

**HRB FLORICULTURE LIMITED**

(Registered office: A-28, RAM NAGAR, SHASTRI NAGAR, JAIPUR)

**NOTICE FOR ANNUAL GENERAL MEETING**

Notice is hereby given that the 15th Annual General meeting of the Members of **HRB FLORICULTURE LIMITED, JAIPUR** will be held on Saturday, 18th day of September, 2010 at 11.00 AM at A-28, Ram Nagar, Shastri Nagar, Jaipur to transact the following business: -

**ORDINARY BUSINESS**

1. To receive, consider and adopt the Balance Sheet as at 31<sup>st</sup> March 2010 and profit and Loss Account for the year ended on that date and the report of Directors and Auditors thereon.
2. To appoint auditors and to fix their remuneration.
3. To appoint Director in place of Sh. Puneet Parwal, who retires by rotation and being eligible, offer himself for re-appointment.

**SPECIAL BUSINESS**

4. To consider and if though fit to pass with or without modification(s) following resolution as **Special Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Sections 198, 269, 309, 310 read with Schedule XIII and all other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification(s) or re-enactment(s) thereof) and all other statutory provisions, approvals, as may be applicable, the consent of the Company be and is hereby accorded to appoint Shri Puneet Parwal, as Whole-time Director of the Company and increase his remuneration from Rs. 20,000/- per month to Rs. 40,000/- per month w.e.f. April 1, 2010 with liberty to the Board of Directors to alter and vary the terms and conditions and /or remuneration, subject to the same not exceeding the limits specified under Schedule XIII to the Companies Act, 1956 or any statutory modification(s) or re-enactment(s) thereof.

**RESOLVED FURTHER THAT** in the event of any statutory amendment, modification or relaxation by the Central Government to Schedule XIII to the Companies Act, 1956, the Board of Directors be and is hereby authorized to vary or increase the remuneration including salary, commission, perquisites, allowances, etc. within such prescribed limit or ceiling and the said terms of appointment of Shri Puneet Parwal, Whole-time Director be suitably amended to give effect to such modification, relaxation or variation without any further reference to the members of the Company in general meeting.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to take all such steps as may be necessary, proper or expedient to give effect to this Resolution."

5. To consider and if though fit to pass with or without modification(s) following resolution as **Special Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Sections 198, 269, 309, 310 read with Schedule XIII and all other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification(s) or re-enactment(s) thereof) and all other statutory provisions, approvals, as may be applicable, the consent of the Company be and is hereby accorded to the re-appointment of Shri Krishan Kumar Parwal, as Managing Director of the





Company for a period of 5 (Five) years w.e.f. September 1, 2010 and subject to other terms & conditions and stipulations, including remuneration as set out in Explanatory Statement annexed to the Notice convening this Meeting, with liberty to the Board of Directors to alter and vary the terms and conditions and /or remuneration, subject to the same not exceeding the limits specified under Schedule XIII to the Companies Act, 1956 or any statutory modification(s) or re-enactment(s) thereof.

**RESOLVED FURTHER THAT** in the event of any statutory amendment, modification or relaxation by the Central Government to Schedule XIII to the Companies Act, 1956, the Board of Directors be and is hereby authorized to vary or increase the remuneration including salary, commission, perquisites, allowances, etc. within such prescribed limit or ceiling and the said terms of appointment of Shri Krishan Kumar Parwal, Managing Director be suitably amended to give effect to such modification, relaxation or variation without any further reference to the members of the Company in general meeting.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to take all such steps as may be necessary, proper or expedient to give effect to this Resolution."

6. To consider and if though fit to pass with or without modification(s) following resolution as **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to Section 383A of the Companies Act, 1956 M/s V. M. & Associates, Company Secretaries in Whole-time practice, Jaipur be and is hereby appointed for the issuance of Compliance Certificate for the financial year 2010-11 and to hold office from the conclusion of this meeting till the conclusion of the next Annual General Meeting of the Company at a remuneration to be fixed by the Board of Directors of the Company in consultation with the said firm."

Jaipur  
Dated: June 28, 2010

By order of the Board of Directors



**KRISHAN KUMAR PARWAL**  
Managing Director

**NOTES: -**

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (THE MEETING) IS ENTITLED TO APPOINT A PROXY TO ATTEND AND TO VOTE INSTEAD OF SUCH MEMBER. AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXY FORM DULY COMPLETED AND SIGNED SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**
2. Members and Proxies attending the Meeting should bring the attendance slip duly filled in for attending the Meeting.
3. An explanatory statement pursuant to Section 173(2) of the Companies Act, 1956 in respect of the special business is annexed hereto.
4. The registers of the members and share transfer books of the company shall remain closed on 18<sup>th</sup> September, 2010.





5. A copy of Profit & Loss Account for the year ended 31<sup>st</sup> March, 2010 and Balance Sheet as at that date together with the Directors' and Auditor's Report thereon are enclosed herewith.

## **HRB FLORICULTURE LIMITED**

### **EXPLANATORY STATEMENT**

The explanatory statement under section 173(2) of the Companies Act, 1956 is as under: -

#### **ITEM NO. 4**

Sh. Puneet Parwal is looking after the Finance and Shares business activity of the company. Considering the services provided by him to the company, your Board of Directors of the Company has recommended for his designation as Whole-time Director and increase in remuneration from Rs. 20000/ per month to Rs. 40000 per month with effect from April 1, 2010.

This Explanatory Statement is and should be treated as an abstract under Section 302 of the Companies Act, 1956.

Your directors recommend the resolution for approval of the Shareholders.

All the directors of the company are concerned or interested in the resolution

#### **ITEM NO. 5**

The appointment of Managing Director Sh. Krishan Kumar Parwal was approved by the shareholders in the Annual general Meeting of the company held on 26<sup>th</sup> September 2005 for a period of five years with effect from September 1, 2005. The appointment was made pursuant to Section 198, 269, 309 and all other applicable provisions if any, of the Companies Act, 1956 read with Schedule XIII to the said Act. Since the term of Managing Director expires on September 1, 2010, it will be in the interest of the company that Sh. Krishan Kumar Parwal continues as Managing Director of the company. The main terms and conditions for re-appointment are as under: -

1. Period of Agreement: Five Years (w.e.f. September 1, 2010)
2. Remuneration
  - a. Salary Rs. 55,000/- Per month
  - b. Perquisites Perquisites shall be restricted to an amount equal to annual salary

#### **PART A**

- a. Housing
  - (i) The expenditure by the company on hiring furnished accommodation will be subject to the following ceiling i.e. 60% of the salary over and above 10% payable by him.
  - (ii) In case accommodation provided is owned by the company - 10% of the salary shall be deducted
  - (iii) In case no accommodation provided by the company, he shall be entitled to HRA subject to ceiling laid down in para (i)
- b. Gas, electricity, water and furnishing: As per the Income Tax Rules, 1962 subject to ceiling of 10% of the salary
- c. Medical Reimbursement: For self and family subject to ceiling of one month salary in a year or three month salary over a period of three years.



- d. Leave travel concession: For self and family once a year in accordance with the Rules of the company.
- e. Club Fees: Subject to maximum of two clubs, however this will not include admission and life membership fee.
- f. Personal Accident Insurance: Premium not exceeding 4000/- per annum.

#### **PART B**

- 1. Contribution to provident fund, superannuation fund or annuity fund will not be included in the computation of the ceiling on perquisites.
- 2. Gratuity, if applicable, should not exceed half month's salary for each completed year of service.

#### **PART C**

Provision of car for use on company's business and telephone at residence will not be considered. Personal long distance calls on telephone and use of car for private purpose shall be billed by the company.

This Explanatory Statement is and should be treated as an abstract under Section 302 of the Companies Act, 1956.

The Board of Directors recommends the passing of the resolution set out in Item No. 5 above.

All the directors of the company are concerned or interested in the resolution

#### **ITEM NO. 6**

As per the requirements of Section 383A of the Companies Act, 1956 and (Companies Compliance) Certificate Rules, 2001 the Company has to obtain a certificate from Company Secretary in practice certifying that legal and procedural requirement under the Companies Act have been duly complied with by the Company. For which appointment of V. M. & Associates, Company Secretaries, Jaipur for conducting and issuing Compliance Certificate u/s 383A of the Companies Act, 1956 is sought.

Your Directors recommend the appointment of V.M. & Associates, Company Secretaries, Jaipur.

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

By Order of the Board



  
**Krishan Kumar Parwal**  
Managing Director



## **HRB FLORICULTURE LIMITED**

### **DIRECTORS' REPORT**

Your directors have pleasure in presenting the 15<sup>th</sup> Annual Report together with audited statements of the accounts for the year ending 31<sup>st</sup> March 2010. The report is as under: -

#### **FINANCIAL PERFORMANCE**

	For the year ended 31-3-2010 (Rs.)	For the year ended 31-3-2009 (Rs.)
Profit/ (Loss) for the year (before tax and depreciation)	11,12,494.20	(56,25,706.14)
Less: Depreciation & Amortization of the advance made for the lease rights of the Agricultural land	11,88,918.00	11,97,348.00
Profit / (Loss) during the year before tax	(76,423.80)	(68,23,054.14)
Less: Income Tax	1,03,140	19984
: Deferred Tax Charge/ (Credit)	2,330	18,04,982
: Fringe Benefit Tax	(50)	8,451
Profit/(Loss) After Tax	(1,81,843.80)	(86,56,471.14)
Add/(Less): Profit/(Loss) Brought forward from last year	(43,01,484.06)	43,54,987.08
Balance of Loss up to 31-3-2010	(44,83,327.86)	(43,01,484.06)

Your directors recommend carrying forward the loss to next year.

#### **DIRECTORS**

Sh. Puneet Parwal, Director of the company retires by rotation on the ensuing Annual General Meeting and is eligible for re-appointment.

#### **PARTICULARS OF THE EMPLOYEE**

There is no person in the employment of the company drawing or entitled to draw a remuneration of Rs. 24,00,000.00 or more per annum or Rs. 2,00,000.00 or more per mensem, if employed for the part of the year.

#### **PARTICULARS WITH RESPECT OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING AND OUTGO**

##### **(A) CONSERVATION OF ENERGY**

The company is making all round effort for conservation of energy. The measures are carried out on on-going basis throughout the year.

##### **(B) TECHNOLOGY ABSORPTION**

1. Specific areas in which R & D work carried out by the company: The Company's R & D activities concentrate on adaptation of new technology and techniques to suit the climatic and local conditions, mainly in the area of the productivity and better quality of the produce.

2. Benefit derived as a result of the above R & D: Cost reduction and Improvement in quality.

3. Future plan of action: Continuance of such effort for improvement in quality and increase production.

4. Expenditure on R & D: The expenditure form the part of general overhead of the company, the precise amount is not quantifiable.





5. Technology absorption, adaptation and innovation.

5.1 Effort in brief made towards technology absorption, adoption and innovation:

The company has made efforts to develop better techniques and better quality of the product.

5.2 Benefit derived as a result of above efforts:

- a. Better quality of product.
- b. Cost reduction.

(C.) FOREIGN EXCHANGE EARNING AND OUTGO

During the year under review the company has expended Rs. Nil of foreign exchange. The company has not earned any foreign exchange.

**COMPLIANCE CERTIFICATE**

As per the requirement of Section 383A of the Companies Act, 1956 and Companies (Compliance Certificate) Rules, 2001, the Company has obtained a Certificate from M/s. V. M. & Associates, Company Secretaries in Whole-time Practice, confirming that the Company has complied with the provisions of the Companies Act, 1956 and a copy of the Compliance Certificate is annexed to this report.

Further, it is proposed to appoint, M/s V. M. & Associates, Company Secretaries in Whole-time Practice, for issuance of Compliance Certificate under section 383A of the Companies Act, 1956, for the financial year 2010-11.

**DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to the requirement under Sec. 217(2AA) of the Companies Act, 1956 with respect to Directors' Responsibility statement, it is hereby confirmed:

- (i) that in preparation of the annual accounts for the financial year ended 31<sup>st</sup> March, 2010 the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (ii) that the directors had selected such accounting policies and applied them consistently and made the judgments and estimates that were 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 profit and loss of the company for the year under review;
- (iii) that the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (iv) that the directors had prepared the accounts for the financial year ended 31<sup>st</sup> March 2010 on a 'going concern' basis.

**FIXED DEPOSITS**

The Company has not accepted any deposits within the meaning of section 58-A of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975.

**LISTING**

The shares of the company are listed in Jaipur, Mumbai. Ahmedabad, Delhi and Kolkatta Stock Exchange. The company has not paid Listing Fees for any of the above stock exchanges.

