



HIND INDUSTRIES LTD.

40th ANNUAL REPORT 2012-13

BOARD OF DIRECTORS**Chairman & Managing Director**

Mr. Sirajuddin Qureshi

Directors

Mrs. Kiran Qureshi

Dr. Naseem Qureshi

Mr. B. B. Gupta

Mr. B. B. Huria

Dr. S. K. Ranjhan

GENERAL MANAGER (F. & A.)

Mr. Mohd. Ali Shaukat

COMPANY SECRETARY

Mr. M. S. Malik

BANKERSIndian Bank
State Bank of Hyderabad
J & K Bank Limited**AUDITORS**M/s. M. K. Aggarwal & Co.
Chartered Accountants**REGISTERED OFFICE**A-1, Phase-I,
Okhla Industrial Area,
New Delhi - 110 020
Phone: 011-26372786-92 (7 Lines)
Fax: 011-26817941-42 (2 Lines)
Email: info@hind.in**WORKS**B-42, Site IV, Industrial Area, Sahibabad,
Distt. Ghaziabad (U.P.)
Phone: 0120-2895342**CONTENTS**

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Notice

NOTICE IS HEREBY GIVEN THAT THE 40TH ANNUAL GENERAL MEETING OF THE MEMBERS OF THE COMPANY WILL BE HELD ON THURSDAY, THE 26TH DAY OF SEPTEMBER, 2013, AT 9.30 A.M. AT A-81, BIPIN CHANDRA PAL MEMORIAL BHAVAN, CHITTARANJAN PARK, NEW DELHI-110 019, TO TRANSACT THE FOLLOWING BUSINESS:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March 2013 and the Profit & Loss Account of the Company for the year ended on that date together with the Directors' and Auditors' Reports thereon.
2. To appoint a Director in place of Mr. B. B. Huria, who retires by rotation and being eligible, offers himself for re-appointment.
3. To declare dividend on the Equity Shares.
4. To appoint the Auditors of the Company 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:

5. 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(1A) 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/ Banks (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 redemption, amount of premium on redemption,

the number of preference shares/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.”

**BY ORDER OF THE BOARD
FOR HIND INDUSTRIES LIMITED**

Sd/-

PLACE: NEW DELHI

M. S. MALIK

DATE: 14.08.2013

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 ALSO ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON HIS/HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE, MUST REACH THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE MEETING. A PROXY FORM IS ATTACHED HERewith.**
2. The Register of Members and Share Transfer Books of the Company will remain closed from Saturday, 21st September, 2013 to Thursday, 26th September, 2013 (both days inclusive).
3. Pursuant to the directions of the Securities Exchange Board of India (SEBI), trading in the shares of your company is in compulsory de-materialized form. Members who have not yet got their shares de-materialized, are requested to opt for the same in their own interest and send their share certificates through Depository Participant(s) with whom they have opened the de-materialization account.
4. Members are requested to intimate to the Company/ Registrar changes, if any, in their registered addresses along with Pin Code Number.
5. Members/Proxies should bring the attendance slip duly filled in for attending the meeting.
6. As a measure of economy, distribution of copies of the Annual Report at the Annual General Meeting shall not be made. Therefore, Members are requested to bring their copies of the Report to the meeting.
7. As per the green initiatives taken by the Ministry of Corporate Affairs it is imperative to protect the environment by conserving the natural resources hence members are advised to kindly provide their email addresses so that the Annual Report and other correspondence with them may be furnished in electronic form in future.
8. Members who hold shares in dematerialized form are requested to write their DP ID and Client ID numbers and those who hold shares in physical form

are requested to write their Folio Numbers in the attendance slip for attending the meeting.

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 atleast 7 days prior to the annual general meeting and to enable the management to keep information ready at the AGM.
10. Those Members who have not yet claimed their dividend for the financial years 2008-09, 2009-10, 2010-11 and 2011-12, are further notified that they should claim the same as soon as possible, since after completing 7 years from becoming unpaid it will be transferred into the 'Investor Education and Protection Fund' and after such transfer claim cannot lie against the company or Fund.

**BY ORDER OF THE BOARD
FOR HIND INDUSTRIES LIMITED**

Sd/-

PLACE: NEW DELHI
DATE: 14.08.2013

M. S. MALIK
Company Secretary

Registered Office:

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

EXPLANATORY STATEMENT

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

ITEM NO. 5

Section 81 of the Companies Act, 1956 provides, inter-alia, that whenever the Subscribed share capital of the Company is proposed to be increased by the 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, the approval of the members is required by way of a Special Resolution.

The Authorized Share Capital of the Company at present is Rs.16.00 Crores (Rupees Sixteen Crores only). Keeping

in view the proposed restructuring and re-alignment of the long term liabilities, the Company may issue/allot further shares, 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 consider to be interested and/or concerned in passing of the said resolution, except to the extent of her/his shareholdings in the Company.

INFORMATION REQUIRED TO BE FURNISHED UNDER THE LISTING AGREEMENT.

As required under the Listing Agreement the particulars of Director who is proposed to be re-appointed, are given below:

Name	Mr. B. B. Huria
Age	69 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 more than 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	Hind Agro Industries Ltd.

Directors' Report

Dear Members,

Your Directors have pleasure in presenting the Fortieth Annual Report on the business and operations of your Company and the Audited Annual Accounts of the Company for the financial year ended on 31st March, 2013.

Financial Results:

The Financial Highlights of the Company for the financial year ended on 31st March, 2013 are as under:

	(Amount in Lac ₹)	
Particulars	2012-13	2011-12
Revenue from Operations	15163.16	14020.89
Other Income	129.24	119.90
Profit before Depreciation, Extra Ordinary Items and Taxes {PBDEIT}	482.16	675.82
Extra Ordinary Items Written Off	-	660.04
Profit/(Loss) before Depreciation and Taxes {PBDT}	482.16	15.77
Depreciation and Amortisation Expense	286.72	286.66
Profit/(Loss) before Tax	195.45	(270.89)
Less: Tax for current year	91.55	0.00
Add: Deferred tax Written Back	52.11	60.29
Profit/(Loss) after Taxes {PAT}	156.01	(210.60)
Surplus/(Loss) Carried to Balance Sheet	4472.73	4472.73

Performance:

During the financial year 2012-13, your Company again achieved the highest ever turnover of ₹15163.16 Lacs as against ₹14020.89 Lacs in the previous year 2011-12, thereby showing an increase of 8.15%. The Profit before Depreciation, Extra Ordinary Items and Taxes (PBDEIT) of the Company during the financial year 2012-13 stood at ₹482.16 Lacs as against ₹675.82 Lacs in the previous financial year 2011-12, which is a decrease of 28.66%, mainly due to the increase in financial costs. The company earned a Net Profit after Tax of ₹156.01 Lacs during the financial year 2012-13 against the loss (NLAT) of ₹210.60 Lacs in the previous year.

Profitability:

During the year under review the company has been able to post marginal profits of ₹156.01 Lacs despite the increase in financial costs by better control of the raw material, manufacturing, logistics, selling, distribution, administrative and other expenses.

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.

Subsidiary Company: HIND AGRO INDUSTRIES LIMITED

The Subsidiary Company, i.e. M/s Hind Agro Industries Limited, which has a 100% export oriented modern, integrated abattoir-cum-meat processing plant at Aligarh (U.P.), achieved Total Sales Turnover ₹71914.32 Lacs and Profit before taxes (PBT) of ₹936.96 Lacs for the year ended 31st March, 2013, as compared to the Total Sales Turnover of ₹70351.29 Lacs and the Profit before taxes (PBT) of ₹943.23 Lacs in the previous year ended on 31st March, 2012.

Pursuant to the provisions under Section 212(8) of the Companies Act, 1956 read with the Notification No.51/12/2007-CL-III, the Central Government has granted general exemption for not attaching the annual accounts of Subsidiary Company, hence the Board of Directors of the company has by resolution given consent for not attaching the balance sheet of the subsidiary company.

The company undertakes that annual accounts of the subsidiary company and the related detailed information shall be made available to shareholders of the holding and subsidiary company seeking such information at any point of time. The annual accounts of the subsidiary company shall also be kept for inspection by any shareholders in the head office of the holding company and of the subsidiary company. The holding company shall furnish a hard copy of details of accounts of subsidiary company to any shareholder on demand.

Dividend:

In view of the marginal profit earned by the Company the Board wishes to maintain the rate of dividend and keeping in view of the investor's interest and market sentiments, the Board of Directors recommended a dividend @3% (i.e. 30 paise per Equity Share) out of the Profits of the Company for the Financial Year ended on 31st March, 2013.

Further, the company has transferred the remaining amount of unclaimed and unpaid dividend for the financial year 1997-98 into the 'Investor Education and Protection Fund' on completion of a period of seven years from the date of transferring to the unpaid dividend account.

Current year's outlook:

Your Company is expected to improve further and consolidate its operations in the ongoing financial year i.e.

2013-14, by making increase in volumes, reduce financial and other costs, monitoring and controlling a better mix of its products and markets towards achieving the better top and bottom lines in the years to come.

The Company has already commenced the commercial production w.e.f. 25th March, 2010 in the factory of High Security Registration Number Plate (HSRNP). The said project at Baddi, in the State of Himachal Pradesh is now commissioned and the company is applying for tenders in various states. Since the issue of contempt notices to the transport secretaries of Delhi, Punjab and Uttar Pradesh by the Honble' Supreme Court for not implementing the HSRNP system, tenders have been floated by certain States. In view of this development the company is hopeful of getting the tenders from various State Governments where the company has submitted its bids.

The Company has diversified its activities into the power generation sector. The said project at Neemrana, in the State of Rajasthan is in initial stage and the company is applying for tenders. In view of the increasing demand of the power the company is hopeful of getting the tenders from State Government.

Consolidated Financial Statements:

As stipulated in the Listing Agreement with the Stock Exchange, the Consolidated Financial Statements have been prepared by the Company in accordance with the relevant accounting standards issued by the Institute of Chartered Accountants of India. The Audited consolidated financial statements together with Auditors' Report thereon forms part of this Annual Report.

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 and the Rules made thereunder.

Capital Structure:

During the year under review, there is no change in the capital structure of the company.

Listing Agreement Compliance:

The securities of the Company are listed with the BSE Ltd. (Bombay Stock Exchange), Mumbai. The Calcutta Stock Exchange Ltd. has finally conveyed its formal approval for the de-listing of the shares of the Company w.e.f. 18th February, 2013, as earlier agreed and resolved by the Company. The Company has been complying with the Listing Agreement and has already made the payment of listing fees for the Financial Year 2013-14, to the BSE Ltd., Mumbai.

Corporate Governance:

Your Company is committed to maintain the highest standards of Corporate Governance. Your directors are also committed to adhere to the requirements set out by the Securities and Exchange Board of India's (SEBI) Corporate Governance practices and have implemented all the major stipulations prescribed. A separate section on Corporate Governance and the Certificate from the Auditors of the Company regarding compliance of the conditions of Corporate Governance forms part of this Annual Report.

Insurance:

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

Directors:

In accordance with the provisions of Section 256 of the Companies Act, 1956 and Article No. 147 of the Articles of Association of the Company, Mr. B. B. Huria, Director of the Company is liable to retire by rotation at the forthcoming Annual General Meeting of the company and being eligible, offers himself for the re-appointment.

The Board recommends for the re-appointment of Mr. B.B. Huria.

Auditors:

The Statutory Auditors M/s M. K. Aggarwal & Co., Chartered Accountants, (FRN 01411N) hold office until the conclusion of the ensuing Annual General Meeting and are eligible for re-appointment. The Company has received a letter from them to the effect that their re-appointment, if made, would be within the limits prescribed under section 224(1B) of the Companies Act, 1956 and they are not disqualified for such re-appointment within the meaning of section 226 of the said Act.

The Board recommends their re-appointment at the ensuing Annual General Meeting of the company.

Auditor's Report:

The observations of the Auditors in the Auditor's Report on the Annual Accounts for the year 2012-13, are explained and clarified as under:

-Explanation to Point No.32 of the Notes forming part of the Financial Statements:

The Company is taking adequate steps for realization of its debts and reasonable provisions shall be made upon its realization in the subsequent years.

Particulars of Employees:

A statement showing the particulars of employees

pursuant to section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975 is mentioned below:-

Name of the Employee	Designation	Qualification	Age	Remuneration (Amt in Lacs ₹)	Experience	Date of employment	Previous employment
Mr. Sirajuddin Qureshi	Chairman & Managing Director	BA, LLB	65 years	57.60	36 years	06.08.1993	Not Applicable

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.

Directors' Responsibility Statement:

Pursuant to the requirements of section 217 (2AA) of the Companies Act, 1956, with respect to Directors' Responsibility Statement, it is hereby confirmed:

- that in the preparation of the Annual Accounts for the Financial Year ended 31st March, 2013, the applicable Accounting Standards had been followed along with proper explanations relating to the material departures;
- that the Directors had selected such Accounting Policies and applied them consistently and made judgments and estimates that were 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;
- that the Directors had 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;

- that the Directors had prepared the Accounts for the Financial Year ended 31st March, 2013, on a 'going concern' basis.

Personnel:

The employer-employee relations throughout the year were very cordial. The Company enjoys a healthy working atmosphere that inspires the employees to put their best foot forward in achieving a high-sustainable growth. The Directors also wish to place on record the support and confidence reposed in the management by the employees. Total quality in every sphere of activities, employee training and development continues to be on the top priority of your management.

Acknowledgements:

Your Directors would like to express their grateful appreciation for the co-operation and support extended by the Central Government, State Government, Financial Institutions, Bankers, Vendors and Shareholders of the company during the year under review. Your Directors also wish to place on record their deep sense of appreciation for the committed services and untiring efforts of the executives, staff and workers of the company at all the levels.

**ON BEHALF OF THE BOARD
FOR HIND INDUSTRIES LIMITED**

NEW DELHI

14TH AUGUST, 2013

SIRAJUDDIN QURESHI

CHAIRMAN & MANAGING DIRECTOR

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:

Following activities were undertaken to save/conservate energy:

- Proper inspections have been carried out for improvement in energy efficiency of the process adopted and eliminating wastages.
- Efforts have been regularly made to timely detect and rectify any steam/water leakage.
- Regular meetings, lectures and demonstrations were organized to acquaint and train the workers and operators for keeping an efficient functioning and maintenance of the refrigeration and other delicate equipments of the Company.

FORM A

FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY

Power and Fuel consumption:

Electricity	Current Year	Previous Year
a) Purchased units (KWH)		
Total amount (₹)	0	0
Average rate/unit (₹)	0	0
b) Own generation through diesel generator set		
Units of electricity	22,72,942	26,99,664
Total cost (₹ in Lacs)	328.29	325.55
Cost per unit of electricity (₹)	14.44	12.06
c) Furnace Oil (Boiler)		
Ltrs	0	0
Cost in (₹ in Lacs)	0	0
Rate/Litre (₹)	0	0
d) High Speed Diesel Oil (Boiler)		
Ltrs	1,88,673	3,66,953
Cost in (₹ in Lacs)	86.12	139.54
Rate/Litre (₹)	45.58	38.03

Consumption per unit of production:

Fresh & Frozen Meat:

(Per K.G.)		
Particulars	Current Year	Previous Year
Energy (in Units)	0.969	0.449

Form "B" (See Rule 2)

B) TECHNOLOGY ABSORPTION:

Technology Absorption, Adaptation and Innovation:

a) Efforts in brief made towards technology absorption, adaptation and innovation:

We have always kept abreast with the latest technology developments taking place in the external environment. The Company is regularly employing qualified technical, operational, process, veterinary staff and food technologist for proper absorption, adaptation and innovation of the technology. The employees are regularly imparted technical and professional training for their continuous updation.

b) Benefits derived as a result of the above efforts e.g. product improvement, cost reduction, product development, import substitution etc.:

The Company is making regular efforts for adopting the latest manufacturing technology, which minimizes the wastage and contamination, if any and thereby reduces the cost.

c) Technology imported: Nil

C) FOREIGN EXCHANGE EARNINGS AND OUTGO:

Earnings and Outgo:

Earnings of foreign exchange of the company have been to the tune of ₹5,925.22 Lacs (FOB Value) during the financial year 2012-13 (Previous year ₹10,519.63 Lacs), by way of exports and the foreign exchange outgo during the same period was ₹19.41 Lacs (Previous Year ₹1.66 Lacs).

ON BEHALF OF THE BOARD FOR HIND INDUSTRIES LIMITED

NEW DELHI
14TH AUGUST, 2013

SIRAJUDDIN QURESHI
CHAIRMAN & MANAGING DIRECTOR