

**16th**

**ANNUAL REPORT**

2006-2007

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**HIMALYA INTERNATIONAL LIMITED**

## **BOARD OF DIRECTORS**

- |                        |                              |
|------------------------|------------------------------|
| 1. Sh. Man Mohan Malik | Chairman & Managing Director |
| 2. Sh. Sanjeev Kakkar  | Managing Director            |
| 3. Sh. Rajan Dhawan    | Director                     |
| 4. Sh. Chetan Sharma   | HPSIDC Nominee Director      |
| 5. Sh. R.P.Jain        | HPSIDC Nominee Director      |
| 6. Sh. Sunil Khera     | Independent Director         |

### **AUDITORS**

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

### **REGD. OFFICE**

No. 3&4, Commercial Complex,  
Minto Road Hostel,  
New-Delhi 110 002

### **BANKERS**

1. H.P. State Co-Op Bank Ltd.
2. State Bank of India  
Overseas Branch Delhi

### **REGISTRARS & SHAREHOLDER TRANSFER AGENTS**

M/s Beetal Financial &  
Computer  
Services (P) Ltd.

## **H.O. & WORKS:**

VILLAGE SUBHKHERA,  
PAONTA SAHIB, DISTT.  
SIRMOUR (H.P.) 173025

**Man Mohan Malik**  
Chairman and CEO

August 30<sup>th</sup>, 2007

My Dear Shareholders,

It is with great pleasure that I report to you the progress of your Company since the last AGM & its future prospects.

- ❖ Your company has performed exceptionally well in the last one year with a 250% increase in net profit from operations and a 40% increase in the turnover. I have earlier informed you about the Negotiated Settlements that we have reached with Financial Institutions in last two years. You would appreciate the fact that your Company has paid off most of its dues and shall become a debt-free company by October this year.
- ❖ Owing to the turnaround, the FI's invoked the Recompense Clause of the NTS and with a sense of gratitude towards the public financial institutions, for having stood by us in our worst days, we have also settled this demand of their by way of issuing of seven hundred thousand equity shares of the company in their favour. With this the company shall have a clean slate to chart future growth plans to unlock its true potential that it has attained during the past years of struggle.
- ❖ The Fortunes of the Mushroom Industry worldwide have improved and prices have firmed up. Taking a cue from the international markets, domestic demand for mushrooms too has increased significantly, supported with improved prices. We are currently in the midst of expanding our Mushroom production capacity from 3000 MT to 5000 MT per annum.
- ❖ The Frozen Vegetables business has emerged much stronger with major fillip in volumes in current year. You will be proud to learn that the company is a preferred vendor to some very large chains in North America and in order to meet the increased demand and stringent quality norms, we are augmenting our freezing capacity from 4000 MT to 10,000 MT per annum.

- ❖ The Frozen ethnic Indian foods business has also surged and we expect this business to grow exponentially for next few years.
- ❖ The cheese business has lagged behind and did not perform as anticipated owing to the quality of milk procured and poor rural infrastructure. Your Company has embarked upon an ambitious plan to create the infrastructure and carry out contract dairy farming with the assistance of NABARD. We are confident that this business will turn the corner soon and has the potential to become a major revenue-segment for your Company.
- ❖ The countrywide boom in Retail trade is another reason for a major expected boost to our businesses. To take advantage of burgeoning domestic demand we have converted the status of the Company from a 100% EOU to EPCG.
- ❖ Despite hiccups in the Cheese business, I expect your company to maintain a compounded annual growth rate of 50% from the current activities for next 3 years to reach a turnover target of Rs. 100 Crores by 2010.

The emerging world scenario, the up-gradation of our human resources and competitiveness of Indian Agriculture prompts us to go further and build large expansion plans. Years of sustenance in frozen food business and our survival in the most discerning American market emboldens us to take this enterprise to its true potential. We have laid out green field projects to be implemented in next two years that shall take Himalya to the league of Multinational Food companies.

I thank you for the trust that you have maintained in the company and can assure you of the best efforts by your Himalya team.

**Himalya International Ltd**

**Man Mohan Malik  
Chairman and CEO**

**NOTICE**

Notice is hereby given that the 16<sup>th</sup> Annual General Meeting of the Company will be held on Monday, 24<sup>th</sup> September 2007, at 04.30 P.M. at Pearey Lal Bhawan Association, Gandhi Memorial Hall, Bahadur Shah Zafar Marg, New Delhi-110002, to transact the following businesses:

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at 31<sup>st</sup> March 2007 and Profit & Loss Account for the year ended on that date and reports of Directors and Auditors.
2. To appoint a director in place of Mr. Chetan Sharma, who retire by rotation and being eligible, offers himself for reappointment.
3. To appoint a director in place of Mr. R.P Jain, 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 224 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.”

**SPECIAL BUSINESS:**

5. To consider and if thought fit to pass with or without modification, following resolution as an Ordinary Resolution:-

“RESOLVED THAT pursuant to the provisions of section 94 of the Companies Act, 1956, the Authorized Capital of the Company be and is hereby increased from Rs. 25,00,00,000.00 divided into 2,50,00,000 Equity Shares of Rs. 10.00 each, to Rs. 30,00,00,000.00, divided into 3,00,00,000 Equity Shares of Rs. 10.00 each.

RESOLVED FURTHER THAT the existing clause V of the Memorandum of Association of the Company. as to Share Capital be and is hereby substituted by the following:

**Clause V**

The Authorised Share Capital of the Company is Rs. 30,00,00,000/- (Rupees Thirty Crores) divided into 3,00,00,000 (Three Crores ) Equity Shares of Rs. 10/- (Rupees Ten) each.”

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“RESOLVED THAT pursuant to the provisions of Sections 198, 269 read with schedule XIII and all other applicable provisions if any of the companies Act, 1956 (including any statutory modification(s) or enactment(s) thereof for the time being in force) and subject to such sanctions and approvals as may be necessary, Mr. Man Mohan Malik, Chairman and Managing Director of the Company be and is hereby re-appointed for a period of five years w.e.f. 1st March 2007, on the terms and conditions as given below:

A. Salary : Rs. 1,25,000/- per month

B. Perquisites and Allowances:

- (i) Company's contribution towards Provident fund, Superannuation Fund or
  - (ii) Annuity Fund as per the rules of the Company to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.
  - (iii) Gratuity payable at a rate not exceeding half months salary for each completed year of service.
  - (iv) Leave encashment as per rules of the Company.
  - (v) Medical reimbursement for self and family as per rules of the Company.
  - (vi) Leave travel concession for self and family as per rules of the Company
  - (vii) Furnished accommodation with gas, water, electricity, security etc.
  - (viii) Club fees subject to a maximum of two clubs. This will not include admission and life membership fee.
  - (ix) Personal accident insurance for self.
  - (x) Other benefits:
- 
- (a) Provision for car for office use on Company's business.
  - (b) Telephone facility at residence. The Company shall bill personal long distance calls on telephone.
- 

Note: The perquisite shall be valued on cost to the Company basis.

In case of absence or inadequacies of profits for any financial year, the Chairman and Managing Director shall be paid remuneration as per section II of schedule XIII of the Companies Act, 1956 (Including any statutory modification(s) or re-enactment(s), for the time being in force) as may be applicable from time to time.

8. To Consider and if Thought fit to pass with or without modification the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Sections 198, 269 read with schedule XIII and all other applicable provisions if any of the companies Act, 1956 (including any statutory modification(s) or enactment(s) thereof for the time being in force) and subject to such sanctions and approvals as may be necessary, Mr. Sanjiv Kakkar, Whole-time Director of the Company be and is hereby re-appointed for a period of five years w.e.f. 1st March 2007, on the terms and conditions as given below:

Salary : USD 1500/- per month



- (i) Gratuity payable at a rate not exceeding half months salary for each completed year of service.
  - (ii) Leave encashment as per rules of the Company.
  - (iii) Medical reimbursement for self and family as per rules of the Company.
  - (iv) Leave travel concession for self and family as per rules of the Company
  - (v) Furnished accommodation with gas, water, electricity, security etc.
  - (vi) Club fees subject to a maximum of two clubs. This will not include admission and life membership fee.
  - (vii) Personal accident insurance for self.
  - (viii) Other benefits:
- 
- (c) Provision for car for office use on Company's business.
  - (d) Telephone facility at residence. The Company shall bill personal long distance calls on telephone.
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Note: The perquisite shall be valued on cost to the Company basis.

In case of absence or inadequacies of profits for any financial year, the Whole-time Director shall be paid remuneration as per section II of schedule XIII of the Companies Act, 1956 (Including any statutory modification(s) or re-enactment(s), for the time being in force) as may be applicable from time to time.

9. To Consider and if Thought fit to pass with or without modification the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT Mrs. Sangeeta Malik, who was appointed as Additional Director of the Company pursuant to Section 260 of the Companies Act, 1956 and who holds office upto the date of this Annual General Meeting and in respect of whom company has received a notice under section 257 of the Companies Act, 1956, from a Member proposing his name for the office of Director, be and is hereby appointed as Director of the Company.

10. To Consider and if Thought fit to pass with or without modification the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Sections 198, 269 read with schedule XIII and all other applicable provisions if any of the companies Act, 1956 (including any statutory modification(s) or enactment(s) thereof for the time being in force) and subject to such sanctions and approvals as may be necessary, Mrs. Sangeeta Malik, Director of the Company be and is hereby appointed as Whole-time Director of the Company for a period of three years w.e.f. 1st August 2007, on the terms and conditions as given below:

- a. Salary : Rs. 42000/- per month
- b. Perquisites ad Allowances:

- (i) Company's contribution towards Provident fund, Superannuation Fund or
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- (ii) Annuity Fund as per the rules of the Company to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.
  - (iii) Gratuity payable at a rate not exceeding half months salary for each completed year of service.
  - (iv) Leave encashment as per rules of the Company.
  - (v) Medical reimbursement for self and family as per rules of the Company.
  - (vi) Leave travel concession for self and family as per rules of the Company
  - (vii) Furnished accommodation with gas, water, electricity, security etc.
- 

(viii) Club fees subject to a maximum of two clubs. This will not include admission and life membership fee.

- (ix) Personal accident insurance for self.
- (x) Other benefits:

- 
- (e) Provision for car for office use on Company's business.
  - (f) Telephone facility at residence. The Company shall bill personal long distance calls on telephone.
- 

Note: The perquisite shall be valued on cost to the Company basis.

In case of absence or inadequacies of profits for any financial year, the Whole-time Director shall be paid remuneration as per section II of schedule XIII of the Companies Act, 1956 (Including any statutory modification(s) or re-enactment(s), for the time being in force) as may be applicable from time to time.

**By Order of the Board**

**For Himalya International Limited**

Place: Paonta Sahib

**Man Mohan Malik**

Date: 30.07.2007

**Chairman and CEO**

**NOTES:**

1. 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 to be a member of the company. The proxy in order to be effective must be received at the Registered Office of the Company not less than 48 hours before the meeting.
2. The Register of Members and Share Transfer Books will remain closed on 23<sup>rd</sup> and 24<sup>th</sup> of September 2007.
3. The Members are requested to please send their requests for transfer and transmission of shares, demat, issue of duplicate share certificates and correspondence relating to all other relevant matters including the change in their addresses, if any, directly to the Registrars and Share Transfer Agents of the Company, Beetal Financial & Computer Services Private Limited, Beetal House, 3<sup>rd</sup> Floor, 99 Madangir, BH-Local Shopping Complex, Near Dada Harsukhdas Mandir, New Delhi – 110062.
4. Please bring your attendance slip along with Annual Report to the meeting as the same will not be distributed in the meeting.

**EXPLANATORY STATEMENT PURSUANT TO SECTION 173(3) OF THE COMPANIES ACT 1956.****ITEM NO.5 & 6**

The Company is planning for expansion and diversification of the business activities. Expansion in Mushroom Growing, Expansion of Potato and Vegetable processing line and export of breaded and battered appetizer would be the investment areas. Besides the company is also acquiring the spawn business of Doon Valley Foods Pvt Ltd. To augment the financial resources of the Company it has been proposed to issue equity shares on preferential basis. The present Authorized Share Capital of the Company is not sufficient to issue aforesaid shares of the Company. Therefore, it is proposed to increase the Authorized Share Capital of the Company from Rs. 25,00,00,000.00 divided into 2,50,00,000 Equity Shares of Rs. 10.00 each, to Rs. 30,00,00,000.00, divided into 3,00,00,000 Equity Shares of Rs. 10.00 each.

Your Directors recommend the resolution for approval.

None of the Directors are interested in the proposed resolution except to the extent that the shares to issued consequent upon acquisition of spawn business of Doon Valley Foods Pvt Ltd as a members of Doon Valley Foods Pvt Ltd .

**ITEM NO. 7****OBJECT OF THE ISSUE**