

27th Annual Report 1999-2000

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Hind Industries Limited

SHARE HOLDER'S DIARY

1. **Date of 27th Annual General Meeting** : Friday, 29th September, 2000
2. **Time and Venue** : 9:30 A.M.
At Seble Hall, Main Mathura Road,
Badarpur, New Delhi-110044
3. **Date of Book Closure** : 16th September, 2000
to 25th September, 2000
(Both days inclusive)
4. **Dematerialisation** : During the Month of August, the Company
has entered into an agreements with NSDL
and CDSIL to facilitate investors to hold
Company's shares in electronic form. The
ISIN number allotted to the Company is
INEO675B01019.
5. **Share Details**
 - Market Lot** : 100 Shares
 - Traded at Stock Exchanges** : Ahmedabad, Calcutta, Chennai, Delhi
Hyderabad, Kanpur, Mumbai and
National Stock Exchange.
6. **Share Transfer and other communications may be addressed to** : Share Department
Hind Industries Limited
B-3, Friends Colony (West)
Main Mathura Road,
New Delhi-110065.
7. **Share Transfer System** : All share certificates, subject to correctness
and completion of all documents, would
normally be registered and returned within 4
weeks from the date of receipt.
8. **Investors complaint may be addressed to** : Shahid Jamal
Company Secretary
Hind Industries Limited
B-3, Friends Colony (West)
Main Mathura Road,
New Delhi-110065.

HIND INDUSTRIES LTD.

Board of Directors	<i>Chairman cum Managing Director</i> Mr. Sirajuddin Qureshi <i>Directors</i> Mrs. Kiran Qureshi Dr. M.A. Haleem Mr. B.B. Gupta Mr. B.B. Huria <i>Nominee Director (IFCI)</i> Mr. H.K. Peshwani
Chief Manager (Finance & Accounts) Sr. Manager (Finance & Accounts)	Mr. D. Guha Mr. S. M. Saini
Company Secretary	Mr. Shahid Jamal Ahmad
Bankers	Indian Bank State Bank of Hyderabad
Auditors	M/s. M.K. Aggarwal & Co. Chartered Accountants New Delhi
Registered Office	B-3, Friends Colony (West) Main Mathura Road New Delhi - 110 065 Phone : 6918786 (5 Lines) Fax : 6821137 E-mail : hindgrp@nde.vsnl.net.in
Works	B-42, Site IV Industrial Area Sahibabad Distt. Ghaziabad (U.P.) Phone : 0120-770783-785-786 Fax : 0120-770784

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NOTICE

Notice is hereby given that the 27th Annual General Meeting of the members of Hind Industries Limited will be held at 9.30 A.M. on Friday 29th September, 2000 at Seble Hall, Main Mathura Road, Badarpur, New Delhi - 110044 to transact the following business :-

ORDINARY BUSINESS:

1. To receive, consider and adopt the Balance Sheet as at 31st March 2000, and the Profit and Loss Account of the Company for the year ended on that date and the Report of Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. B. B. Gupta who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint Auditors to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting of the Company and to fix their remuneration.

SPECIAL BUSINESS:

4. To Consider and if, thought fit to pass with or without modification(s) the following resolution as Special Resolution ;

“Resolved that in accordance with the provisions of Section 81 and other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification or re-enactment thereof, for the time being in force), and enabling provisions in the Memorandum and Articles of Association of the Company and the Listing Agreements entered into by the Company with the Stock Exchanges where the shares of the Company are listed and subject to the approval of Govt. of India (G.O.I.), Financial Institutions (FIs), Securities and Exchange Board of India (SEBI), Reserve Bank of India (RBI), and all other concerned authorities, if any, and to the extent necessary and such other approvals, permissions and sanctions, as may be necessary, and subject to such conditions and modifications as may be prescribed or imposed by any of them while granting such approvals, permissions and sanctions, which may be agreed to by

the Board of Directors of the Company (hereinafter referred to as the “Board”) and/or a duly authorised Committee thereof for the time being exercising the powers conferred by the Board, the consent of the Company be and is hereby accorded to the Board to issue/offer equity shares, preference shares, convertible debentures (fully or partly), non-convertible debentures, all or any of the aforesaid with or without detachable or Non-detachable warrants and/or warrants of any nature and/or secured premium notes, and/or floating rate notes/bond, and/or any other financial instrument(s) (hereinafter referred to as “securities”) as the Board in its sole discretions may at any time or times hereafter decide which securities, when issued or allotted would ultimately result in an increase in the subscribed/paidup Share Capital of the Company by an amount not exceeding the Authorised share capital of the Company, to the Members, Employees, Companies, Financial Institutions, Mutual Fund, Banks, Non-resident Indians, Foreign Companies, Overseas Corporate Bodies (OCBs), Foreign Institutional Investors (FIIs), International Investors, or other entities/authorities and to such other persons through such issue which may be brought from time to time including public issue, right issue, private placement, placement on firm allotment basis, exchange of securities, conversion of loans or otherwise and for general corporate purposes including capital expenditure, working capital requirements, amalgamations, acquisitions, reconstructions, or any other re-organisation as the Board may deem fit and/or by any one or more or a combination of the above modes/methods or otherwise and in one or more tranche(s) with or without voting rights in general meetings/class meetings of the company as may be permitted under the then prevailing laws, at such price or prices in such manner as the Board may in its absolute discretion think fit in consultation with the lead managers, underwriters, advisors and such other persons, and on such terms and conditions including the number of Securities to be issued, face value, rate of dividend, interest, redemption period, manner of redemption, amount of premium on redemption, the number of preference share/equity shares to be allotted on conversion / redemption /extinguishment of debts, exercise of rights attached with warrants, the ratio of exchange of shares and/or warrants and/or any other financial

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instrument, period of conversion, fixing of record date or book closure and related or incidental matters.

Resolved further that such of these securities to be issued as are not subscribed, may be disposed off by the Board to such persons and in such manner and on such terms and conditions as the Board may in its absolute discretion think most beneficial to the company including offering or placing them with Banks/ Financial Institutions/Investment Institutions/ Mutual Funds/Foreign Institutional Investors or such other persons or otherwise as the Board may in its absolute discretion decide.

Resolved further that for the purpose of giving effect to this resolution the board be and is hereby authorised to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in regard to the offer, issue, allotment and utilisation of proceeds of issue of the securities and further to do all such acts, deeds, matters and things and to finalise and execute all such deeds, documents and writings as may be necessary, desirable or expedient as it may deem fit.

Resolved further that the Board be and is hereby authorised to delegate all or any of the powers herein conferred to any committee of Directors or Managing Director of the Company, to give effect to the aforesaid resolution."

5. To Consider and if, thought fit to pass with or without modification(s) the following resolution as Special Resolution ;

"Resolved that in supersession of earlier resolutions passed by the Company for giving Inter Corporate Guarantee and Security pursuant to the provisions of Section 372A of Companies Act, 1956 the Board is hereby authorised to give any Guarantee or provide any Security in connection with a loan made by any other person to or to any other person by, any Body Corporate notwithstanding the fact that whether such Body Corporate is under the same management or not as the Company, upto a limit of Rs.200 Crore (Rupees Two Hundred Crores) during the period of

one year commencing from the conclusion of this Annual General Meeting."

6. To Consider and if, thought fit to pass with or without modification(s) the following resolution as a Special Resolution ;

"Resolved that pursuant to Section 31 and other applicable provisions, if any, of the Companies Act, 1956 or any re-enactments thereof and provisions of other statutes as may be applicable, the Articles of Association of the Company be and are hereby altered as follows:

Insert the following Heading and Article as Article 29A after Article 29:

29A.DEMATRIALISATION OF SECURITIES

For the purpose of this Article:

(i) Definitions

"Beneficial Owner" shall have the meaning assigned thereto in section 2 of the Depositories Act, 1996;

"Depositories Act" shall mean the Depositories Act, 1996 or any statutory modification(s) or re-enactment thereof;

"Depository" means a Company formed and registered under the Companies Act, 1956, and which has been granted a certificate of registration to act as a depository under the Securities and Exchange Board of India Act, 1992;

"SEBI" means the Securities Exchange Board of India; and

"Security" means such security as may be specified by SEBI from time to time.

(ii) Dematerialisation of Securities

Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialise its securities and to offer securities in a dematerialised form pursuant to the Depositories Act, 1996.

(iii) Option for Investors

Every person subscribing to/acquiring securities offered by the Company shall have the option to

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receive security certificates or to hold the securities with a depository. such a person who is the beneficial owner of the securities can at any time opt out of a depository, if permitted by law, in respect of any security in the manner provided by the Depositories Act, and the Company shall, in the manner and within the time prescribed, issue to the beneficial owner the required certificates of securities.

If a person opts to hold his security with a depository, the Company shall intimate such depository the details of allotment of the security and, on receipt of the information, the depository shall enter in its record the name of the allottee as the beneficial owner of the security.

(iv) Securities in Depositories to be in fungible form

All securities held by a shall be dematerialised and be in fungible form. Nothing contained in Sections 153, 153A, 153B, 187B, 187C and 372 of the Act shall apply to a depository in respect of the securities held by it on behalf of the beneficial owners.

(v) Rights of Depositories and beneficial Owners

(a) Notwithstanding anything to the contrary contained in the Act or these Articles, a depository shall be deemed to be the registered owner for the purpose of effecting transfer of ownership of security on behalf of the beneficial owners.

(b) Save as otherwise provided in (a) above, the depository as the registered owner of the securities shall not have any voting right or any other rights in respect of the securities held by it.

(c) Every person holding securities of the Company and whose name is entered as the beneficial owner in the records of the depository shall be deemed to be a member of the Company. The beneficial owner of the securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of his securities which are held by a depository.

(vi) Service of Documents

Notwithstanding anything in the Act or these Articles to the contrary, where securities are held in a depository, the records of the beneficial ownership may be served by such depository on the company

by means of electronic mode or by delivery of floppies or discs.

(vii) Transfer of Securities

Nothing contained in Section 108 of the Companies Act or these Articles shall apply to a transfer of securities effected by a transferor or transferee both of whom are entered as beneficial owners in the records of a depository.

(viii) Allotment of Securities dealt with by Depository

Notwithstanding anything in the Act or these Articles, where securities are dealt with by a depository the Company shall intimate the details thereof to the depository immediately on allotment of such securities.

(ix) Distinctive numbers of Securities

Nothing contained in the Act or these Articles regarding necessity of having distinctive numbers for securities issued by the Company shall apply to securities held in a depository.

(x) Register and Index of Beneficial Owners

The Register and Index of Beneficial Owners, maintained by a depository under the Depositories Act, 1996, shall be deemed to be the Register and Index of Members and Security holders for the purposes of these Articles.

By order of the Board of Directors

NEW DELHI
30th August, 2000

SHAHID JAMAL AHMAD
COMPANY SECRETARY

Registered Office
B-3, Friends Colony (West)
Main Mathura Road
New Delhi - 110 065.

HIND INDUSTRIES LTD.**NOTES :**

1. A member entitled to attend and vote at the meeting is entitled to appoint a Proxy to attend and vote on his behalf 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 forty eight hours before the meeting.
2. The Register of Members and Share Transfer Books of the Company will remain closed from Saturday, 16th September, 2000 to Monday, 25th September, 2000 (both days inclusive).
3. Members are requested to intimate to the Company Secretary changes, if any, in their registered addresses alongwith Pin Code Number.
4. Members/Proxies should bring the attendance slip duly filled in for attending the meeting.
5. As a measure of economy, distribution of copies of the Report at the Annual General Meeting shall not be made. Members are requested to bring their copies of the report to the meeting.
6. Shares holders seeking any information with regard to accounts are requested to write to the Company Secretary well in advance so as to reach the company atleast seven days prior to Annual General Meeting so as to enable the management to keep information ready at the AGM.

EXPLANATORY STATEMENT

Pursuant to Section 173(2) of the Companies Act, 1956

ITEMNO.4

Section 81 of the Companies Act, 1956 provides, inter alia, that whenever the subscribed capital of the company is proposed to be increased by allotment of further shares, such shares shall be first offered to the members who are holders of the equity Shares of the Company in proportion to the capital paidup on those shares at that time. In case the shares are to be offered to any person other than the members of the company, approval of the members is required by a Special Resolution.

Looking into the very high cost of Debt Fund which the Company is presently availing from financial Institutions, the Company might thinkover in terms of substituting the debt fund with equity if the Share Market conditions improve. The Authorised share capital of the company at present is Rs.16 Crores (Rupees Sixteen Crores only). The company therefore may issue/allot further shares in future for which Board seeks the approval of the shareholders and hence the resolution.

Board recommends passing of the resolution as a Special Resolution.

None of the directors shall be considered to be interested and/or concerned in passing of the said resolution except to the extent of their Shareholdings in the Company.

ITEMNO.5

Consequent upon the passing of the Companies (Amendment) Act, 1999 Section 372A has been incorporated consolidating the erstwhile provisions of section 370 and 372. The new provision, inter alia, has combined the limits for making of investments, loans/deposits and giving/providing of guarantees/securities and while abolishing the requirements of prior approval of the Central Government has given the authority to the Board of Directors and Shareholders of the Company to decide in the matter.

Hind Industries Limited has already provided corporate guarantee to Hind Agro Industries Limited a subsidiary of Hind Industries Limited for more than Rs. 100 Crores. Looking into the size of its project further guarantees would have to be provided for its Term Loan and working capital needs which may extend upto Rs.200 Crores in total.

Moreover, Proposals have already been placed before various Commercial Banks for meeting the additional working capital requirements of Hind Agro Industries Ltd. and in this connection there is an immediate need of providing the corporate guarantee for availing working capital facilities by Hind Agro Industries Ltd.

In view of the above the Shareholders are requested to confirm the resolution under Item No. 5.

None of the directors shall be considered to be interested and/or concerned in passing of the said resolution except to the extent of their Shareholdings in the Company.

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ITEM NO.6

Consequent to the introduction of the Depositories Act, 1996 and the Depository System, your Company has entered into an agreement with the National Securities Depository Limited (NSDL) and the Central Depository Services of India Limited (CDSIL) to offer the benefits of scripless trading to the members. Certain provisions of the Company's Articles of Association pertaining to issue, holding, transfer, transmission and dealing in shares and other securities as also certificates thereof which were framed on the basis of the relevant provisions of the Companies Act, 1956, need to be suitably altered. It is therefore proposed to alter the Company's Articles of Association, as set out in the Resolution at Item No.6 of the Notice to reflect the provisions introduced by the Depositories Act, 1996.

A copy of the Memorandum and Articles of Association of the Company together with the proposed alterations is available for inspection by the members of the Company at

the Company's Registered Office at New Delhi, on all working days between 11.00 a.m. to 1.00 p.m., except Saturdays, upto the date of the Annual General Meeting.

The Directors recommend adoption of the resolution at Item No.6.

None of the Directors is, in any way, concerned or interested in the Resolution.

By order of the Board of Directors

NEW DELHI
30th August, 2000

SHAHID JAMAL AHMAD
COMPANY SECRETARY

Registered Office
B-3, Friends Colony (West)
Main Mathura Road
New Delhi - 110 065.

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DIRECTORS' REPORT

Dear Shareholders,

Your Directors have pleasure in presenting their Twenty Seventh Annual Report alongwith Audited Accounts for the year ended 31st March, 2000.

Financial Highlights:

The Financial results of the Company for the year under review and for previous year are as under :

(Rs. in Lacs)

Particulars	1999-00	1998-99
Sales	3277.20	3283.11
Other Income	48.80	44.43
Operating Profit	163.12	210.50
Profit before Taxes	163.12	210.50
Provision for Taxation	6.50	7.50
Profit after Taxes	156.62	203.00
Appropriations:		
Proposed Dividend	-	-
Corporate Dividend Tax	-	-
Transfer to General Reserve	200.00	400.00
Surplus Carried to Balance Sheet	135.95	179.90

Operations :

During the year the Company could achieve a turnover of Rs.3277.20 lakhs against a turnover of Rs. 3283.11 lakhs in the previous year. The profit before taxes is Rs. 163.12 lakhs as against Rs.210.50 in the previous year.

HINDAGRO INDUSTRIES LIMITED

Your Directors have pleasure to inform you that the 100% Export Oriented Ultra Modern Integrated Abattoir-Cum-Meat Processing Plant of Hind Agro Industries Limited, the Subsidiary Company of Hind Industries Limited which was commissioned in January, 1998 could achieve a turnover of Rs. 17683.04 lakhs and a profit after taxes of Rs. 646.12 lakhs during the year 1999-2000. This is against a turnover of 8798.67 lakhs with a profit after taxes of Rs. 242 lakhs during the previous year and is indeed a remarkable achievement in terms of growth for a new project.

Dividend :

Your Directors do not recommend any dividend for the financial year ended on 31st March 2000 because of inadequacy of funds during the financial year under review.

Current year's outlook :

The Company embarked into new financial year 2000-2001 with a very promising performance. Sales in the 1st quarter increased around 70% as against the sale in the corresponding quarter of the previous financial year with profit before taxes rising upto 75%.

The Directors are confident that the Company would be able to show an improved performance in the current year with the new marketing strategies adopted by the management.

Deposits :

Your Company has not invited/accepted any fixed deposits from Public during the year pursuant to provisions of Section 58A of the Companies Act, 1956.

Directors :

Mr. B. B. Gupta, Director will retire by rotation at the forthcoming Annual General Meeting and being eligible offers himself for reappointment.

The Board recommends for his reappointment.

Auditors :

M/s M.K. Aggarwal & Co., Chartered Accountants, retires as Auditors of the Company at the conclusion of 27th Annual General Meeting and being eligible offer themselves for reappointment.

The Board recommends for their reappointment.

Particulars of Employees :

There was no employee in the Company drawing remuneration of more than 50,000/- per month or Rs.6,00,000/- per annum hence no particulars of Employees under section 217(2A) of Companies Act, 1956 read with Companies (Particulars of Employees) Rules 1975 is required to be given.

HIND INDUSTRIES LTD.**Particulars of Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo :**

The statement pursuant to Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 is given in the Annexure forming part of this report.

Acknowledgements :

The Directors wish to thank and deeply acknowledge the co-operation, assistance and support extended to the company by the Central Government, State Government, Financial Institutions and Company's Bankers. The Board also wishes to place on record their appreciation for the all round co-operation and sincere efforts made by the workers, staff and executives of the Company.

For and on behalf of the Board of Directors

NEW DELHI
AUGUST 30, 2000

SIRAJUDDIN QURESHI
Chairman

(ii) Continuation of leak detection/rectification programme.

(iii) Replacement of power reading meters for better control.

(iv) Overhauling and replacement of equipment for improved process of product.

c) Impact of measures at (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production of goods:

Consumption of energy per unit of production has been in line with the level of activity due to measures related to energy conservation undertaken as stated above.

d) Total energy consumption :**Power and Fuel consumption :****ANNEXURE TO THE DIRECTORS' REPORT**

Information in accordance with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988

A) CONSERVATION OF ENERGY**Energy Conservation Measures Taken****a) Energy Conservation during the financial year**

(i) Intensive drive continued to identify and rectify the steam/water leakages.

(ii) Decluttering of idle charges headers/pipe lines for including insulation of pipelines.

(iii) Regular inspection/rectification of and efficient monitoring of condensate return system.

b) Additional investments and proposals, if any, being implemented for reduction of consumption of energy:

(i) New compressors going to be installed for better chilling effect (Frozen Meat)

Electricity	Current Year	Previous Year
a) Purchased Units (KWH)	-	1133220
Total Amount (Rs.)	-	5624461
Average Rate/Unit (Rs.)	-	4.97
b) Own Generation through Diesel Generator Set		
Units of Electricity	2058750	468069
Total Amount (Rs.)	8100478	1672567
Cost per Unit of Electricity (Rs.)	3.93	3.57

Consumption per Unit of Production

Fresh & Frozen Meat		(Per K.G.)
Particulars	Current Year	Previous Year
Energy (in Units)	0.45	0.47