



Hind Industries Limited
31st Annual Report 2003 - 2004

HIND INDUSTRIES LTD.

BOARD OF DIRECTORS	Chairman & Managing Director Mr. Sirajuddin Qureshi Nominee Director-IFCI Limited Mr. Rakesh Kapoor Directors Mrs. Kiran Qureshi Mr. B. B. Gupta Mr. B. B. Huria Dr. S. K. Ranjhan Dr. Naseem Qureshi
CHIEF MANAGER (F& A)	Mr. D. Guha
COMPANY SECRETARY	Mr. Abdul Latif
BANKERS	Indian Bank State Bank of Hyderabad
AUDITORS	M/s. M. K. Aggarwal & Co. Chartered Accountants
REGISTERED OFFICE	A-1, Phase - I, Okhla Industrial Area, New Delhi - 110 020 Phone : 26372786 (7 Lines) Fax : 26817941-42 E-mail: hindgrp@mantraonline.com
WORKS	B-42, Site IV, Industrial Area, Sahibabad, Distt. Ghaziabad (U.P.) Phone : 95120-2895340-43 Fax : 95120-2895500 & 5341

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HIND INDUSTRIES LTD.**NOTICE**

NOTICE IS HEREBY GIVEN THAT THE 31st ANNUAL GENERAL MEETING OF THE MEMBERS OF HIND INDUSTRIES LIMITED WILL BE HELD AT 9.30 A.M. ON THURSDAY, 30th SEPTEMBER, 2004, AT SEBLE HALL, MAIN MATHURA ROAD, BADARPUR, NEW DELHI- 110 044, TO TRANSACT THE FOLLOWING BUSINESS: -

ORDINARY BUSINESS:

1. To receive, consider and adopt the Balance Sheet as at 31st March 2004, and the Profit & Loss Account of the Company for the year ended on that date and the Reports of Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. B. B. Huria, who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint the Auditors to hold the office from the conclusion of this meeting until the conclusion of 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 an **Ordinary Resolution**;
"Resolved that pursuant to the provisions of Section 257 and other applicable provisions, if any, of the Companies Act, 1956, Dr. S. K. Ranjhan be and is hereby appointed as a Director of the company liable to retire by rotation."
5. 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 257 and other applicable provisions, if any, of the Companies Act, 1956, Dr. Naseem Qureshi be and is hereby appointed as a Director of the Company liable to retire by rotation."
6. To consider and if thought fit, to pass with or without modification(s), the following resolution as a **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 Agreement entered into by the Company with the Stock Exchange where the

shares of the Company are listed and subject to the approval of Govt. of India (G.O.I.), Financial Institutions (FI's), 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 authorized 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 discretion may at any time or times hereafter decide, which securities when issued or allotted, would ultimately result in an increase in the Subscribed/Paid up Share Capital of the Company by an amount not exceeding the Authorized Share Capital of the Company, to the Members, Employees, Companies, Financial Institutions, Mutual Funds, Banks, Non-resident Indians, Foreign Companies, Overseas Corporate Bodies (OCB's), Foreign Institutional Investors (FII's), 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 or for general corporate purposes including capital expenditure, working capital requirements, amalgamations, acquisitions, reconstructions, or any other re-organization, 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

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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 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 authorized 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 utilization of proceeds of issue of the securities and further to do all such acts, deeds, matters and things and to finalize 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 authorized 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."

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

"Resolved that pursuant to the provisions of Sections 198, 269, 309, 310 and 311 read with Schedule XIII and all other applicable provisions, if any, of the Companies Act, 1956, and in terms of the letter No.1/13/2004-CL.VII, dated - May 14, 2004, of the Central Government and further subject to the fresh approval of Central Government wherever required and also subject to such sanctions, as may be necessary, consent of the company be and is hereby re-accorded for the ratification/reappointment of Shri. Sirajuddin Qureshi as the Chairman & Managing Director of the Company for a period of five years effective from 06/08/2003 to 05/08/2008, on the remuneration as set out hereunder:

- a) **Salary:**
A monthly salary in the following scale of pay:
Rs.1,00,000/-Rs.25,000/-Rs.2,00,000/-
- b) **Commission:**
Subject to a ceiling of one month's salary in a year, commission equal to 1% (one), on the net profits of the Company computed in the manner laid down in section 309 (5), of the Companies Act. 1956.
- c) **Provident Fund:**
Company's contribution to the Provident Fund as per the Provident Fund Act and Rules as amended from time to time.
- d) **Pension/Superannuation Fund:**
Company's contribution to the Superannuation Fund @ 15% of the monthly Salary.
- e) **Gratuity:**
Gratuity for half month's salary for each completed year of service subject to a ceiling of Rs.2,50,000/-
- f) **Medical Benefits:**
Reimbursement of medical expenses actually incurred for self and family subject to ceiling of one month's salary in a year or three months' salary over a period of three years.
- g) **Leave Travel Concession:**
Leave Travel Concession for self and family once in a year subject to a ceiling of one month's salary in a year or three months' salary over a period of three years.
- h) **Leave Encashment:**
Encashment of a maximum fifteen days earned leaves on the completion of each year of continuous service.
- i) **Club Fees:**
Admission or membership fee of two clubs for self and spouse on actual basis subject to one month's salary in a year.
- j) **Insurance:**
Personal Insurance subject to a maximum annual premium of one month's salary in a year.
- k) **Car:**
The Company shall provide a car with driver for the official usage.

HIND INDUSTRIES LTD.**l) Telephone:**

The Company shall provide the telephone facilities for the official purposes.

m) Entertainment Expenses:

Reimbursement of monthly entertainment expenses actually incurred on official purposes, subject to a ceiling of one month's salary.

Further resolved that in the event of any modification or revision as may be allowed/sanctioned by the Central Government or any other Concerned Authority or in Schedule XIII or in any other applicable provisions of the Companies Act, 1956, in respect of the remuneration payable to Chairman & Managing Director, the Board of Directors, including the Remuneration Committee of Directors, be and is hereby authorized, at its discretion, to accordingly revise/modify the term, remuneration payable or any other condition of the above appointment of Shri Sirajuddin Qureshi with effect from the date of such approval, sanction, modification or revision, as the case may be.

Resolved further that the Board be and is hereby authorized to take all such steps as may be necessary, proper or expedient to give effect to the resolution."

BY ORDER OF THE BOARD

Place: NEW DELHI

ABDUL LATIF

Date : 16th August, 2004

Company Secretary

Registered Office:

A-1, Phase-I,
Okhla Industrial Area,
New Delhi-110 020.

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 Thursday, 16th September 2004 to Wednesday, 29th September 2004 (both days inclusive).
3. Members are requested to intimate to the Company changes, if any, in their registered addresses along with 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. Members who hold shares in dematerialized form are requested to write their Client ID and DP ID numbers and those who hold shares in physical form are requested to write their Folio Number in the attendance slip for attending the meeting.
7. In January 2005, the Company shall be transferring all the unclaimed dividends declared upto the Financial year ended 31st March 1997 to the Investors' Education and Protection Fund as created by the Central Government. Shareholders are advised to claim their unclaimed dividend, if any, by 31st December 2004, from our Registrar and Transfer Agent. After the expiry of above period, no claim can be lodged against the Company or other Authority in this regard.
8. Consequent upon the introduction of Section 109A of the Companies Act, 1956, shareholders are entitled to make nomination in respect of shares held by them in physical form. Shareholders desirous of making nominations are requested to send their requests in Form 2B, (which will be made available on request), by the Registrar and Transfer Agent M/s Skyline Financial Services Pvt. Ltd., 123, Vinobapuri, Lajpat Nagar-II, New Delhi-110020.
9. **SHAREHOLDERS SEEKING ANY INFORMATION WITH REGARD TO ACCOUNTS ARE REQUESTED TO WRITE TO THE COMPANY WELL IN ADVANCE SO AS TO REACH THE COMPANY AT LEAST 7 DAYS PRIOR TO THE ANNUAL GENERAL MEETING AND TO ENABLE THE MANAGEMENT TO KEEP INFORMATION READY AT THE AGM.**

EXPLANATORY STATEMENT

Pursuant to Section 173(2) of the Companies Act, 1956
ITEM NO.4 & 5

To further Broadbase and professionalize the Board of the company, Dr. S. K. Ranjhan and Dr. Naseem Qureshi, who is a relative of Mr. Sirajuddin Qureshi-Chairman & Managing Director and Mrs. Kiran Qureshi, were appointed as the

HIND INDUSTRIES LTD.

Additional Directors, with effect from 28th April 2004. The term of office of the above Directors expires at the ensuing Annual General Meeting.

Dr. S. K. Ranjhan has a wide and rich experience in livestock development, specially Buffalo. He is an Ex-consultant of World Bank on buffalo development and is also a distinguished director on the Board of the Subsidiary Company, i.e. Hind Agro Industries Limited. It is hoped that the Company will be greatly benefited by his rich experience and professional approach.

Dr. Naseem Qureshi, who has also earlier worked as the Vice-President of the company and has been associated with the Subsidiary Company (i.e. Hind Agro Industries Limited), as its President, possess a very long and diversified experience in the fields of procurement of raw material, marketing and production. The Directors are of the opinion that the appointment of Dr. Naseem Qureshi as the Director, will immensely help strengthening the operations of the Company.

The Company has received notices under section 257 of the Companies Act, 1956 from a person along with the prescribed deposits for the appointment of Dr. S. K. Ranjhan and Dr. Naseem Qureshi as the Directors of the Company.

Board recommends the passing of resolutions at point no.4 & 5 as Ordinary Resolutions.

None of the Directors, other than Mr. Sirajuddin Qureshi and Mrs. Kiran Qureshi, being relatives of Dr. Naseem Qureshi, shall be considered to be interested and/or concerned in the passing of said resolutions except to the extent of her/his Shareholdings in the Company.

ITEM NO.6

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 paid up 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.

The Company may consider restructuring its long-term liabilities by issue of additional securities. The Authorized Share Capital of the Company, at present, is Rs.16 Crores

(Rupees Sixteen Crores only). 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 her/his Shareholdings in the Company.

ITEM NO.7

The term of appointment of Mr. Sirajuddin Qureshi as the Chairman & Managing Director of the company expired on 05.08.2003. While acknowledging the dynamism, farsightedness and entrepreneur skills of Mr. Sirajuddin Qureshi, which has helped the company to achieve a commendable success, the Board and Remuneration Committee of Directors in their respective meetings held on 16.08.2003, subject to the special resolution of the Members and the consent of the Central Government, reappointed Mr. Sirajuddin Qureshi as Chairman & Managing Director of the company on the terms and conditions as detailed in the resolution at item no.7. The Central Government vide its letter No.1/13/2004-CL.VII, dated - May 14, 2004, accorded its permission for such appointment of Mr. Sirajuddin Qureshi from 06.08.2003 till the ensuing Annual General Meeting on a remuneration of Rs.75,000/- p.m., subject to the other terms and conditions contained therein. Shareholders approval by Special Resolution is again sought for the ratification of the appointment of Mr. Sirajuddin Qureshi as the Chairman & Managing Director, for a period of five years with effect from 06.08.2003, on a remuneration as contained in the special resolution at point no.7 above.

Board recommends the passing of this resolution as a Special Resolution.

Mr. Sirajuddin Qureshi and Mrs. Kiran Qureshi, being relatives, are deemed to be interested in the passing of said resolution.

BY ORDER OF THE BOARD

Place: NEW DELHI
Date : 16th August, 2004

ABDUL LATIF
Company Secretary

Registered Office:
A-1, Phase-I,
Okhla Industrial Area,
New Delhi-110 020.

HIND INDUSTRIES LTD.**INFORMATION REQUIRED TO BE FURNISHED UNDER THE LISTING AGREEMENT**

As required under the Listing Agreement, the particulars of Directors who are proposed to be appointed/reappointed, are given below:

Name	Mr. B. B. Huria
Age	60 Years
Qualification	B.Sc., Delhi University, M.S. (Mechanical Engg.), Diploma in Russian – English Translation & Interpretation, Peoples' Friendship University, Moscow,
Expertise	Mr. B. B. Huria is an Ex. Chief General Manager of the IFCI Ltd., the premier Financial Institution of India. He has four decades of rich experience in various aspects of finance, banking, audit and administration. He has been to the Board of various companies as an expert on finance and Banking. He has a deep insight into the functioning of different industries. He is an eminent member on the different committees of the Directors of the company.
Other Directorships	XO Infotech Ltd. Micro Fincap Pvt. Ltd.
Name	Dr. S. K. Ranjhan
Age	69 Years
Qualification	M.V.Sc., MS (USA), PHD., D.Sc., Fellow-NAVS.
Expertise	More than four decades of rich experience in various areas of livestock development and industry. He has been an ex-consultant of World Bank and is considered to be an authority on veterinary sciences and buffalo rearing. He has authored several books, journals and articles on veterinary sciences. He is one of the distinguished Directors on the Board of Hind Agro Industries Ltd., the subsidiary of the company, since long time.
Other Directorship	Hind Agro Industries Ltd. Appropriate Technology of India Ltd.
Name	Dr. Naseem Qureshi
Age	40 Years
Qualification	B.Sc., BUMS.
Expertise	Dr. Naseem Qureshi, the brother of Mr. Sirajuddin Qureshi-Chairman & Managing Director and brother-in-law of Mrs. Kiran Qureshi-Director, has nearly two decades of valuable experience in the various areas of industry specially procurement of raw material, production and export of meat and meat products. He has worked for the company as its Vice President for about four years and has been associated with Hind Agro Industries Ltd., the subsidiary of the company, as President for the last four years.
Other Directorships	NIL
Name	Mr. Sirajuddin Qureshi
Age	56 Years
Qualification	BA., LL.B.
Expertise	Mr. Sirajuddin Qureshi is the core promoter of Hind Industries Ltd. and has been associated as the Chairman & Managing Director of the company since beginning. He has a vast experience of the various areas of meat export industry and is a coveted member of various prestigious Government and Non-Government Bodies of Commerce and Industry. He has been honored with several awards and recognitions from the Government of India for his contributions to the Export Industry. He is also acting as the Managing Director of Hind Agro Industries Ltd., the subsidiary of the company, since its commencement.
Other Directorships	Hind Agro Industries Ltd. Samar Travels & Cargo Pvt. Ltd. Al -Mashriq Exports Pvt. Ltd. Eatcco Foods Pvt. Ltd.

HIND INDUSTRIES LTD.**I. General Information**

(1) Nature of Industry Manufacturing & Export

(2) Date or expected date of commencement of commercial production 01.10.1990

(3) In case of new companies, expected date of commencement of activities as per project approved by financial Institutions appearing in the prospectus Not Applicable

(4) Financial performance based on given indicators (Rs. in Lacs)

Parameters	2002-03	2001-02	2000-01
Turnover	8204	5428	5401
Net Profit/(Loss)	(427)	(713)	163
Net Profit/(Loss) as per P & L A/c	(141)	(339)	172

(5) Export performance and net foreign exchange collaborations (Rs. in Lacs)

Parameters	2002-03	2001-02	2000-01
Exports	8204	5428	5401
FOB Value	6359	4462	4576

(6) Foreign investments or collaborators, if any NIL

II. Information about the Appointee:

(1) Background details The proposed appointee i.e. Mr. Sirajuddin Qureshi, has been working as the Chairman & Managing Director and is the core promoter of the Company. He is discharging the overall responsibilities of the affairs of the Company through Marketing, Finance, and Production to Exports and General Management of the Company.

(2) Pas. remuneration
 2002-03 Rs. 6,20,000/-
 2001-02 Rs. 4,80,000/-
 2000-01 Rs. 4,80,000/-

(3) Recognition or awards Mr. Sirajuddin Qureshi is an eminent Member of the various Govt., commercial, social and cultural organizations. He has bagged many prestigious awards like Dada Bhai Nauroji Award, Best Citizen Award from Central and State Government.

(4) Job profile and his Suitability Mr. Sirajuddin Qureshi is the Chairman & Managing Director of Hind Industries Ltd. (HIL), which is the holding company of HAIL and is in the same trade. Hence, his vast experience in the industry of meat export may be used fruitfully in both the companies.

HIND INDUSTRIES LTD.

- (5) Remuneration proposed Salary: Rs.1, 00,000/-Rs.25,000/-Rs.2,00,000/-Besides the above Salary, the Appointee is proposed to be paid Commission, Provident Fund, Pension/ Superannuation Fund, Gratuity, Medical Benefits, Leave Travel Concession, Leave Encashment, Club Fees, Personal Insurance by the Company. A Car and Telephone shall also be provided by the Company besides the reimbursement of Entertainment Expenses. Details of all the above elements may be referred at point no. 7 of the Notice contained in this Annual Report.
- (6) Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin) No comparative figures are available of the industry as such but the remuneration package is in consonance with the profile of the Appointee, position, industry and size of the Company. The Appointee is not an expatriate.
- (7) Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personal, If any. The Appointee does not have any pecuniary relationship with the Company. He is a relative of Mrs. Kiran Qureshi-Director and Dr. Naseem Qureshi-Proposed Director.

III. Other information:

- (1) Reason of loss or inadequate profits. Not applicable
- The Company has achieved a Net Profit of Rs.97.32 Lacs in the year 2003-04. The nominal temporary losses in the years 2002-03 and 2001-02 were mainly on account of depressing international prices, increase in raw material cost, product mix and high financial costs.
- (2) Steps taken or to propose to be taken for improvement. The company is still in the process of exploring high realization, new international markets for better pricing and product mix, regulating raw material prices in a better way and reducing financial costs by replacing the high cost long term debts.
- (3) Expected increase in productivity and profits in measurable terms. The company is expected to increase its productivity and profits by about 5% in the next Financial Year.

VI. Disclosures:

- (1) The shareholders of the company are being informed of the remuneration package of Mr. Sirajuddin Qureshi-Managing Director, at point no 7 of the Notice contained in this Annual Report.
- (2) The following disclosure is also being made as a part of the Board of Directors Report under the heading "Corporate Governance", attached to this Annual Report: -
- (i) All elements of remuneration package such as salary, benefits, bonuses, stock options, pension, etc. of all the Directors - The Company does not pay any remuneration to any other Director of the Company.
 - (ii) Details of fixed and performance linked incentives along with the performance criteria - All the elements of the remuneration package of the Appointee are defined in the Special Resolution at point no 7 of the Notice as contained in this Annual Report. Only Commission @ 1% on the Net Profits, as per section 309(5) of the Companies Act, 1956, of the Company, is partly linked to the Performance of the Company. Rest all elements are fixed in nature.
 - (iii) Service contracts, notice period, severance fees - No separate service Contract executed by the Company with the proposed Appointee.
 - (iv) Stock option details, if any, and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable - NIL

HIND INDUSTRIES LTD.**DIRECTORS' REPORT****Dear Members,**

Your Directors present the Thirty First Annual Report along with Audited Accounts of the company for the year ended 31st March, 2004.

Financial Results:

The Financial Highlights of the Company for the year ended March 31, 2004 are as under:

	Rs. in Lacs	
Particulars	2003-04	2002-03
Sales	7427.22	8204.36
Other Income	6.45	34.06
Profit before Depreciation, Interest and Tax {PBDIT}	598.33	21.00
Profit/(Loss) before Taxes {PBT}	139.77	(175.43)
Profit/(Loss) after Taxes {PAT}	97.32	(141.43)
Surplus/(Deficit) of Previous Year	(372.39)	(230.96)
Transfer to General Reserve	—	—
Surplus/(Loss) Carried to B/Sheet	(275.07)	(372.39)

Performance:

During the Current Year (i.e. 2003-04), the Company recorded a sales turnover of Rs.74.27 Crores against Rs.82.04 Crores in the Previous Year (i.e. 2002-03), i.e. down by 9.5% over the Previous Year. The Net Loss of Rs.1.41 Crores in the year 2002-03, has been turned around to a Net Profit of Rs.0.97 Crores in the Year 2003-04. A shift in Product and Market Mix is the major cause of the favorable changes in the above Financial Results of the company. Further, the One Time Settlement (OTS), proposal for the outstanding term loan of the company has been approved by the IFCI Ltd. (IFCI), during the period under review and its impact on the financial cost has been appropriately considered while preparing the Accounts.

Financial Conditions and Results of Operation:

'Management Discussion and Analysis of Financial Condition and Results of Operation of the Company for the Year Under Review', as stipulated in Clause 49 of the Listing Agreement with the Stock Exchange, are given as separate Statement in this Annual Report.

HIND AGRO INDUSTRIES LIMITED:

The subsidiary company, i.e. Hind Agro Industries Limited, which has a 100% export oriented modern, integrated abattoir-cum-meat processing Plant at Aligarh (UP), has also turned

around by achieving a total Sales Turnover & Other Income of Rs. 292.28 Crores and a Profit after taxes (PAT), of Rs.0.94 Crores during the year 2003-2004 as compared to a total Sales Turnover & Other Income of Rs.250.62 Crores and Net Loss of Rs.5.95 Crores in the year 2002-03.

Dividend:

In order to conserve the negligible profits of the Company, your Directors do not recommend any dividend for the Financial Year ended on 31st March, 2004.

Current year's outlook:

The Company is expected to further improve and consolidate its operations in the ongoing Financial Year i.e. 2004-05, by reducing its financial costs, increase in volumes, monitoring and controlling a better ratio of its products and markets towards achieving the better bottom lines.

Deposits:

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

Listing Agreement Compliance:

During the period under review, as earlier resolved by the Company, the shares of the Company have been de-listed from Ahmadabad, Delhi, Chennai, Hyderabad & U.P. Stock Exchanges. Kolkata Stock Exchange is yet to formally convey its approval for de-listing the shares of the Company. In compliance of the provisions of the Listing Agreement, the Company has already made the payment of listing fees to the Mumbai Stock Exchanges, being the only Exchange where the shares of the Company are listed at present.

Corporate Governance:

The Company has been observing and implementing the principles and practices of Corporate Governance in its true spirit. A separate section on Corporate Governance and Certificate from the Auditors of the Company regarding compliance of the conditions of Corporate Governance as stipulated under Clause 49 of the Listing Agreement with Stock Exchange, forms part of this Annual Report. Members will be pleased to know that there is no pending complaint of the investor to be redressed by the Company.

Insurance:

The Company has already made necessary arrangements for adequate insurance of its insurable interests.

Directors:

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