

12th

# **ANNUAL REPORT**

2002-2003

Report  junction.com

**HIMALYA INTERNATIONAL LIMITED**

**BOARD OF DIRECTORS**

Shri Man Mohan Malik	- Chairman & Managing Director
Shri Sanjiv Kakkar	- Managing Director
Shri Rajan Dhanwan	- Director
Shri Sangita Malik	- Director
Shri Samuel E. Goodwin	- Director
Shri Chetan Sharma	- HPSIDC, Nominee Director
Shri. R.P. Jain	- HPSIDC, Nominee Director

**AUDITORS**

M/s Anujeet Dandona & Co.  
Chartered Accountant  
63-A, Anekant Palace  
Rajpur Road - Dehradun

**REGD. OFFICE**

No.4, Commerical Complex  
Minto Road Hostel,  
New Delhi - 110 002

**BANKERS**

1. H.P. State Co-Op. Bank
2. State Bank Of India

**REGISTERED AND SHAREHOLDER  
TRANSFER AGENTS**

M/s Beetal Financial & Computer  
Services (P) Ltd.  
321-S, Chirag, Delhi  
New Delhi - 110 017

## NOTICE

Notice is hereby given that the Twelveth Annual General Meeting of the members of M/s. Himalaya International Limited shall be held on Tuesday 16th day of September 2003 at 10.30 A.M. at Gandhi Memorial Hall, Bahadur Shah Zafar Marg, New Delhi-110002 to transact the following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Balance Sheet as at 31st March 2003, the Profit & Loss Account for the year ended on that date; Auditors Report thereon and the Directors' Report annexed there to.
2. To appoint a Director in place of Shri Rajan Dhawan, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Shri Sanjeev Kakkar, who retires by rotation and being eligible, offers himself for re-appointment.
4. To consider and if thought fit to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 224A of the Companies Act, 1956, M/s. Anujeet Dandona & Company, Chartered Accountants, be and are hereby re-appointed as Auditors of the Company, to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting of the Company, and that the Board of Directors/Audit Committee of the Board be and is hereby authorized to fix their remuneration."

By order of the Board

For Himalaya International Limited

Place: New Delhi  
Date: 25th Aug, 2003

(M.M. Malik)  
Chairman

- a) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT MEETING.
- b) The Register of Members and Share Transfer Books of the Company shall remain closed on 16.09.2003.
- c) Members are requested to bring their copies of Annual Report to the Meeting as spare copies will not be available.

## DIRECTORS' REPORT

Your Directors have pleasure in presenting the 12th Annual Report together with Audited Accounts of the Company for the year ended on 31st March 2003.

### FINANCIAL RESULTS

We give below the financial highlights for the year under review: -

	Current Year	(Rs. in Lacs) Previous Year
Turnover & Other Income	1481.08	1254.71
Share of Profit in Partnership Firm	0.00	0.00
Profit/Loss before Depreciation, Interest/Fin. Charges and Tax	198.22	(-) 85.39
Depreciation	97.61	354.73
Interest and Financial Charges	192.64	203.15
Profit/Loss before Income Tax	(-) 92.03	(-) 643.27
Provision for Income Tax (Net)	0.00	0.00
Profit/Loss after Tax	(-) 92.03	(-) 643.27
Surplus brought forward	(-) 218.83	424.44
Balance in Profit & Loss A/c	(-) 310.86	(-) 218.83

### APPROPRIATIONS:

General Reserve	0.00	0.00
Proposed Dividend	0.00	0.00
Corporate Dividend Tax	0.00	0.00

### DIVIDEND

Considering the results, your Directors do not recommend any dividend for the year ended on 31st March 2003 on equity capital of the Company.

### PERFORMANCE & OPERATIONS

The production and Sales of company's products increased slightly due to diversion of product from canned to frozen products than the previous year. Next year is expected to be much better and company shall regain health by the end of next Financial Year.

### Outlook on Threats, Risks and Concerns

The Company has an integrated approach to managing the risks inherent in various aspects of its business. As part of this approach, the Board of Directors (BoD), is responsible for monitoring risk levels on various parameters, and the management council is responsible for ensuring implementation of mitigation measures, if required. The Audit Committee provides the overall direction on the risk management policies.

**HIMALYA INTERNATIONAL LTD.****DIRECTORS**

In accordance with the provisions of the Companies Act, 1956 and the Company's Articles of Association, Shri Rajan Dhawan, and Shri Sanjeev Kakkar, Directors of the Company will retire by rotation at the forthcoming Annual General Meeting and being eligible, offer themselves for re-appointment. The Board recommends their re-appointment.

**FIXED DEPOSITS**

Your Company has neither invited nor accepted any deposits from public within the meaning of the Companies (Acceptance of Deposit) Rules, 1975, during the last financial year.

**AUDITORS**

The Auditors of the Company M/s. Anujeet Dandona & Company, Chartered Accountants, retire and offer themselves for re-appointment. The Company has received a certificate from the Auditors to the effect that their re-appointment, if made, would be within the prescribed limits specified under Section 224 (1B) of the Companies Act, 1956.

**AUDITORS' REPORT**

The Auditors' Report to the members together with Accounts for the year ended on 31st March 2003 and Notes thereon is attached, which are self-explanatory.

**DIRECTORS VIEW ON AUDITORS OBSERVATIONS**

Management response to the various observations of the auditors even though explained wherever appropriate in the notes to the Accounts is reproduced in compliance with the relevant legal provision.

**DIRECTORS RESPONSIBILITY STATEMENT UNDER SECTION 217**

As required under Section 217(2AA) of the Companies Act, 1956 your Directors state that:

- While preparing Annual Accounts, the applicable accounting standards have been followed.
- The Company had selected such accounting policies and applied them consistently and made judgments that are reasonable and prudent which gives true and fair view of affairs of the Company.
- The Company had taken proper & sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and irregularities.
- The Company had prepared accounts on a going concern basis.

**PARTICULARS OF EMPLOYEES**

Information as per Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975 does not form part of this Report. No employee of your Company is covered as per provisions contained u/s 217(2A) of the Companies Act 1956.

**ADDITIONAL INFORMATION REGARDING CONSERVATION OF ENERGY ETC.**

Information in respect of conservation of energy, technology absorption etc. required under the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 is annexed.

**LISTING FEES**

The Equity Shares of the Company continue to be listed at the Stock Exchange(s) of Delhi, Calcutta and Mumbai and the listing fees for the year 2001-2002 & 2002-2003, 2003-2004 is still pending for payment. (The Stock Exchange, Mumbai listing fees deposited up to 2002-2003).

**EMPLOYEE DEVELOPMENT**

Your Company treats its human resources as its most valuable assets. The Company has a continuous program of developing skills of employees through continuing up-gradation of their skills and periodical training. The management shares a very healthy relationship with its employees.

**ACKNOWLEDGMENTS**

The Directors wish to thank and deeply acknowledge the co-operation, assistance and support extended by the Bankers & the financial institutions.

The Board appreciates the efforts put in by all employees for their commitment, and dedication to fulfil their corporate duties with diligence and integrity.

Your Directors are also pleased to place on record their appreciation for the excellent support received from Dealers, Business Associates and Customers by promoting and patronizing the products of the Company.

**By order of the Board  
For Himalaya International Limited**

**Place:** New Delhi  
**Date:** Aug. 25, 2003

**(M.M. MALIK)  
Chairman**

**ANNEXURE TO DIRECTORS' REPORT****STATEMENT OF PARTICULARS UNDER THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988****A. CONSERVATION OF ENERGY**

Your Company is not covered under Industries, which are required to furnish the information in Form-A under Section 217(1)(e) of the Companies Act, 1956 read with Rule 2 of the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988. The consumption of energy in the operation of the Company is not significant. However, the Company is taking all steps to optimise the use of energy through improved operational methods.

**B. TECHNOLOGY ABSORPTION, RESEARCH & DEVELOPMENT (R & D)**

Specific areas in which R & D is carried out by the Company : R & D are carried out for improvement in production process and quality of products.

Benefits derived as a result of the above R & D : The products are finding better acceptability in the market.

Future plan of action : The Company is carrying on R & D to further enhance the product features and improve their quality.

Expenditure on R & D

- Capital	:	NIL
- Recurring	:	NIL
- Total	:	NIL
- Total R & D expenditure as a percentage of total turnover	:	NIL

**TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION**

None

**FOREIGN EXCHANGE EARNINGS AND OUTGO**

The foreign exchange earnings of the Company were Rs. 811.46 Lakhs as compared to Rs. 477.19 Lakhs in the previous year. The foreign exchange outflow was Rs. 7.34 Lakhs as compared to Rs. 29.13 Lakhs in the previous year.

**CORPORATE GOVERNANCE**

Securities and Exchange Board of India has codified the code of Corporate Governance, which has been implemented by amending the listing agreement entered into by the company with various Stock Exchanges. Your Company is required to comply with all requirements of the code of Corporate Governance latest by 31st March 2004. In its efforts to comply with the code of Corporate Governance, the Company has taken various steps and endeavoured to implement maximum number of mandatory requirements by now to ensure smooth implementation by the close of this financial year.



We at Himalya International Limited are committed to the concept and philosophy of Corporate Governance as a means of effective internal control, fair and transparent decision making process and fullest support of the Board and Management for enhancing customer satisfaction and shareholders value.

Given below is a brief report on the practices followed by Himalya International Limited towards achievement of good Corporate Governance.

#### **A. Composition of Board**

##### **Responsibilities of the CEO**

The current policy of the Company is to have an executive Chairman & Managing Director and Director Operations. There is a clear demarcation of responsibilities and authority between the two. The Chairman & Managing Director is responsible for corporate strategy, brand equity, planning, external contacts, acquisitions and board matters. The Director Operations is responsible for all day-to-day operations, related issues and for the achievement of annual targets in customer satisfaction, sales, profitability, quality, productivity, recruitment, training and employee retention. The senior management makes periodic presentations to the board on their responsibilities, performance and targets.

##### **Size of the Board**

The Board has **Six** members.

##### **Executive and Independent Directors**

The Company maintains an appropriate mix of executive and independent directors to maintain the independence of the Board, and to separate the Board functions of governance and management. To ensure independence of the Board, the members of the Audit Committee is composed of suitable and competent independent directors. The current Board has five independent directors and three executive directors.

#### **B. Board Meetings**

##### **Scheduling and Selection of Agenda Items for Board Meetings**

Normally, Board Meetings are scheduled at least 15 days in advance. Most of them are held at the Registered Office of the Company situated at NO. 3&4 COMMERCIAL COMPLEX, MINTO ROAD HOSTEL, NEW DELHI, India. The Chairman of the Board and the Company Secretary draft the Agenda for each meeting, along with explanatory notes, and distribute it in advance to the Board members. Every Board member is free to suggest the inclusion of items on the agenda. Normally, the Board meets once a quarter to review the quarterly un-audited results and other items on the agenda. The Board also meets on the occasion of the Annual General Meeting of the members of the Company. If necessary, additional meetings are held. Independent Directors are normally expected to attend at least four Board Meetings in a year.

##### **Availability of Information to the members of the Board**

The Board has unfettered and complete access to any information within the Company, and to any employee of the Company. At the Meetings of the Board, it welcomes the presence of managers who can provide additional insights into the items being discussed.