.

**(a) Primary segment information**

The Company's operations primarily relates to trading in shares and securities and producing agriculutre product . Accordingly segments have been identified in line with Indian Accounting Standard on Segment Reporting 'Ind AS-108'. Details of business segments are as follows:

**(In Rs. Hundreds)**

| Particulars | Business Segments | | | | | | Total | |
|---|---|---|---|---|---|---|---|---|
| | Agriculture | | Investment and Securities | | Other | | | |
| | Current Year | Previous Year | Current Year | Previous Year | Current Year | Previous Year | Current Year | Previous Year |
| **Segment Revenue** | | | | | | | | |
| External Sales | - | - | - | | - | | - | - |
| Inter Party Sales | | | | | | | | |
| **Segment Result** | - | | - | 389.00 | | | - | 389 |
| Unallocated Finance charges | - | | - | | - | | 4 | 35 |
| Unallocated Income | | | | | | | 33 | 59 |
| Unallocated Expenses | | | | | | | - 5,345 | - 5,783 |
| **Profit before tax** | | | | | | | **- 5,308** | **- 5,300** |
| Income tax (net) | | | | | | | - 272 | - 66 |
| **Profit after tax** | | | | | | | **- 5,580** | **- 5,366** |
| **Other Information** | | | | | | | | |
| Segment assets | - | | - | 2,709 | | | - | 2,709 |
| Unallocated other assets | | | 2,576 | 3,221 | | | 1,904 | 2,577 |
| **Total assets** | | | | | | | **1,904** | **5,286** |
| Segment liabilities | - | | - | | | | - | |
| Unallocated other liabilities | | | | | | | 57,515 | 52,609 |
| **Total liabilities** | | | | | | | **57,515** | **52,609** |
| Non-cash expenses other than Deprecation | | | | | - | - | - | - |

**(b) Secondary segment information**

The Company only opeartes in Indian market , there are no reportable geographical segments.

**HRB Floriculture Limited**
**Notes forming part of IND AS financial statement**

**25** Employees Benefits are recognized as on expense in the profit and loss account in which the related service in 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. Therefore, disclosure requirement for defined benefit plan as per Ind AS 19 "Employee benefit" is not applicable to Company

**26 Earning per share**

Earning per share as per Ind AS -33 is calculated as under:

| Particulars | (In Rs. Hundreds, except equity share data) For the year ended 31st March, 2023 | For the year ended 31st March, 2022 |
|---|---|---|
| Profit/(loss) for the year before exceptional item | -5,580 | -5,366 |
| Exceptional item | - | - |
| **Profit/(loss) for the year after exceptional item** | **-5,580** | **-5,366** |
| Weighted average number of shares | 2,276,300 | 2,276,300 |
| Nominal value of shares | 10.00 | 10.00 |
| Basic and Diluted EPS before exceptional item | -0.25 | -0.24 |
| Basic and Diluted EPS after exceptional item | -0.25 | -0.24 |

**27** The Securities and Exchange Borad of India has passed an order WTM/GM/CFD/13/2019-20 dated 10th June, 2019. This order is in reference with the earlier SEBI orders dated 15th June, 2016 & 7th April, 2017 and SAT order dated 3rd November, 2017 in the matter of non-compliance with the requirement of Minimum Public Shareholding by our Company H R B Floriculture Limited.

**28 Related party transaction**

Related parties (with whom transactions entered)

| Name | Relationship |
|---|---|
| Krishan Kumar Parwal -Managing Director | KMP |
| Sunita Parwal | Director/ Relatives of KMP |
| Puneet Parwal | Relatives of KMP |
| Vinod Upadhyaya | Chief Financial Officer |
| Shubhali Khandelwal | Company Secretary |

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

(In Rs. Hundreds)

| Nature of Transaction | KMP | Relatives of KMP | Total |
|---|---|---|---|
| **Transaction during the year** | | | |
| Office rent | - | - | **-** |
| (P.Y.) | - | - | **-** |
| Remuneration | - | - | **-** |
| (P.Y.) | (1,050) | - | **(1,050)** |
| Loan received | 4,500 | - | **4,500** |
| (P.Y.) | (2,000) | - | **(2,000)** |
| **Balance as at the year end** | | | |
| Loan Payable | 41,000 | | **41,000** |
| (P.Y.) | (36,500) | | **(36,500)** |

29. There is a possibility that owing to the lack of revenue and fall in the value of inventories, the company may not be able to continue as Going Concern in the future.

30.Previous year figures have been regrouped /reclassified wherever necessary.

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| | **HRB Floriculture Limited** | | | | | | |
| | **Notes forming part of IND AS financial statement** | | | | | | |
| | | | | | | | |
| | **31** | **The following are analytical ratios for the year ended March 31, 2023 and March 31, 2022** | | | | | |
| | | | | | | | |
| | **S. No.** | **Paticulars** | **Numerator** | **Denominator** | **31st March 2023** | **31st March 2022** | **Variance** |
| | 1 | Current Ratio | Current assets | Current Liabilities | 0.03 | 0.03 | 0.00 |
| | 2 | Debt Equity Ratio | Total Debt | Shareholder's Equity | Shareholder's Equity is negative, so ratio cannot be computed | | |
| | 3 | Debt Service Coverage Ratio | Earnings available for debt service | Debt Service | No debt service, so ratio cannot be computed | | |
| | 4 | Return on Equity Ratio | Net profit after taxes | Average shareholder's Equity | Shareholder's Equity is negative, so ratio cannot be computed | | |
| | 5 | Inventory Turnover Ratio | Sales | Average Inventory | No sales during the year so ratio cannot be computed | No sales during the year so ratio cannot be computed | NA |
| | 6 | Trade Receivable Turnover ratio | Credit Sales | Average Accounts Receivable | No credit sale so ratio cannot be computed | | |
| | 7 | Trade Payable Turnover Ratio | Annual Net Credit Purchase | Average Accounts Payable | No credit purchase so ratio cannot be computed | | |
| | 8 | Net Capital turnover ratio | Sales | Working Capital | Working capital is negative, so ratio cannot be computed | | |
| | 9 | Net Profit ratio | Net Profit/ Earning after tax | Sales | No sales during the year so ratio cannot be computed | No sales during the year so ratio cannot be computed | NA |
| | 10 | Return on capital employed | EBIT | Capital Employed | Capital Employed is negative, so ratio cannot be computed | | |
| | 11 | Retrun on investment | Income generated from investments | Time weighted average investments | 0.05 | 0.06 | 16.67 |
| | | | | | | | |
| | | | | | | | |
| | **Comment on variance in ratios exceeding 25 %.** | | | | | | |
| | | | | | | | |
| | | NA | | | | | |

# H R B 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

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 the meeting instead of the member.)**

I/we hereby record my/our presence at the **28th Annual General Meeting** of the Company held on **Wednesday, the 27th Day of September, 2023** at **02:00 P.M**. at the registered office of the Company at A-28, Ram Nagar, Shastri Nagar, Jaipur, Rajasthan.

---
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.)*

# H R B 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

FORM NO. MGT-11

**PROXY FORM**

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

**CIN: L01300RJ1995PLC009541**
**Name of the Company: HRB Floriculture Limited**
**Registered Office: A-28, Ram Nagar, Shastri Nagar, Jaipur-302016**

**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 the above named company, 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:.....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the **28th Annual General Meeting** of the Company, to be held on **Wednesday , the 27th Day of September, 2023** 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 |
|---|---|---|---|
| **Ordinary Business:** | | | |
| 1. | To adopt the Audited Financial Statements of the Company for the Financial Year ended on 31st March, 2023, 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. | | |
| | | | |

Signed this .....Day of ....., 2023.

Affix a Revenue Stamp of Rs. 1/-

Signature of Shareholder.....

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

NOTE:

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

NOTES:

**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)**