



## NOTICE

**NOTICE** is hereby given that the 20<sup>th</sup> Annual General Meeting of the members of the Company will be held on Friday, 30<sup>th</sup> Day of September 2011, at Sunder Farm Road No. 2, Farm No. 41, Ghitorni, New Delhi -110030, at 3.00 P.M. to transact the following business: -

### **ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Balance Sheet as at 31<sup>st</sup> March 2011, Profit and Loss Account for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Sh. Sanjiv Kumar Kakkar, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Smt. Sangita malik, 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 the following resolution as an **Ordinary Resolution**:

#### **Ordinary Resolution :**

"RESOLVED THAT M/s. Anujeet Dandona & Company, Chartered Accountants, be and are hereby appointed as the Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting at remuneration as may be decided by the Board of Directors of the Company."

### **SPECIAL BUSINESS:**

#### **Item No. 01**

1. To consider and if thought fit to pass, with or without modification(s), the following resolution as special 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) there of for the time being in force) and subject such sanctions and approvals as may be necessary, approval be and is hereby accorded to the reversion of remuneration of Mr. Man Mohan MALIK, Chairman and Managing Director of the company. The revised terms and conditions are as given below:

A Salary: Rs. 8,50,000/- per month

B Bonus at the rate if the 2.5% of the net profit of the company

C Perquisites and Allowances

- (i) Company's contribution towards Provident fund, Superannuation Fund or
- (ii) Annuity Fund as per of the rules the company to the extent these either singly or put together are not taxable under the Income tax, 1961.
- (iii) Gratuity payable at 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) Clubs 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.
- (C) Note: The perquisite shall be valued on cost to the company basis.

In case of absence or inadequacies of profit for any financial year, the chairman and the managing director shall be paid remuneration as per section II of schedule XIII of the companies Act, 1956 (including any statutory modifications(s) or re-enactment (s), for the time being in force) as may be applicable from time to time.

RESOLVED FURTHER that the Board of Directors of the company be and is hereby authorized to alter or vary the terms and conditions of the said revision of remuneration, so long as it does not exceed the limit specified under schedule XIII of the companies Act, 1956, or any modification or re-enactment thereof for the time being in force and also to do all such acts, deeds and things as may be considered necessary or expedient to give effect to this resolution.

2. To consider and if thought fit to pass. With or without modification(s), the following resolution as special resolution:

"RESOLVED THAT pursuant to the provisions of Section 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 thereof for the time being in force) and subject to such sanctions and approvals as may be necessary, approval be and hereby accorded to the revision of remuneration of Mr. Sanjiv Kakkar, Managing Director of the company. The revised terms and conditions are as given below:

- D. Salary: Rs. 850000/- per month
- E. Bonus at the rate of 2.5% of the net profit of the company
- F. 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:

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.

RESOLVED FURTHER that the Board of Directors of the company be and is hereby authorized to alter or vary the terms and conditions of the said revision of remuneration, so long as it does not exceed the limit specified under schedule XIII of the companies Act, 1956 or any modification or re-enactment thereof for the time being in force and also to do all such acts, deeds and things as may be considered necessary or expedient to give effect to this resolution.

**Item No. 02**

"Resolved that pursuant to Section 81 (A) and other applicable provisions, if any of the companies Act, 1956 (ACT) (including any statutory modification or re-enactment thereof for the time being in force) And in accordance with the Articles of Association of the Company, the Listing Agreement entered by The Company with the Stock Exchange(s), the Guidelines for preferential issue contained in the securities and Exchange Board of India (Disclosure & Investor Protection) Guidelines, 2000 (as Amended from time



to time), the applicable laws, rules, regulations, guidelines, clarifications, and approval including those by Reserve Bank of India (RBI) wherever applicable, and any other statutory/Regulatory authorities and subject to such approvals/consents/sanctions as may be required in Accordance with applicable laws, rules, regulations and guidelines and subject to such conditions as the authorities may impose at the time of granting their approvals/consents/permissions/sanctions and which may be agreed to by the Board of Directors of the Company (the Board which expression shall include any committee there of constituted by the Board), consent of the members of the company be and is hereby accorded to the Board to issue and allot, in one or more tranches and upon such terms and conditions as may be deemed appropriate by the Board, by way of allotment by private placement upto 20,00,000 (Two million) warrants convertible into One Equity share of Rs. 10/Each at a price of Rs 25.00 per share (inclusive of premium of Rs. 15.00 per share, as determined in accordance with SEBI (issue of Capital and Disclosure Requirements) Regulations, 2009 on preferential basis by private placement) at any time before the End of 18 month from the date of allotment of the said warrants, to the promoters and strategic investors on such Terms and conditions, as the Board may deem appropriate in its absolute discretion."

RESOLVED FURTHER that the new equity shares to be allotted on conversion of warrants referred to herein above shall be subject to the Memorandum & Articles of Association of the Company and shall rank pari-passu in all respects including the entitlement to pro-rata dividend which may be declared or paid there on from the date of allotment for the financial year which the same are allotted.

RESOLVED FURTHER that for the purpose of giving effect to the above resolutions, the Board of Directors of the Company shall take all decisions as may necessary in connection with any such issues, offer and allotment and equity shares on conversion of warrants and utilization of issue proceeds, as it may, in its absolute discretion deem fit and any such action, decision of the Board shall be binding on all members of the Company."

**RESOLVED FURTHER THAT** issue of warrants, if any as above, shall be subject to the following term and condition:

Further resolved that the Board be and is hereby authorized to issue and allot such number of Equity shares as may be required to be issued and allotted upon conversion of any securities or as may be necessary in accordance with the terms of offering all such shared ranking pari-passu with the existing Equity Shares of the Company in all respects, expecting the right as to dividend as may be provided under the terms of the issue and in the offering documents.

Further resolved that for the purpose of giving effects, issue and allotment of Equity Shares or Securities, as aforesaid the Board be and is authorized on behalf of the company to do all such acts, deeds, matters and things as it may at its absolute discretion deem necessary, desirable or expedient including deciding on the issue price, issue opening and closing dates, and to settle any question, difficulties or doubts that may arise in regards to any such offer, issue and allotment as it may in its absolute discretion deem fit.

**Annexure to the Notice****1. EXPLANATORY STATEMENT PERSUANTY TO SECTION 173(2) OF THE COMPANIES ACT 1956****Object of the issue :-**

(a) In order to raise matching equity for the on-going expansion programmed / new project, to enhance companies marketing edge, to build product as brand product domestic as well as internationally, to build product and to undertake diversified development activities, it is incumbent to raise fresh capital in the near future. Your Board of Directors has, therefore, decided to issue warrants up to Two Millions to promoters. The warrants would be allotted in accordance with the provisions of SEBI (issue of Capital and Disclosure Requirements) Regulations, 2009.

**Relevant Date and price:-**

(b) The relevant date for the purpose of pricing of the issue of shares resulting for the warrants in accordance with ICDR regulation being 30 working days prior to 30<sup>th</sup> Sep 2011 i.e. 30<sup>th</sup> August 2011 (I.e. 30 days prior to the date on which the meeting of general body of share holders is to be held to this term of section 81(1A) of the Companies Act 1956, to consider the purpose issue). This price comes to Rs.24.58 each and your Directors recommended to issue it at a price of Rs. 25.00 (including premium of Rs. 15.00) each warrants.

**Proposed time limit within which the allotment shall be completed:**

(c) Within 15 days from the date of passing of the resolution at the AGM of the shareholders or within 15 days from the date of receipt of statutory approval

**Intension of promoter:**

(d) Intension of promoters to subscribe the warrants is to be converted into equity shares within the period i.e. 18 months from the date of issue. The warrants were issued to existing promoters and there will be no change in management.

(e) The offer, issue and allotment of the aforesaid warrants shall be made as such time or time as the Board may on its absolute discretion decides.

(f) The warrant holder(s) shall, on or before the date of allotment, pay an amount equivalent to 25% of the total consideration of the Warrants.

(g) The warrant holder(s) shall on the date of exercise of the conversion option pay the balance 75% of the total conversion toward the subscription to each equity shares.

(h) The currency of warrants shall not exceed 18 month from the date of their issue.

(i) The warrants shall be locked in for a period as per guidelines of SEBI/ICDR Regulation provided that the lock-in on equity shares acquired by conversion of warrants shall be reduced to the extent the warrants have been locked in.

(j) The numbers of warrant and the price per warrant shall be appropriately adjusted, subject to the companies Act 1956 applicable Guidelines, for corporate actions such as bonus issue, right issue, stock split, merger, demerger, transfer of undertaking, sale of division or any such capital or corporate restructuring, if any in future.

(h) The equity share as may be required to be issue and allotted upon conversion of warrants shall be subject to the Memorandum and Articles of Association of the company. The shares will be allotted in demat form only.

(I) The Board be and is hereby authorized to delegate all or any of the powers here in conferred by this resolution to any director or directors or to any committee of directors of the company to give effect to the aforesaid resolution.



(j) To give effect to this, the board be and is here by authorized to do all such acts., deeds and things as the Board may, in its absolute discretion consider necessary, expedient, usual, proper or incidental including without limitation, appointment of consultants, solicitors, Merchant bankers, or any other agencies as may be necessary, and to seek listing of the equity shares representing the same in any Indian Stock Exchanges with power on behalf of the company to settle any question, remove any difficulty of doubt that may arise from time to time in relation to the offer, issue and allotment of the Warrants and Shares arising on exercise of the option relation to the Warrants and to take such actions or give such directions as may be necessary or desirable and to obtain any approvals, permission, sanctions which may be necessary or desirable, as they may deem fit.

**List of Allottee (Promoters)**

Sl. No.	Category	Address	Holding prior to issue Existing shares	%holding prior to issue	Number of warrants	Holding after the issue	% holding Post Issue
1. Mohan Malik	Promoters/Director	Mailk Niwas, Vill- Ambwala, Paonta Sahib, Distt. Sirmour (H.P.)	1139100	2.26	1200000	2339100	4.46
2. Sanjiv Kumar	Promoters/Director	9, Dayna Lane, Lawrenceville, NJ-08648	96000	0.19	800000	896000	1.71
		<b>Total</b>	<b>1235100</b>		<b>2000000</b>	<b>3235100</b>	

**Statement showing Shareholding pattern as on 30.06.2011**

S.No.	Category	Prior to issue		After issue of warrants	
		No. of Shares	Percentage	No. of Shares	Percentage
<b>A</b>	<b>Promoter Group</b>				
1	Director relatives	8960800	17.77	10960800	20.90
2	Director	2373100	4.71	2373100	4.53
3	Fin.Inst Bank, Body Corp./ Promoters	3637100	7.21	3637100	6.94
	<b>Sub Total (A)</b>	<b>14971000</b>	<b>29.69</b>	<b>16971000</b>	<b>32.37</b>
<b>B</b>	<b>Public Share Holding</b>				
1	Bodies Corporate	7721883	15.31	7721883	14.73
2	Fin.Inst Bank, Investor	1001500	1.99	1001500	1.91
3	Foreign. Inst. Investors	2400000	4.76	2400000	4.58
4	Overseas Bodies Corporate	5845206	11.59	5845206	11.15
	<b>Sub Total (B)</b>	<b>16968589</b>	<b>33.65</b>	<b>16968589</b>	<b>32.36</b>
<b>C</b>	<b>Non Institutional</b>				
1	Resident Individuals	17529423	34.76	17529423	33.43
2	Employees	143850	0.29	143850	0.27
3	Clg. Members (Demat Transit)	50472	0.10	50472	0.10
4	NRIs	768772	1.52	768772	1.47
	<b>Sub Total (C)</b>	<b>18492517</b>	<b>36.67</b>	<b>18492517</b>	<b>35.27</b>
	<b>Total (A+B+C)</b>	<b>50432106</b>	<b>100.00</b>	<b>52432106</b>	<b>100.00</b>



The above shareholding pattern has been arrived on the assumption that the entire warrants proposed to be issued to the promoters, as detailed above, would be converted into equity shares as per scheme of offer. The warrant holders shall be entitled to apply for the and be allotted, in one or more trench, one equity share of the face value of Rs. 10/- each of the company per warrant any time after the allotment of warrants but on or before the expiry of 18 months from the date of allotment of such warrants.

By order of the Board of Directors  
For HIMALYA INTERNATIONAL LTD.

Place: Paonta Sahib  
Date: 29.08.2011

Man Mohan Malik  
Chairman & Managing Director



NOTES:

1. Explanatory Statement pursuant to Section 173 of the Companies Act, 1956 in respect of the business under item no. 5 set out above are annexed hereto.
2. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT OF PROXY SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
3. Members/Proxies should bring the enclosed attendance slip duly filled in, for attending the meeting, along with the Annual Report.
4. The Register of Members and Share Transfer Books of the Company will remain closed from 25<sup>th</sup> September 2011 to 30<sup>th</sup> September 2011, both days inclusive.
5. Members who hold shares in dematerialized form are requested to bring their Client ID (Demat A/C No.) and DP ID numbers for easy identification of attendance at the meeting.
6. Members are requested to notify the change in their address, if any.
7. All documents referred to in the accompanying Notice are open for inspection at the Registered Office of the Company during the office hours on all working days between 11 a.m. and 1.00 p.m. up to the date of this Annual General Meeting.
8. Corporate Members intending to send their authorized representatives to attend the Annual General Meeting are requested to send duly certified copy of the Board Resolution authorizing their representatives to attend and vote at the Meeting.
9. Members are requested to note that all correspondence relating to share transfer should be addressed to its Registrars and Transfer Agents,

M/s. Beetal Computer & Financial Services Pvt. Ltd.,  
Beetal House, 3<sup>rd</sup> Floor, 99, Madangir,  
BH - Local Shopping Centre,  
New Delhi - 110 062

By order of the Board of Directors  
For HIMALYA INTERNATIONAL LTD.

Place: Paonta Sahib  
Date: 29.08.2011

Man Mohan Malik  
Chairman & Managing Director

**DIRECTORS' REPORT**

Dear Shareholders,

We are pleased to present the Twentieth Annual Report of the Company together with Audited Financial Statements and Auditor's Report for the Financial Year ended as on 31<sup>st</sup> March 2011. The Financial Highlights for the year under review are given below:

**Financial Results**

	2010-11	(Rs. in Lacs) 2009-10
Total Income	8316.28	7262.06
Profit before Interest, Depreciation & Tax	2873.32	2431.04
Interest	876.78	443.82
Depreciation	308.20	287.76
Profit before Tax	1688.34	1699.46

**Performance**

During the year under review, the total income of your Company was Rs. 8316.28 Lacs as compared to Rs. 7262.06 lacs in the previous year thereby registered a growth of 14.51%. The net profit before tax of the company for the current financial year is of Rs. 1688.34 lacs as compared to Rs. 1699.46 lacs in the previous year. There is a fall of 0.66% in operational profits as compared to the last financial year.

**Dividend**

In view of expansion plans of the Company at Gujarat, your Directors did not recommend any dividend.

**Business Operations Overview & Future Outlook**

The Company's primary business is manufacture of Mushroom, Canning and ready to eat and trading of nutritional supplement etc. The expansion plans are:-

1. Production at Gujarat plant has commenced on dt 29.06.2011. it is situated at Survey No 215/P, Vadnagar-Navapura-Red Laxmipura Road, Nr Dharoi Distributery Canal, Sultanpura (Vad) -384355. Dist. Mehsana. Gujarat. Total cost incurred on project till 31.03.2011 is Rs 138 Crore.
2. Company has made JV for sales of its product with Simplot a US based company.

**Fixed Deposits**

The Company has not accepted any deposits during the financial year under review.

**Directors' Responsibility Statement**

Pursuant to Section 217 (2AA) of the Companies Act, 1956, the Directors confirm:

- i) That in the preparation of the Annual Accounts for the Financial Year ended 31<sup>st</sup> March, 2011, the applicable Accounting Standards have been followed along with proper explanation relating to material departures;
- ii) That the Directors had selected such accounting policies and applied them consistently 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 of the Company for the year under review;
- iii) That the Directors have 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; and





iv) that the Directors have prepared the Annual Accounts for the Financial Year ended 31<sup>st</sup> March, 2011 on a 'going concern' basis.

**Particulars of Energy, Technology and Foreign exchange**

**A-Energy conservation** – The Company makes continuous efforts to explore new technologies And techniques to make the infrastructure more energy efficient.

Moreover, the operations of the Company are not energy intensive. Company has changed its oil fired boilers to agro waste.

**B-Technology absorption** –

Company uses Indian technical manpower to Operate Indian and imported infrastructure.

**C- Foreign Exchange earnings and out go:**

Earnings in Foreign Exchange	: Rs. 3288.64
• Expenditure in Foreign Exchange	: Rs. 6064.51

**Particulars of Employee Stock Option Scheme**

**Status of the 12,00,000 ESOP approved by the shareholders in the AGM held on 23<sup>rd</sup> November, 2005.**

<b>Option granted</b>	<b>: 5,85,500 options granted on 26/12/2007</b>
a. The pricing	: Rs. 10.00 per option.
b. Options vested	: For employees 100 % option vested during the year 2007- 08 for employees older than one year.
c. Options exercised in the Financial Year2007-08	: 5,85,500 options.
d. Allotement of Bonus Shares arising out of ESOP	: Nil.
e. The total no. of shares arising as a result of exercise of option	: 5,85,500 equity shares .
f. Variation of terms of options	: Nil.
g. Money realized by exercise of options	: Rs. 58,55,000/-
h. Equity Shares allotted under ESOP	: 5,85,500 equity shares.

<b>Option granted</b>	<b>: 6,14,500 options granted on 02/05/2008</b>
a. The pricing	: Rs. 10.00 per option.
b. Options vested	: For employees 100 % option vested during the year 2008- 09 for employees older than one year.
c. Options exercised in the Financial Year2008-09	: 6,14,500 options.
d. Allotement of Bonus Shares arising out of ESOP	: Nil.
e. The total no. of shares arising as a result of exercise of option	: 6,14,500 equity shares .
f. Variation of terms of options	: Nil.
g. Money realized by exercise of options	: Rs. 61,45,000/-
h. Equity Shares allotted under ESOP including	: 6,14,500 equity shares.

**Disclosure under Clause 12.1 of SEBI (ESOS & ESPS) Guidelines for the ESOS of the Company as under :**

- |  |                      |
|--|----------------------|
| a. Option granted  | : 15,00,000 options. |
| b. The pricing   | : Rs. 11/-.          |
| c. Options vested  | : Nil.               |
| d. Options exercised   | : Nil.               |
| e. The total number of shares arising as a result of exercise of option  | : N.A.               |
| f. Options lapsed  | : N.A.               |
| g. Variation of terms of options   | : N.A.               |
| h. Money realized by exercise of options   | : N.A.               |
| i. Total number of options in force  | : N.A.               |
| j. Employee wise details of options granted to   | : N.A.               |
| k. Diluted Earnings Per Share (EPS) pursuant to issue of shares on exercise of option calculated in accordance with Accounting Standard (IAS)33  | : N.A.               |
| L. Where the company has calculated the employee Compensation cost using the intrinsic value of the Stock options, the difference between the employee Compensation cost to computed and the employee Compensation cost that shall have been recognized If it had used the fair value of the options, shall be Disclosed. The impact of this difference on profits And on EPS of the company shall also be disclosed | : N.A.               |
| m. Weighted-average exercise prices and weighted-average fair values of options shall be disclosed separately for options whose exercise price either equals or exceeds or is less than the market price of the stock  | : N.A.               |
| n. A description of the method and significant assumptions used during the year to estimate the fair values of options, including the following Weighted – average information   | : N.A.               |
| (i) Risk- free interest rate,  |                      |
| (ii) Expected life ,   |                      |
| (iii) Expected volatility ,  |                      |
| (iv) Expected dividends , and  |                      |
| (v) The price of the underlying share in market at the time of option grant.   |                      |

**Personnel and Particulars of Employees**

The industrial relations with the workers and staff of the company remained cordial throughout the year. There was unity of purpose among all levels of employees, continuously striving for improvement in work practices and productivity. Training and development of employees continue to be an area of prime importance. Pursuant to Section 217(2A) read with the Companies (Particulars of Employees) Rules, 1975, as amended a statement containing list of employees and drawing remuneration exceeding Rs. 24.00 Lacs annum or Rs. 2.00 Lacs per month is given herein below.