



**HIND INDUSTRIES LTD.**



**41st ANNUAL REPORT 2013-14**

**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

**BANKERS**Indian 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)  
E-mail: info@hind.in  
Website: www.hindindustries.net**WORKS**B-42, Site IV, Industrial Area, Sahibabad,  
Distt. Ghaziabad (U.P.)  
Phone: 0120 - 4156753  
Fax: 0120 - 4101493**CONTENTS**

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## Notice

**NOTICE is hereby given that the Forty First Annual General Meeting of the Members of Hind Industries Limited will be held on Friday, 26th September, 2014 at 09:30 am at Bipin Chandra Pal Memorial Bhavan, A-81, Chittaranjan Park, Near Nehru Place, New Delhi - 110019 to transact the following business:**

### **ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Balance Sheet as at March 31, 2014, the Audited Statement of Profit & Loss Account of the Company for the financial year ended on that date and the Reports of the Board of Directors and Auditors thereon.
2. To declare Dividend on Equity Shares.
3. To appoint a Director in place of Dr. Naseem Qureshi (holding DIN 00005808), who retires by rotation and being eligible, offers himself for re-appointment.
4. To re-appoint Auditors and to fix their remuneration. In this regard 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 139, 142 and other applicable provisions, if any, of the Companies Act, 2013, and the Rules framed thereunder, as amended from time to time and pursuant to the recommendations of Audit Committee of the Board of Directors, M/s. M. K. Aggarwal & Co. (Firm Registration No. 01411N), Chartered Accountants, be and is hereby re-appointed as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of the forty-fourth AGM of the Company to be held in the year 2017 (subject to ratification of their appointment at every AGM), at such remuneration plus service tax, out-of-pocket, travelling and other expenses, etc. as may be mutually agreed between the Chairman & Managing Director of the Company and the Auditors.

### **SPECIAL BUSINESS:**

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 Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the

rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule IV to the Companies Act, 2013, and the Companies (Appointment and Qualification of Directors) Rules, 2014, Mr. B. B. Gupta (holding DIN 00023609), whose period of office was liable to determination by retirement of Directors by rotation and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of an Independent Director, be and is hereby appointed as an Independent Director of the Company to hold office for a term of five consecutive years up to the 46th Annual General Meeting of the Company and whose office shall, henceforth, not be liable to determination by retirement of Directors by rotation.

**RESOLVED FURTHER THAT** pursuant to the provisions of Sections 149, 197 and any other applicable provisions of the Companies Act, 2013 and rules made thereunder [including any statutory modification(s) or re-enactment(s) thereof for the time being in force], Mr. B. B. Gupta be paid such fees and commission as the Board may approve from time to time and subject to such limits prescribed or as may be prescribed from time to time”.

6. 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 Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule IV to the Companies Act, 2013, and the Companies (Appointment and Qualification of Directors) Rules, 2014, Mr. B. B. Huria (holding DIN 00015434), whose period of office was liable to determination by retirement of Directors by rotation and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of an Independent Director, be and is hereby appointed as an Independent Director of the Company to hold office for a term of five consecutive years up to the 46th Annual General Meeting of the Company and whose office shall, henceforth, not be

liable to determination by retirement of Directors by rotation.

**RESOLVED FURTHER THAT** pursuant to the provisions of Sections 149, 197 and any other applicable provisions of the Companies Act, 2013 and rules made thereunder [including any statutory modification(s) or re-enactment(s) thereof for the time being in force], Mr. B. B. Huria be paid such fees and commission as the Board may approve from time to time and subject to such limits prescribed or as may be prescribed from time to time”.

7. 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 Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule IV to the Companies Act, 2013, and the Companies (Appointment and Qualification of Directors) Rules, 2014, Dr. S. K. Ranjhan (holding DIN 00005854), whose period of office was liable to determination by retirement of Directors by rotation and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of an Independent Director, be and is hereby appointed as an Independent Director of the Company to hold office for a term of five consecutive years up to the 46th Annual General Meeting of the Company and whose office shall, henceforth, not be liable to determination by retirement of Directors by rotation.

**RESOLVED FURTHER THAT** pursuant to the provisions of Sections 149, 197 and any other applicable provisions of the Companies Act, 2013 and rules made thereunder [including any statutory modification(s) or re-enactment(s) thereof for the time being in force], Dr. S. K. Ranjhan be paid such fees and commission as the Board may approve from time to time and subject to such limits prescribed or as may be prescribed from time to time”.

8. 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 196 and 197 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013, including any statutory modification or re-enactment thereof, for the time being in force and subject to such other approvals and sanctions, if required, and as per the approval and recommendation from the Nomination and Remuneration Committee and the Board of Directors of the Company, the consent of the company be and is hereby accorded for the re-appointment of Mr. Sirajuddin Qureshi, the Chairman & Managing Director (holding DIN 00004536) of the Company for the period of three years i.e. from 06th August, 2014 to 05th August, 2017, as per the details set out hereunder:

**(i) Salary:**

Salary of ₹3,00,000/- (Rupees Three Lac only) per month.

**(ii) Perquisites:**

In addition to above, the Chairman & Managing Director shall also be entitled to the following perquisites as specified in Category A, B & C:

**Category A:**

**(a) Housing:**

- (i) The expenditure incurred by the company on hiring furnished accommodation will be subject to the following ceiling – 60% of the salary over and above 10% payable by him.
- (ii) In case accommodation is owned by the company, 10% of his salary shall be deducted by the company.
- (iii) In case no accommodation is provided by the company, he shall be entitled to HRA @ 60% of the salary.

**(b) Medical reimbursement:**

Reimbursement of actual medical expenses incurred by him and his family, subject to ceiling of one month's salary in a year or three month's salary over a period of three years.

**(c) Leave Travel Concession:**

For self and his family, once a year subject to ceiling of one month's salary in a year or three month's salary over a period of three years.

**(d) Club fee:**

Fees of clubs, subject to a maximum of two clubs for self and spouse on actual basis subject to one month's salary in a year.

**(e) Personal accident insurance:**

Actual premium to be paid by the company, subject to one month's salary in a year.

**Category B:**

The Chairman & Managing Director shall also be entitled to the following perquisites, which shall not be included in computation of the ceiling on remuneration specified herein:

- (i) Contribution to the provident fund, superannuation fund or annuity fund as per the rules of the company to the extent that these either singly or put together are not taxable under the Income Tax Act, 1961.
- (ii) Gratuity payable shall not exceed a half month's salary for each completed year of service.
- (iii) Encashment of leave at the end of every financial year.

**Category C:**

The company shall provide a car with driver and telephone facility at the residence of the Chairman and Managing Director. The provision of Car with driver for use of company's business and telephone facility at the residence will not be considered as perquisites. Personal long distance calls on telephone and use of car for private purpose shall be billed by the company to the Chairman and Managing Director.

**RESOLVED FURTHER THAT** subject to the provisions of section 198 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013, the remuneration and perquisites as set out hereinabove shall be paid or granted to Mr. Sirajuddin Qureshi as minimum remuneration, notwithstanding that in any financial year of the company, during the remaining tenure of Mr. Sirajuddin Qureshi as the Chairman and Managing Director, the Company has made no profits or the profits made are inadequate, or such other amount and perquisites as may be amended from time to time or any equivalent statutory re-enactment(s) thereof.

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorised to vary/modify/amend any

of the aforesaid terms and conditions, provided such variation/modification/amendment is in conformity with the applicable provisions of the Act, as amended from time to time.

**RESOLVED FURTHER THAT** the Board of Directors be and are hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, appropriate, expedient or desirable to give effect to this resolution.

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

**RESOLVED THAT** in supersession of the ordinary resolution passed under Section 293(1)(d) of the Companies Act, 1956 at the Annual General Meeting held on 22<sup>nd</sup> September 2012 and pursuant to the provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with the Articles of Association of the Company, the consent of the members be and is hereby accorded to authorize the Board of Directors (herein after referred to as the Board which term shall include any Committee which the Board may/ has constitute/constituted for this purpose) to borrow any sum or sums of money (including non fund based facilities) from time to time at their discretion, for the purpose of the business of the Company with or without security on such terms and conditions as they may think fit from any one or more Banks, Financial Institutions and other persons, firms, bodies corporate, notwithstanding that the monies to be borrowed together with the monies already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) may exceed the aggregate of the paid up capital of the Company and its free reserves (that is to say reserves not set apart for any specific purpose) provided however that the total amount of monies so borrowed by the Board of Directors and outstanding at any time shall not exceed ₹300 crores (Three hundred crores).

**FURTHER RESOLVED THAT** the Board be and are hereby authorized to do all such acts, deeds, matters and things and to execute all such documents and writings as may be necessary, proper, desirable or expedient to give effect to this resolution.

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

**RESOLVED THAT** in supersession of ordinary resolution passed under Section 293(1)(a) of the Companies Act, 1956, at the Annual General Meeting held on 22<sup>nd</sup> September 2012 and pursuant to the provision of section 180(1)(a) of the Companies Act, 2013 the Board of Directors of the Company and/or any Committee thereof be and hereby authorized and shall be deemed to have always been so authorized to create such mortgage/charge/hypothecation and or other encumbrances, if any created by the Company on all or any part of the immovable and/or movable properties, current and/or fixed assets, tangible or intangible assets, book debt and/or claims of the Company wherever situated, present and/or future and such charge to rank either pari passu with or second, subsequent, subservient and subordinate to all mortgage, charges, hypothecation and other encumbrances created/to be created by the Company in favour of Indian or foreign financial institutions, banks and other lending institutions and/or to such other persons, if any from whom the Company has/or proposes to borrow money/sums of monies by way of term loans, cash credits, overdrafts, discounting of bills, inter-corporate deposits, commercial papers or such other financial instruments permitted to be used by the appropriate authorities from time to time together with interest, cost, charges and other incidental expenses in term of agreement(s) entered/to be entered into by the Board of Directors/any Committee thereof of the Company within the overall borrowing limit as permitted under the Companies Act, 2013.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to finalise with the lenders/trustees, the documents for creating the aforesaid mortgages, charges and/or hypothecations and to accept any modifications to, or to modify, alter or vary, the terms and conditions of the aforesaid documents and to do all such acts and things and to execute all such documents as may be necessary for giving effect to this Resolution.

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

Sd/-

PLACE: NEW DELHI  
DATE: 14th August, 2014

**M. S. MALIK**  
Company Secretary

**Registered Office:**  
A-1, Phase-I, Okhla Industrial Area,  
New Delhi – 110020.

## NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING 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.**
2. A person can act as proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
3. The instrument appointing a proxy shall be deposited at the Registered Office of the Company not later than 48 hours before the commencement of the meeting.
4. Pursuant to the provisions of Section 91 of the Companies Act, 2013 (corresponding to Section 154 of the Companies Act, 1956) the Register of Members and Share Transfer Book of the Company shall remain closed from Saturday, 20th September, 2014 to Friday, 26th September, 2014 (both days inclusive); and that dividend, if approved by the members at the ensuing Annual General Meeting, will be paid to those members whose names stand registered:
  - a. As beneficial owners as at the end of business on Friday, 19th September, 2014 as per list to be furnished by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) in respect of shares held in electronic form, and
  - b. As members in the Register of Members of the Company after giving effect to valid share transfers in physical form lodged with the Company's Registrar and Share Transfer Agents M/s. Skyline Financial Services Pvt. Ltd., D-153/A, First Floor, Okhla Industrial Area, Phase – I, New Delhi - 110020 on or before Friday, 19th September, 2014. The instruments of share transfers complete in all respects should reach the said Registrar and Transfer Agent well before the above date.
5. Members holding shares in electronic form may note that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. The Company

or its Registrars and Transfer Agent, M/s. Skyline Financial Services Pvt. Ltd., cannot act on any request received directly from the members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participants of the members.

6. Members holding shares in electronic form are requested to intimate immediately any change in their address or bank mandates to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to advise any change in their addressor bank mandates immediately to the Company/Registrar and Transfer Agent.
7. Electronic copies of the Annual Report for the FY 2013-14 are being sent to all the members whose e-mail IDs are registered with the Company/Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report for 2014 are being sent in the permitted mode.
8. Electronic copy of the Notice of the 41st Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with attendance slip and proxy form is being sent to all the members whose e-mail IDs are registered with the Company/Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their e-mail address, physical copies of the Notice of the 41st Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode. Members may also note that Notice of 41st Annual General Meeting and Annual Report for 2013-14 will be available on Company's website [www.hindindustries.net](http://www.hindindustries.net) for their download.
9. Pursuant to Section 125 of the Companies Act, 2013 the amount of dividend remaining unclaimed/unpaid for seven years shall be transferred to the Investors' Education and Protection Fund when the same becomes due. Members who have not yet encashed dividend warrants/cheques are requested to claim the same with the Company.
10. The related Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, [Corresponding to 173 of the Companies Act 1956], in respect of the business under items from 5 to 10 as set out above is annexed hereto.
11. As an austerity measure, copies of Annual Report will not be distributed at the Annual General Meeting; members are requested to bring their copies at the meeting.
12. Members/proxies should bring their attendance slips sent herewith, duly filled in, for attending the Meeting.
13. A statement containing details of the Directors seeking appointment/re-appointment at the forthcoming Annual General Meeting as required under Clause 49 of the Listing Agreement is annexed.
14. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company between 11.00 am to 1.00 pm on all working days except Saturdays, till the date of the Annual General Meeting of the Company.
15. Members who have not registered their email addresses so far are requested to register their e-mail address for receiving all communications including annual report, notices, circulars etc. from the company electronically.
16. Voting through electronic means  
In terms of Sections 107 and 108 of the Companies Act, 2013 read with Companies (Management and Administration) Rules, 2014 and Clause 35B of the Listing Agreement with BSE Ltd., the Company is pleased to provide members holding shares in physical or dematerialized form as on the cut-off date (Record Date), being Friday, 22nd Day of August, 2014, to exercise their right to vote at the 41st Annual General Meeting (AGM) by electronic means for any or all of the businesses in the accompanying Notice. Necessary arrangements have been made by the Company with National Securities Depository Limited (NSDL) to facilitate e-voting. E-voting is optional and members shall have the option to vote either through e-voting or in person at the Annual General Meeting.  
The procedure and instructions for voting through electronic means are as follows:-
  - A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/Depository Participant(s)]:
    - (i) Open email and open PDF file viz; "HIL

- e-voting.pdf” with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for e-voting. Please note that the password is an initial password.
- (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
  - (iii) Click on Shareholder - Login
  - (iv) Put user ID and password as initial password/PIN noted in step (i) above. Click Login.
  - (v) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
  - (vi) Home page of e-voting opens. Click on e-Voting: Active Voting Cycles.
  - (vii) Select “EVEN” of Hind Industries Limited.
  - (viii) Now you are ready for e-voting as Cast Vote page opens.
  - (ix) Cast your vote by selecting appropriate option and click on “Submit” and also “Confirm” when prompted.
  - (x) Upon confirmation, the message “Vote cast successfully” will be displayed
  - (xi) Once you have voted on the resolution, you will not be allowed to modify your vote
  - (xii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to [primekoss@hotmail.com](mailto:primekoss@hotmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)
- B. In case a Member receives physical copy of the Notice of AGM and intimation letter for e-voting [for members whose email IDs are not registered with the Company/Depository Participant(s) or requesting physical copy] :
- (i) Initial password shall be provided as below in the e-voting intimation letter for the AGM:  
**EVEN** (E-Voting Event Number)  
**USER ID** **PASSWORD/PIN**
  - (ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.
- C. In case of Members who are entitled to vote but have not exercised their right to vote by electronic means, upon poll being demanded, in the larger interest of the Members, the Chairman of the Meeting may order a poll on his own motion or on demand at the Meeting in terms of Section 109 of the Companies Act, 2013 for all businesses specified in the accompanying Notice. For abundant clarity, in the event of poll, please note that the Members who have exercised their right to vote by electronic means shall not be entitled to vote by way of poll at the Meeting. The voting rights of the Members shall be in proportion to their shares of the paid-up equity share capital of the Company. The poll process shall be conducted and scrutinized and report thereon will be prepared in accordance with Section 109 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014.

#### **General Information’s**

- (i) In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the Downloads section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com)
- (ii) If you are already registered with NSDL for e-voting then you can use your existing user ID and password/PIN for casting your vote.
- (iii) You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- (iv) The e-voting period commences on Thursday, 18th September, 2014 (9:00 am) and ends on Saturday, 20th September, 2014 (6:00 pm). During this period shareholders’ of the Company, holding shares either in



- physical form or in dematerialized form, as on the cut-off date (record date) of 22nd August, 2014, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
- (v) The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date (record date) of 22nd day of August, 2014.
- (vi) Mr. K. O. Siddiqui, Practicing Company Secretary (Membership No.FCS-2229) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- (vii) The Scrutinizer shall within a period not exceeding three(3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two(2)

witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.

- (viii) The results shall be declared on or after the AGM of the Company. The Results declared alongwith the Scrutinizer's Report shall be placed on the Company's website [www.hindindustries.net](http://www.hindindustries.net) and on the website of NSDL within two(2) days of passing of the resolutions at the AGM of the Company and communicated to the Stock Exchange.

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

**Sd/-**

PLACE: NEW DELHI

DATE: 14th August, 2014

**M. S. MALIK**

Company Secretary

**Registered Office:**

A-1, Phase-I, Okhla Industrial Area,  
New Delhi – 110020.

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 IN RESPECT OF RESOLUTIONS AT ITEMS FROM 5 TO 10 (BOTH INCLUSIVE).****Item Nos. 5 to 7**

In terms of Section 149, 150, 152, Schedule IV and other applicable provisions of the Companies Act, 2013 and revised Clause 49 of the Listing Agreement with the Stock Exchange, the Independent Directors are proposed to be appointed as Independent Directors of the Company by the shareholders of the Company at the Annual General Meeting of the Company for a term not exceeding five years and they shall be non-retiring directors. In compliance of aforesaid provisions, the Board of Directors of the Company at its meeting held on 14th August, 2014 has proposed appointment of Mr. B. B. Gupta, Mr. B. B. Huria and Dr. S. K. Ranjhan, Independent Directors of the Company for a term of five consecutive years up to the 46th Annual General Meeting of the Company and whose offices shall not, henceforth, be liable to retire by rotation. Notices have been received from members proposing their candidature for the office of Directors of the Company.

In the opinion of the Board, all the above Independent Directors fulfill the conditions specified in the Companies Act, 2013 and rules made thereunder for their appointment as an Independent Directors of the Company. The Company has received declarations to this effect that they meet the criteria of Independent Director as provided under Section 149(6) of the Act.

The Board considers that their continued association would be of immense benefit to the Company and it is desirable to continue to avail services of all the above Independent Directors. Accordingly, the Board recommends the resolutions in relation to appointment of all the above persons as an Independent Directors, for the approval by the shareholders of the Company.

None of the Directors other than the Independent Directors (the appointees under these Resolutions) or Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in these Resolutions.

Copy of the draft letters for appointment of all the above persons as an Independent Directors would be available for inspection without any fee by the members at the Registered Office of the Company between 11:00 am and 1:00 pm on all working days except Saturday till the date of Annual General Meeting.

**Item No. 8**

Members are hereby informed that Mr. Sirajuddin Qureshi (aged 66) was re-appointed as the Chairman and Managing Director (CMD) of the Company for a period of five years effective from 06.08.2011 to 05.08.2016 on the remuneration as recommended by the Remuneration Committee in its meeting held on 12th August, 2011 and confirmed by the Board of Directors in its meeting held on 12th August, 2011 and approved by the Shareholders in the 38<sup>th</sup> Annual General Meeting held on 26th September, 2011. The Central Government had approved the appointment CMD for five years, however, remuneration was approved only for three years i.e. upto 05<sup>th</sup> August, 2014, hence, the present remuneration cannot be paid to the CMD for the remaining period of two years, without the approval of Central Government. But the relevant provisions for payment of this much remuneration under the companies Act, 2013 are in full force according to which the company can pay the remuneration only by passing a Special Resolution by the shareholders at the AGM.

Since the company has continuously grown leaps and bounds under his esteemed leadership, it is his total involvement, leadership and hard work that the company has emerged today as one of the largest integrated manufacturer, processor and exporter of Fresh and Frozen Buffalo and Sheep Meat and Meat products in all over the World.

Considering the fact that he is discharging overall responsibilities of the affairs of the Company and on the recommendations of the Nomination and Remuneration Committee, the Board of Directors have considered and resolved to re-appoint him for a further period of three years w.e.f. 06<sup>th</sup> August, 2014 to 05<sup>th</sup> August, 2017, on the same remuneration, terms and conditions as setout in the aforesaid Special Resolution, subject to the necessary approvals, if any, including members of the company at the ensuing Annual General Meeting of the Company.

Mr. Sirajuddin Qureshi, may be considered to be concerned or interested in the said resolution, since it relates to his re-appointment. Mrs. Kiran Qureshi and Dr. Naseem Qureshi, Directors may also be considered as concerned or interested in the same, being relatives of Mr. Sirajuddin Qureshi. Save as aforesaid, none of the other Directors are concerned or interested in the said resolution.

This Explanatory Statement together with the accompanying notice is to be regarded as an abstract of his terms of remuneration or concern or interest under section 190 of the Companies Act, 2013.

As required under the Schedule V of the Companies Act, 2013, the relevant information to be sent along with the notice calling the Annual General Meeting is set out hereinafter.

Your Directors recommend the aforesaid resolution as Special Resolution for your approval.

### Item No. 9 & 10

The members of the Company had in the Annual General Meeting held on 22<sup>nd</sup> September 2012 passed ordinary resolutions for authorizing the Board of Directors to borrow upto ₹300 Crores (Rupees Three Hundred Crores only) as also for creation of charge on Company's property as required under section 293(1)(d) and 293(1)(a) respectively of the Companies Act, 1956.

On implementation of the Companies Act, 2013, Section 180(1)(c) and Section 180(1)(a) of the Act were made effective from September 12, 2013, which provide for approval by the shareholders by way of Special Resolutions as against Ordinary Resolutions under the Companies Act, 1956. The Ministry of Corporate Affairs has vide General Circular No.04/(21) 2014 dated March 25, 2014 clarified that pursuant to the said Sections of the Act, companies would be required to pass a fresh resolution by September 11, 2014.

It is necessary to obtain fresh approval of the members by means of Special Resolutions, to enable the Board of Directors of the Company to:

- Borrow moneys, apart from temporary loans obtained from the Company's Bankers in the ordinary course of business, in excess of the aggregate of paid-up share capital and free reserves of the Company.
- Create charge/ mortgage/ hypothecation of the Company's assets, both present and future, in favour of the Banks/Financial Institutions, lender(s), Agents(s) and trustee/trustee(s), other investing agencies or other instrument to secure rupee/foreign currency loans, bonds, to secure the repayment of moneys borrowed by the Company (including temporary loans obtained from the Company's Bankers in the ordinary course of business).

Whilst no increase in the said limits is currently being proposed, the member's approval is being sought pursuant to Section 180 of the Companies Act 2013 by way of Special Resolutions.

Your Directors have recommended the Special Resolutions for approval of members.

None of the Directors/Key Managerial Personnel of the Company are in any way concerned/interested in the said resolutions.

### INFORMATION REQUIRED TO BE FURNISHED UNDER THE LISTING AGREEMENT AND SCHEDULE V OF THE COMPANIES ACT, 2013.

As required under the Listing Agreement and Schedule V of the Companies Act, 2013, the particulars of Directors who are proposed to be appointed/re-appointed, are given below:

Name of Director	Mr. Sirajuddin Qureshi	Dr. Naseem Qureshi
Directors Identification No.	00004536	00005808
Date of Appointment	06.08.1988	28.04.2004
Date of Birth	15.06.1948	01.03.1966
Expertise in specific functional area	Procurement, Production, Marketing, Export, Finance and General Corporate Management.	Procurement of raw material, production and export of meat and meat products.
Qualifications	B.A., L.L.B.	B.Sc., BUMS.
Directorship as on March 31, 2014*	Hind Industries Ltd. Hind Agro Industries Ltd. Hind Infra Engineers Ltd. Hind Bio-pharmaceuticals Ltd. Agriotek Foods Ltd. NSIC Ltd. Jamia Co-operative Bank Ltd.	Hind Industries Ltd. Hind Infra Engineers Ltd. Agriotek Foods Ltd.
Committee Chairmanship/ Membership as on 31 <sup>st</sup> March, 2014	<b>Hind Agro Industries Ltd.</b> Audit Committee (M)	Nil
Shareholding in Hind Industries Ltd.	418750	100150

<b>Name of Director</b>	<b>Mr. B. B. Gupta</b>	<b>Mr. B. B. Huria</b>	<b>Dr. S. K. Ranjhan</b>
Directors Identification No.	00023609	00015434	00005854
Date of Appointment	06.09.1990	16.1.1998	12.08.2011
Date of Birth	16.05.1947	01.04.1944	13.10.1934
Expertise in specific functional area	He has vast experience in the field of Corporate Legal matters.	He has rich experience in Corporate Administration, Management, Banking, Finance, IT, Audit and Taxation	Having vast experience in Veterinary Science and is a Livestock/ Buffalo rearing and development expert
Qualifications	B.A., L.L.B.	B.Sc., M.S.(Mechanical Engineering), Diploma in Russian-English Translation & Interpretation, Peoples Friendship University, Moscow	M.V.Sc., MS (USA), PHD., D.Sc., Fellow-NAVS.
Directorship as on March 31, 2014*	Hind Industries Ltd.	Hind Industries Ltd.	Hind Industries Ltd. Hind Agro Industries Ltd. Hind Bio-Pharmaceuticals Ltd.
Committee Chairmanship/ Membership as on 31 <sup>st</sup> March, 2014	<b>Hind Industries Ltd.</b> Investors/Shareholders Grievance Committee (C) Audit Committee (C) Remuneration Committee (C)	<b>Hind Industries Ltd.</b> Investors/Shareholders Grievance Committee (M) Audit Committee (M) Remuneration Committee (M)	<b>Hind Industries Ltd.</b> Investors/Shareholders Grievance Committee (M) Audit Committee (M) Remuneration Committee (M) <b>Hind Agro Industries Ltd.</b> Audit Committee (M) Remuneration Committee (M)
Shareholding in Hind Industries Ltd.	2000	Nil	Nil

\* Directorships in Private Limited Companies and Section 25 Companies are excluded. Membership and Chairmanship of Audit Committees, Investors'/Shareholders' Grievances Committees and Remuneration Committees of Public Companies have been included in the aforesaid table.

(M) – Member, (C) – Chairman

<b>I. General Information:</b>													
(1) Nature of Industry:	Manufacturing & Export												
(2) Date or expected date of commencement of commercial production:	01.01.1990												
(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:	(₹ In Lacs)												
	<table border="1"><thead><tr><th><b>Parameters</b></th><th><b>2013-14</b></th><th><b>2012-13</b></th><th><b>2011-12</b></th></tr></thead><tbody><tr><td>Turnover</td><td>15607</td><td>15163</td><td>14021</td></tr><tr><td>Net Profit/ (Loss) as per P&amp;L A/c</td><td>136.78</td><td>156.01</td><td>(210.59)</td></tr></tbody></table>	<b>Parameters</b>	<b>2013-14</b>	<b>2012-13</b>	<b>2011-12</b>	Turnover	15607	15163	14021	Net Profit/ (Loss) as per P&L A/c	136.78	156.01	(210.59)
<b>Parameters</b>	<b>2013-14</b>	<b>2012-13</b>	<b>2011-12</b>										
Turnover	15607	15163	14021										
Net Profit/ (Loss) as per P&L A/c	136.78	156.01	(210.59)										
(5) Export performance and net foreign exchange collaborations:	(₹ In Lacs)												
	<table border="1"><thead><tr><th><b>Parameters</b></th><th><b>2013-14</b></th><th><b>2012-13</b></th><th><b>2011-12</b></th></tr></thead><tbody><tr><td>Exports</td><td>4452</td><td>6672</td><td>11636</td></tr><tr><td>FOB Value</td><td>4060</td><td>5925</td><td>10520</td></tr></tbody></table>	<b>Parameters</b>	<b>2013-14</b>	<b>2012-13</b>	<b>2011-12</b>	Exports	4452	6672	11636	FOB Value	4060	5925	10520
<b>Parameters</b>	<b>2013-14</b>	<b>2012-13</b>	<b>2011-12</b>										
Exports	4452	6672	11636										
FOB Value	4060	5925	10520										
(6) Foreign investments or collaborators, if any:	NIL												
<b>II. Information about the Appointee:</b>													
(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 overall management of the Company.												
(2) Past remuneration:	2013-14 ₹57.60 Lacs 2012-13 ₹57.60 Lacs 2011-12 ₹49.86 Lacs												
(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 the Uttar Pradesh Government.												
(4) Job profile and his suitability:	Mr. Sirajuddin Qureshi is the Chairman & Managing Director of the Company and also the Managing Director of the Subsidiary Company, i.e. Hind Agro Industries Ltd., which is also in the same trade. Hence, his vast experience in the industry of meat export may be used fruitfully in both the companies.												

<p>(5) Remuneration proposed:</p> <p>(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):</p> <p>(7) Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personal, If any:</p> <p><b>III. Other information:</b></p> <p>(1) Reason of loss or inadequate profits.</p> <p>(2) Steps taken or proposed to be taken for improvement.</p> <p>(3) Expected increase in productivity and profits in measurable terms.</p>	<p>Basic Salary: ₹3,00,000/- per month. Besides the above Salary, the Appointee is proposed to be paid Furnished Accommodation, Medical Benefits, Leave Travel Concession, Club Fees, Personal Accident Insurance, Leave Encashment. The Company shall also make contribution for him to the Provident Fund, Superannuation/Annuity Fund, Gratuity. A Car with driver and Telephone facility at the residence of the Chairman and Managing Director shall also be provided by the Company. Details of all the above elements may be referred at point no.8 of the Notice contained in this Annual Report.</p> <p>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.</p> <p>The Appointee does not have any pecuniary relationship with the Company. He is a relative of Mrs. Kiran Qureshi and Dr. Naseem Qureshi, Directors in the Company.</p> <p>The Company has managed to achieve only a Net Profit After Tax of ₹136.78 Lacs during the financial year 2013-14, it was mainly due to increase in cost of Raw Material.</p> <p>The company is making its regular efforts for the improvement in its production and sales volume.</p> <p>The company is expected to increase its productivity and profits by about 15% to 20% in the next financial year.</p>
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**IV. Disclosures:**

- |  |   |
|--|---|
| <p>(1) The shareholders of the company are being informed of the remuneration package of Mr. Sirajuddin Qureshi-Chairman and Managing Director, at point no.8 of the Notice contained in this Annual Report.</p> <p>(2) The following disclosure is also being made as a part of the Board of Director's Report under the heading "Corporate Governance", attached to this Annual Report: -</p> <p>(i) All elements of remuneration package such as salary, benefits, bonuses, stock options, pension, etc. of all the Directors:</p> <p style="padding-left: 40px;"><i>The Company is not paying any remuneration to any other Director of the Company.</i></p> <p>(ii) Details of fixed and performance linked</p> | <p>incentives along with the performance criteria:</p> <p><i>All elements of the remuneration package of the Appointee are defined in the Special Resolution at point no.8 of the Notice as contained in this Report.</i></p> <p>(iii) Service contracts, notice period, severance fees:</p> <p><i>No separate service contract executed by the Company with the proposed Appointee.</i></p> <p>(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:</p> <p><i>Nil.</i></p> |
|--|---|

## Directors' Report

### Dear Members,

Your Directors have pleasure in presenting the Forty First 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, 2014.

### Financial Results:

The Financial Highlights of the Company for the financial year ended on March 31, 2014 are as under:

	(Amount in Lac ₹)	
<b>Particulars</b>	<b>2013-14</b>	2012-13
Revenue from Operations	<b>15607.24</b>	15163.16
Other Income	<b>153.61</b>	129.24
Profit before Depreciation, Extra Ordinary Items and Taxes {PBDEIT}	<b>462.75</b>	482.16
Extra Ordinary Items Written Off	<b>0</b>	0
Profit/(Loss) before Depreciation and Taxes {PBDT}	<b>462.75</b>	482.16
Depreciation and Amortisation Expense	<b>271.66</b>	286.72
Profit/(Loss) before Tax	<b>191.09</b>	195.45
Less: Tax for current year	<b>111.95</b>	91.55
Add: Deferred tax Written Back	<b>57.64</b>	52.11
Profit/(Loss) after Taxes {PAT}	<b>136.78</b>	156.01
Surplus/(Loss) Carried to Balance Sheet	<b>4598.63</b>	4472.73

### Performance:

During the financial year 2013-14, your Company again achieved the highest ever turnover of ₹15607.24 Lacs as against ₹15163.16 Lacs in the previous year 2012-13, thereby showing an increase of 2.93%. The Profit before Depreciation, Extra Ordinary Items and Taxes (PBDEIT) of the Company during the financial year 2013-14 stood at ₹462.75 Lacs as against ₹482.16 Lacs in the previous financial year 2012-13, which is a decrease of 4.03%, mainly due to the increase in Raw Material costs. The company earned a Net Profit after Tax of ₹136.78 Lacs during the financial year 2013-14 against the Net Profit after Tax (PAT) of ₹156.01 Lacs in the previous year.

### Profitability:

During the year under review the company has been able to post marginal profits of ₹136.78 Lacs despite the increase in raw material costs by better control of the financial, 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 ₹73653.66 Lacs and Profit before taxes (PBT) of ₹957.02 Lacs for the year ended 31<sup>st</sup> March, 2014, as compared to the Total Sales Turnover of ₹71914.32 Lacs and the Profit before taxes (PBT) of ₹936.96 Lacs in the previous year ended on 31<sup>st</sup> March, 2013.

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 31<sup>st</sup> March, 2014.

Further, the company has uploaded the details of unclaimed and unpaid dividend pertaining to the financial years 2008-09 to 2011-12 on the website of the Ministry of Corporate Affairs for the necessary compliance.

**Current year's outlook:**

Your Company is expected to improve further and consolidate its operations in the ongoing financial year i.e. 2014-15, 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. 25<sup>th</sup> 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 Equity Shares of the Company are listed with the BSE Ltd. (Bombay Stock Exchange), Mumbai. The Company has been complying with the provisions of Listing Agreement and has already made the payment of listing fees for the Financial Year 2014-15, 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:**

As per Section 149(4) of the Companies Act, 2013, Mr. B. B. Gupta, Mr. B. B. Huria and Dr. S. K. Ranjhan, the independent directors of the Company are being appointed to hold office as independent directors for a period of five years with effect from 26<sup>th</sup> September, 2014. Brief particulars and expertise of these directors and their other directorships and committee memberships have been given in the annexure to the Notice of the Annual General Meeting in accordance with the requirements of listing agreement with Stock Exchange.

In accordance with the provisions of Section 152(6) of the Companies Act, 2013 and Article No.147 of the Articles of Association of the Company, Dr. Naseem Qureshi, 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 term of three years for payment of remuneration to Mr. Sirajuddin Qureshi as the Chairman & Managing Director of the company has been expired on 05<sup>th</sup> August, 2014, hence, as per the provisions of Companies Act, 2013 read with the provisions under Schedule V to the Companies Act, 2013 his reappointment on the same terms and conditions and payment of same remuneration is required to be approved for a further period of three years w.e.f. 06<sup>th</sup> August, 2014 to 05<sup>th</sup> August, 2017, by passing a special resolution of the shareholders in the ensuing Annual General Meeting of the Company.

The Board recommends for the re-appointment of all the aforesaid Directors.

**Auditors:**

The Statutory Auditors M/s M. K. Aggarwal & Co., Chartered Accountants, 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 141(3)(g) of the Companies Act, 2013 and they are not disqualified for such re-appointment within the meaning of section 141 of the said Act.

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

**Auditor's Report:**

The Auditor's Report is self explanatory hence required no clarification by the Board.

**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:-

<b>Name of the Employee</b>	<b>Designation</b>	<b>Qualification</b>	<b>Age</b>	<b>Remuner-ation (Amt in Lacs ₹)</b>	<b>Experience</b>	<b>Date of employment</b>	<b>Previous employment</b>
Mr. Sirajuddin Qureshi	Chairman & Managing Director	BA, LLB	66 years	57.60	37 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.

(iv) that the Directors had prepared the Accounts for the Financial Year ended 31st March, 2014, on a 'going concern' basis.

**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:

**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.

- (i) that in the preparation of the Annual Accounts for the Financial Year ended 31st March, 2014, the applicable Accounting Standards had been followed along with proper explanations relating to the material departures;
- (ii) 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;
- (iii) 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;

**Corporate Social Responsibility**

As per the provisions under new Companies Act, 2013 and the rules made thereunder the company is not required to comply with the CSR Policy, however, the Company voluntarily making its regular efforts in improving the socio-economic environment in and around the factory, especially towards maintaining clean and green pollution free surroundings, improving the quality of life of its suppliers, employees and all concerned, through its efficient functioning and by taking all precautions against all sorts of environmental hazards. Developing and improving the agricultural resources, especially livestock, is given an utmost priority by the Company. The Company is fully conscious of its social responsibilities and has been discharging them to the fullest extent.

**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**

**SIRAJUDDIN QURESHI  
CHAIRMAN & MANAGING DIRECTOR**

NEW DELHI  
14<sup>TH</sup> AUGUST, 2014

## 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:

- (i) Proper inspections have been carried out for improvement in energy efficiency of the process adopted and eliminating wastages.

- (ii) Efforts have been regularly made to timely detect and rectify any steam/water/gas leakage.
- (iii) 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
<b>a) Purchased units (KWH)</b>	<b>0</b>	<b>0</b>
Total amount (₹)	<b>0</b>	<b>0</b>
Average rate/unit (₹)	<b>0</b>	<b>0</b>
<b>b) Own generation through diesel generator set</b>		
Units of electricity	<b>18,19,917</b>	22,72,942
Total cost (₹ in Lacs)	<b>356.77</b>	328.29
Cost per unit of electricity (₹)	<b>19.60</b>	14.44
<b>c) Furnace Oil (Boiler)</b>		
Ltrs	<b>0</b>	<b>0</b>
Cost in (₹ in Lacs)	<b>0</b>	<b>0</b>
Rate/Litre (₹)	<b>0</b>	<b>0</b>
<b>d) High Speed Diesel Oil (Boiler)</b>		
Ltrs	<b>2,430</b>	1,88,673
Cost in (₹ in Lacs)	<b>1.49</b>	86.12
Rate/Litre (₹)	<b>61.51</b>	45.58

**Consumption per unit of production:**

Fresh & Frozen Meat:	(Per K.G.)	
Particulars	Current Year	Previous Year
Energy (in Units)	<b>0.220</b>	0.969

**FORM "B"**  
(See Rule 2)**B) TECHNOLOGY ABSORPTION:****1. 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:****1. Earnings and Outgo:**

Earnings of foreign exchange of the company have been to the tune of ₹**4060.12 Lacs** (FOB Value) during the financial year 2013-14 (Previous year ₹5,925.22 Lacs), by way of exports and the foreign exchange outgo during the same period was ₹**Nil Lacs** (Previous Year ₹19.41 Lacs).

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

NEW DELHI  
14<sup>TH</sup> AUGUST, 2014

**SIRAJUDDIN QURESHI**  
CHAIRMAN & MANAGING DIRECTOR

# Management Discussion and Analysis

## OVERVIEW OF ECONOMY

The Indian economy has been going through challenging times that culminated in lower than 5 per cent growth of Gross Domestic Product (GDP) at factor cost, at constant prices, for two consecutive years, i.e. 2012–13 and 2013–14.

Persistent uncertainty in the global outlook, caused by the crisis in the Euro-area and general slowdown in the global economy impacting the demand for exports, compounded by domestic structural constraints such as low manufacturing base, delays in project approvals among others, and inflationary pressures, has resulted in a protracted slowdown.

GDP performance in 2013–14 from the production side (comprising agriculture, industry and services); India's GDP, during 2013–14, grew and marginally improved to 4.7 per cent as compared to 4.5 percent in 2012–13. This was due to high growth in agriculture and allied sectors, which grew at 4.7 per cent compared to their long-run average of 3 per cent (during 1999–2000 and 2012–13), owing to favourable monsoons.

Concerns around industrial growth persist as slowdown in the industry continued due to deceleration in mining and quarrying, and a disappointing performance of the manufacturing sector, with growth averaging 0.2 per cent per annum in the past two years. Thus, industrial revival is central to sustained revival of overall growth.

The services sector also recorded slow growth due to dismal performance of trade, transport, and storage.

GDP performance in 2013–14 from the demand side (comprising consumption, investment and net exports); On the demand side, growth of private final consumption declined to 4.8 per cent, in 2013–14, from 5 per cent in 2012–13.

Fixed investment rate declined steeply in 2013–14 due to reduction in gross fixed capital formation by 2.1 per cent, which is mainly due to decline in private corporate investment. This decline is because of high interest rates and tight liquidity resulting from contractionary monetary policy followed to control inflation and prevent rupee from depreciating.

Moderate revival of exports, coupled with decline in imports, helped improve net exports. The share of exports in GDP increased from 24 per cent in 2012–13 to 24.8 per cent in 2013-14, while the share of imports declined from 30.7 per cent to 28.4 per cent, resulting in improvement in net exports by 3.1 percent points of the GDP.

Inflation, fiscal deficit and Current Account Deficit (CAD); Although the average Wholesale Price Index (WPI) inflation declined in 2013–14 to 6 per cent, vis-à-vis 8.9 per cent in 2011–12 and 7.4 per cent in 2012–13, it is still above comfort level and continues to pose significant challenges.

Fiscal deficit of 4.5 per cent of the GDP in 2013–14, as compared to the budgeted target of 4.8 per cent of GDP, is indicative of continued focus on fiscal consolidation. With a shortfall in tax revenues and disinvestment receipts, along with higher-than budgeted subsidies and interest and pension payments, fiscal consolidation was mainly achieved through reduction in expenditure from the budgeted levels.

Raising the tax-GDP ratio and furtherance of subsidy reforms are essential for fiscal consolidation.

CAD reduced to 1.7 per cent in 2013–14 from 4.7 per cent in 2012–13. This was due to improvement in net exports brought about by restrictions on non-essential imports and demand slowdown. Improved CAD also brought about improvement in balance of payments.

## OUTLOOK FOR 2014–15

With expectation of better performance in manufacturing, improved balance of payments situation and modest global growth revival, the economy is expected to grow in the range of 5.4–5.9 per cent in 2014–15. This is because investment revival will happen gradually; still an elevated level of inflation limits the RBI's scope to reduce policy rates; along with the expectation of a below-normal monsoon.

Growth in 2014-15 is expected to remain more on the lower side of the range given the above, for the following reasons: (i) steps undertaken to restart the investment cycle (including project clearances and incentives given to industry) are perceived to be playing out only gradually; (ii) the benign growth outlook in some Asian economies, particularly China; (iii) still elevated levels of inflation that limit the scope of the RBI to reduce policy rates; and (iv) the expectation of a below-normal monsoon. Downside risk also emerges from prolonging of geo-political tensions. On the upside, such factors as institutional reform to quicken implementation of large projects and a stronger-than-expected recovery in major advanced economies would help the Indian economy clock a higher rate of growth.

Despite some measures undertaken to address structural constraints, reversion to a growth rate of around 7–8 per cent can occur only beyond the ongoing and the next fiscal year.

Priorities for boosting growth include reviving investments, strengthening macro-economic stability, creating non-agricultural jobs, developing infrastructure and fostering agricultural development.

## CONDITION OF THE INDUSTRIAL SECTORS

All round high inflation in commodities and manufactured products led to significant increase in input costs across the sectors. In addition, crude prices moved up, which also had an impact on transportation costs and packaging costs. Overall, Financial Year 2013-14 was a very challenging year in terms of input cost inflation and managing material costs.

### 1. INDUSTRY STRUCTURE & DEVELOPMENT

The Company is engaged in the manufacture and export of fresh, chilled and frozen meat and meat products. The Products of the company are widely acceptable and consumed in a large quantity worldwide. The Company, together with its Subsidiary Company, M/s Hind Agro Industries Ltd. is one of the largest exporter of the meat and meat products from northern India. Your company is trying to increase its margins and turnover by exploring new international markets. The focus of the company is to improve the business strategy, production integration, and enhanced economies of scale, cost reduction and aggressive marketing, thereby increase the business by supplying the existing product range in the existing as well as in the alternative markets.

### 2. SEGMENTWISE/PRODUCTWISE PERFORMANCE

Your Company has only one segment of product, which is "Fresh & Frozen Meat". During the year under review (i.e.2013-14), as compared to the previous year (i.e.2012-13), there has been increase in the Total Production and in the Sales Value made by the Company.

#### 2.1 PRODUCTION AND CAPACITY UTILISATION

Production achieved during the year under review is 8289.486 M.T. as compared to 2346.011 M.T. during the previous year, which shows an increase of 253.34% over the previous year. The capacity utilization as a percentage of installed capacity increased from 9.38% to 33.16% over the same period.

#### 2.2 SALES TURNOVER

The Company achieved highest ever turnover of ₹15607.24 Lacs during the year 2013-14, as

compared to ₹15163.16 Lacs during the previous year 2012-13.

### 3. FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

#### 3.1 RAW MATERIALS AND PACKING COST

The Raw Material Consumed to Sales is 85.72% during the year under review as compared to 23.34% in the previous year. The Consumption of Packing Material Cost to Sales decreased to 0.27% in the year 2013-14, from 0.58% in the year 2012-13.

#### 3.2 INTEREST COST

The Financial Cost in the year 2013-14 was at ₹1067.61 Lacs as against ₹1358.83 Lacs in 2012-13.

### 4. OPPORTUNITIES AND THREATS

#### 4.1 OPPORTUNITIES

- ▶ With the rich experience of the Promoters of the Company in Meat Industry and having a sound network in the Global Market, the Company will definitely continue to achieve its targets of being a leader in this field.
- ▶ The Company is having the services of a highly qualified and experienced work force and enjoys a very healthy industrial environment for its growth and development.
- ▶ The Company along with its Subsidiary Company i.e. M/s Hind Agro Industries Limited, enjoy a significant share of Meat Export Industry and command a greater acceptability of their products internationally.
- ▶ The Government is extending its full support to the Export Industry and making its efforts in opening-up new alternate markets for the export.
- ▶ India has the largest livestock population in the world.
- ▶ The decrease in the rate of INR (Indian Rupee) in comparison with the USD (US Dollar) is the favourable condition as the company is billing to its overseas customers in USD.

#### 4.2 THREATS

- ▶ High hidden infrastructure costs like

indirect taxes, poor roads, erratic power & water supply, oil prices, low economies of scale, that continue to impede global competitiveness and export performance, remains a cause of concern for the company.

- ▶ Emerging of new players in the meat industry results in increase in competition.
- ▶ The quality of raw material depends upon the health of livestock, which needs to be disease free for being worthy of acceptance in the international market.
- ▶ Since the meat and meat products of the Company are in a chilled and frozen form, the same are highly perishable in nature. So, strict care is required to continuously maintain the temperature to a certain freezing level during transit to avoid any contamination of the high value products of the Company.
- ▶ Political unrest in the importing countries.

#### **5. HIGH SECURITY REGISTRATION PLATE PROJECT**

The Commercial Production for the High Security Registration Plate was commenced from 25<sup>th</sup> March, 2010. The said project at Baddi, in the State of Himachal Pradesh, is in progress and we are applying for the tenders in various states. Your Company is hopeful that the large scale work on High Security Registration Plate will start soon.

#### **6. FUTURE PROJECTS**

Your Subsidiary Company, M/s Hind Agro Industry Limited, has completed the construction work at the site of Chennai Municipal Corporation Modern Slaughter House at Perambur, Chennai which was bagged on Design, Build, Operate and Transfer (DBOT) basis. The plant is ready to commence commercial production and the same may be started at any time after redressing some local and political issues.

#### **7. OUTLOOK**

India is one of the very few economies in the world which is growing at a commendable speed and promises a huge opportunity for exports. The economy is expected to grow by more than 7% in the fiscal 2014-15. With more than 56% of World's Buffalo population in India, Buffalo meat export has huge potential. Further, Government is taking measures to

increase the export by planning to take steps in areas of increasing the supply of quality livestock through scientific rearing practices, improvement in disease status in respect of diseases like Foot and Mouth Disease (FMD) by creating disease free zones, better implementation of existing plan scheme for livestock health and disease control. With all these measures being taken up by the Government and end of Political unrest in Middle East, your company is hopeful that the Financial Year 2014-15 will be much better.

#### **8. RISKS AND CONCERNS**

The following are the areas of concern:

- ▶ The meat industry is very competitive, and the pressure continues to increase through the entry of new players, consolidation of existing players and expansion of operations by existing players.
- ▶ Changes in Indian as well as Foreign Government Policies and Regulations present a major area of concern for the Industry.
- ▶ Meat is more prone to disease which affects its export.
- ▶ Volatility in the exchange rate of Indian Rupee as compared to USD is also an area of concern.

#### **9. HUMAN RESOURCE AND INDUSTRIAL RELATIONS**

Hind's people are the Company's most important asset and source of competitive advantage. All employees of Hind are considered leaders and encouraged to take responsibility to do their best that they can while meeting business needs. Our success depends entirely on the strength of our talent pool which we build by fostering an environment and continually investing in them to enable them to deliver superior performance. Our Human Resource strategy is aimed at talent acquisition, development, motivation and retention. The Company has been able to maintain an excellent industrial rapport with its employees with no industrial dispute or conflict. The Company's Commitment to maintain harmony in Industrial Relations has resulted in achieving high productivity standards in the Industry.

#### **10. INTERNAL CONTROL SYSTEMS AND ITS ADEQUACY**

As an intrinsic part of the overall Governance process, the Company has in place a well established Internal Audit which covers all aspects of financial and operational controls.

The Company adheres to and abides by the strict Internal Control and Management Information System. The Company has maintained an inbuilt Internal Audit System looked after by a highly experienced and qualified team of professionals. It is also pertinent to note that a summary of audit observations and action taken by the management are placed before and discussed at the Audit Committee Meetings. The suggestions and directions of Audit Committee are recorded and action taken accordingly.

#### **11. SOCIAL RESPONSIBILITY AND COMMUNITY DEVELOPMENT**

The Company is making its regular efforts in improving the socio-economic environment in and around the factory, especially towards maintaining clean and green pollution free surroundings, improving the quality of life of its suppliers, employees and all concerned, through its efficient functioning and by taking all precautions against all sorts of environmental hazards. Special care for conserving the scarce natural and infrastructures resources like electricity, fuel energy, water, steam etc. is taken for avoiding wastages. Developing and improving the agricultural resources, especially livestock, is given an utmost priority by the Company. The Company is fully conscious of its social responsibilities and has been discharging them to the fullest extent.

#### **12. FORWARD LOOKING AND CAUTIONARY STATEMENTS:**

Statements in this Management Discussion and Analysis describing the Company's objectives, projections, estimates and expectations may be 'forward looking statements' within the meaning of applicable laws and regulations. Actual results may differ substantially or materially from those expressed or implied. The risks and uncertainties relating to these statements include, but are not limited to, risks and uncertainties regarding fluctuation in Foreign Exchange, fluctuations in earnings, our ability to manage growth, intense competition, wage increase in India, reduced demand for meat, withdrawal of Government incentives, legal restrictions on export outside India, statutory legislations and regulations affecting operations, including tax obligations and other allied factors. The Company does not undertake to update any forward looking statements that may be made from time to time by or on behalf of the Company.

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

NEW DELHI  
AUGUST 14, 2014

**SIRAJUDDIN QURESHI**  
CHAIRMAN & MANAGING DIRECTOR

# Corporate Governance Report

Corporate Governance is based on the principles of integrity, fairness, equity, transparency, accountability and commitment to values. Good Corporate Governance goes beyond compliance and involves a company wide commitment. The detailed report on Corporate Governance for the Financial Year 2013-2014, as per the format prescribed by SEBI and incorporated in Clause 49 of the Listing Agreement is set out below:

## 1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Company is totally committed and devoted towards achieving business excellence and enhancing shareholder value by following the best disclosure practices with a high level of integrity, accountability, fairness, transparency and responsibility to all the stakeholders, such as shareholders, creditors, suppliers, lenders, consumers, employees, etc. The Company understands that good corporate governance and transparency in actions of the management is the key to a strong bond of trust with the Company's stakeholders.

## 2. BOARD OF DIRECTORS

### Composition

The Board of Directors of the Company comprises of six members including one Executive Director, five Non-Executive Directors, of which three are Independent Directors. The Board believes that the current size is appropriate based on the company size and circumstance and is appropriate mix of Non-Executive and Independent Directors to maintain the independency of the Board. The Directors are professionally competent and highly respected persons from their respective fields and provide valuable contribution to the decisions and deliberations of the Board.

The brief profile of the Company's Board is as under:

**Mr. Sirajuddin Qureshi**, 66 Years, Chairman and Managing Director of the company, done Bachelor of Arts in 1970 and LL.B in 1973 from the University of Delhi. He is an emerging and promising first generation entrepreneur with more than Three decades of vast experience in the field of Food Processing and Marketing. He focused the interests in export as early as in the year 1990, as a result of which, the 100% Export Oriented Meat Processing Plant of the Company was set up at Sahibabad in the State of Uttar Pradesh. He has also laid down the

foundation of the Subsidiary Company, i.e. Hind Agro Industries Limited in the year 1994, having the modern State-of-the-art abattoir-cum-meat processing Plant in Aligarh, Uttar Pradesh.

He 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 an Executive Director on the Board of the company with overall responsibility of the affairs of the company. He has highly contributed for the growth and development of the Hind Group to its present position as market leader in India in its field.

**Mrs. Kiran Qureshi**, 64 years, wife of Mr. Sirajuddin Qureshi, is having rich experience of more than two decades in the various areas of meat Industry. She has completed Bachelor of Arts and LL.B from the University of Delhi. She is a widely travelled person and has got wide exposure of the different aspects of the Export Business. She is the Promoter-Director of the Company and also of the Subsidiary Company i.e. Hind Agro Industries Ltd.

**Dr. Naseem Qureshi**, 50 years, B.Sc., BUMS., brother of Mr. Sirajuddin Qureshi, has nearly one and half decade of valuable experience in the various areas of meat industry, specially procurement of raw material, marketing, product development, techno-commercial areas and export. He has worked for the company as its Vice President for about four years and has also been associated with the Subsidiary Company i.e. Hind Agro Industries Ltd., as President from the last eleven years.

**Mr. B. B. Gupta**, 67 years, Senior Advocate, is engaged in his practice of advocacy since 1973. He regularly appears before the High Court & District Court. He has more than three decades of rich experience in various aspects of legal matters. He has a deep insight into the functioning of different industries. He is an eminent member of the various Institutes/Bar Council, viz. Indian Law Institute, New Delhi, Institute of Constitutional & Parliamentary Studies, New Delhi, Supreme Court Bar Association, Delhi High Court Bar Association, International Jurists Organization etc. He is also the member on the different Committees of the Directors of the company.

**Mr. B. B. Huria**, 70 years, B.Sc., M.S. (Mechanical Engineering), Diploma in Russian-English Translation



& Interpretation, Peoples' Friendship University, Moscow, is an Ex-Chief General Manager of the IFCL Ltd. He has more than four decades of rich experience in various aspects of finance, banking, IT, audit and administration. He has been on 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.

**Dr. S. K. Ranjhan**, 79 years, M.V.Sc., MS (USA), PHD., D.Sc., Fellow-NAVS, is an Independent Director on the Board of the Company. He has more than four decades of rich experience in various areas of Livestock development and Meat 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 also the member of the various Committees of Directors of the company.

#### Meeting of Board of Directors

The Board had met four times during the last Financial Year (i.e. 2013-14). The meetings were held on 30<sup>th</sup> May, 2013, 14<sup>th</sup> August, 2013, 13<sup>th</sup> November, 2013 and 14<sup>th</sup> February 2014. The Company Secretary furnished detailed agenda notes and the information required to be given in terms of business on the agenda in advance to the Directors. The Board meets at least once a quarter to review the quarterly results and other items on the agenda.

#### Attendance of Directors

The details of attendance of each Director at the said Board Meetings as well as at the Annual General Meeting, Chairmanships/Memberships of the Committees, outside directorships of each Director are as under:

Name	Category	Attendance		Committee Membership/ Chairmanship *		No. Of Outside Director ships#
		Board Meeting	Annual General Meeting	Committee Member Ship	Chairmanship	
Mr. Sirajuddin Qureshi	Chairman & Managing Director	LOA	No	1	1	6
Mrs. Kiran Qureshi	Non-Executive	LOA	No	Nil	Nil	3
Dr. Naseem Qureshi	Non-Executive	LOA	No	Nil	Nil	2
Mr. B. B. Huria	Independent	4	No	2	Nil	Nil
Mr. B. B. Gupta	Independent	4	Yes	2	2	Nil
Dr. S. K. Ranjhan	Independent	4	Yes	3	Nil	2

\* The Memberships/Chairmanships in Audit Committee and Investors/Shareholders' Grievance Committee of Public Ltd. Companies are reported and other Committees membership/chairmanship has not been included in this report.

#This excludes directorships held in Private Limited Companies.

#### Shareholding of Directors in the Company as on 31.03.2014

S. No.	Name of the Director	No. of Equity Shares of ₹10/- each
1	Mr. Sirajuddin Qureshi	4,18,750
2	Mrs. Kiran Qureshi	5,94,250
3	Dr. Naseem Qureshi	1,00,150
4	Mr. B. B. Gupta	2,000
5	Mr. B. B. Huria	Nil
6	Dr. S. K. Ranjhan	Nil

#### Re-appointment of Directors

Dr. Naseem Qureshi, Director shall retire by rotation at the ensuing Annual General Meeting and is eligible for re-appointment.

Mr. B. B. Gupta, Mr. B. B. Huria and Dr. S. K. Ranjhan, all Non Executive Independent Directors of the company shall be re-appointed as Independent Directors for a term of Five Years i.e. upto the AGM to be held in the year 2019 under the provisions of Companies Act, 2013 read with the Rules made thereunder.

Mr. Sirajuddin Qureshi, the Chairman & Managing Director shall be re-appointed on the same remuneration, terms and conditions for a term of three years w.e.f. 06<sup>th</sup> August, 2014 as required under the provisions of Companies Act, 2013 read with Schedule V to the said Act.

Brief resumes of all the aforesaid Directors have been provided in the Notice.

#### **Code of Conduct**

The Board has laid down the Code of Ethics and Business Conduct for all Board members, Senior Management personnel of the company. A copy of the Code has also been put on the website of the company.

#### **Certificate of Code of Conduct for the year 2013-14**

The Company is committed to conducting its business in accordance with the applicable laws, rules and regulations and with highest standards of business ethics. The Company has adopted a "Code of Ethics and Business Conduct" which is applicable to all directors, senior management personnel of the company.

The Code has been circulated to all the members of the Board and Senior Management personnel and the compliance of the same has been affirmed by them. A declaration signed by the Chairman and Managing Director is given below:

"I hereby certify that the company has obtained from all the Board Members and Senior Management personnel, the affirmation that they have complied with the Code of Ethics and Business Conduct, under a certificate of Code of Conduct for the year 2013-14."

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

New Delhi  
August 14, 2014

**SIRAJUDDIN QURESHI**  
Chairman and Managing Director

### **3. COMMITTEES OF DIRECTORS**

#### **(A) AUDIT COMMITTEE:**

##### **Composition**

As a measure of good Corporate Governance and to provide assistance to the Board of Directors in fulfilling its responsibilities, there exists an Audit Committee of Directors, consisting of three Non-executive Independent Directors. The following Directors are the present members of the Committee.

- 1) Mr. B. B. Gupta
- 2) Mr. B. B. Huria
- 3) Dr. S. K. Ranjhan

They are financially literate, possess good accounting, taxation, audit and related financial management expertise. Mr. B. B. Gupta is the Chairman of the committee. Mr. B. B. Huria and Dr. S. K. Ranjhan are the members of the Committee.

#### **Terms of Reference of the Audit Committee**

The terms of reference of Audit Committee are as per the guidelines set out in the Listing Agreement entered into with the Stock Exchange read with section 292A of the Companies Act, 1956 and includes such other functions as may be assigned to it by the Board from time to time.

The Audit Committee is responsible for the effective supervision of the financial reporting process, reviewing with the management the financial statements and ensuring their compliance with accounting standards, stock exchange and other legal requirements, reviewing the internal audit system, assessing their adequacy and ensuring compliance with internal controls, follow-up action on significant findings and reviewing quarterly and annual accounts.

#### **Role & Power of the Committee**

In view of the provisions of section 292A of the Companies Act, 1956 and the matters specified under Clause 49 of the Listing Agreement with the Stock Exchange, the Audit Committee has been vested with the following powers:

- i) To investigate into any matter in relation to the items specified in Section 292A of the Companies Act, 1956, or referred to it by the Board and for this purpose shall have full access to the information contained in the records of the Company;
- ii) To investigate any activity within its terms of reference;
- iii) To seek information from any employee;
- iv) To obtain outside legal or other professional advise;
- v) To secure attendance of outsiders with relevant expertise, if it considers necessary.

**Meeting of Audit Committee**

During the year 2013-14, the Committee met four times on 30<sup>th</sup> May, 2013, 14<sup>th</sup> August, 2013, 13<sup>th</sup> November, 2013 and 14<sup>th</sup> February, 2014. The attendance of the members of the Committee in the meetings is as under:

Name	No. of Meetings during the Year (2013-14)	
	Held	Attended
Mr. B. B. Gupta	4	4
Mr. B. B. Huria	4	4
Dr. S. K. Ranjhan	4	4

The Company Secretary of the Company acts as the Secretary of the Audit Committee.

The Committee reviewed the quarterly/annual financial results of the company prepared in accordance with the Accounting Standards and recommended the same to the Board of Directors for their adoption.

The Chairman of the Audit Committee briefs the Board of Directors, on the Audit Committee's observations on various issues discussed at the meetings. The Minutes of the Audit Committee Meetings are circulated to the Board Members for their confirmation and ratification.

All the suggestions/recommendations of the Audit Committee during the financial year 2013-14, have been accepted by the Board of Directors.

**(B) SHAREHOLDERS/INVESTORS GRIEVANCE COMMITTEE**
**Composition**

During the year under review, the Grievance Committee of Directors of the Company is duly constituted with three Non-executive Independent Directors. The following Directors are the present members of the Committee.

- 1) Mr. B. B. Gupta
- 2) Mr. B. B. Huria
- 3) Dr. S. K. Ranjhan

Mr. B. B. Gupta is the Chairman of the committee, Mr. B. B. Huria and Dr. S. K. Ranjhan are the members of the committee.

The objective of this Committee is to monitor the redressal of shareholders and investors' complaints relating to the transfer of shares, non-receipt of the annual report, non-receipt of dividends and issuance of duplicates share certificates, etc.

**Meetings during the year**

During the year 2013-14, the committee met once on 14<sup>th</sup> August, 2013 and all the members attended the meeting. The Committee discussed the following complaints received during the period regarding Non Payment of Allotment Money, Non Receipt of Annual Report and Non Receipt of Dividend etc., which were attended to and redressed by the Company:

Nature of Complaints	No. of Complaints Received	No. of Complaints Redressed	No. of Pending Complaints
With regard to Non Payment of Allotment Money.	1	1	Nil
With regard to Non Receipt of Annual Report.	1	1	Nil
With regard to Non Receipt of Dividend.	2	2	Nil
<b>Total</b>	<b>4</b>	<b>4</b>	<b>Nil</b>

There have been no material grievances raised and all items referred have been dealt with. All the complaints were resolved to the satisfaction of shareholders.

**(C) REMUNERATION COMMITTEE**
**Composition**

The Remuneration Committee of Directors of the Company is duly constituted with three Non-executive Independent Directors. The following Directors are the present members of the Committee.

- 1) Mr. B. B. Gupta
- 2) Mr. B. B. Huria
- 3) Dr. S. K. Ranjhan

Mr. B. B. Gupta is the Chairman of the committee and Mr. B. B. Huria and Dr. S. K. Ranjhan are the members of the committee.

**Terms of Reference**

The Terms of reference of the remuneration committee, inter alia, include determination of compensation package of Executive Director and Non-Executive Directors of the company.

### Meetings and Attendance during the year

During the year 2013-14, the committee did not meet since there was no business of fixing the remuneration and appointment/reappointment of any Executive/ Non Executive Directors.

### Remuneration Policy

The remuneration policy of the company is directed towards rewarding performance, based on review of the achievements. The remuneration policy of the company is in consonance with the existing industry practice, which is broadly based on the following criteria:

- 1) Job responsibilities
- 2) Key performance areas
- 3) Industry trend

### Details of the Remuneration

At present, the Company is paying remuneration only to the Chairman and Managing Director of the company. The aggregate value of salary and perquisites for the year ended on March 31, 2014 of the Chairman and Managing Director of the Company is as under:

Name of the Director	Designation	Remuneration
Mr. Sirajuddin Qureshi	Chairman & Managing Director	₹57,60,000/-

### Compensation/Fees paid to Non-Executive Directors

The Company is making payment to the Non-Executive Directors by way of sitting fees @₹2500/- per meeting per head and reimbursement of out of pocket expenses for attending the Board and Committee Meetings.

### Subsidiary Company

The Company has one material non-listed Indian Subsidiary Company. i.e. M/s Hind Agro Industries Limited, more so explained in the Directors' Report. One Independent Director on the Board of Directors of the Company, namely Dr. S. K. Ranjhan is also a Director on the Board of Directors of the Subsidiary Company.

In compliance of the provisions of Clause 49 of

the Listing Agreement, the Audit Committee of the Company reviewed the financial statements of the Subsidiary Company. The Minutes of the Board Meetings of the Subsidiary Company are also placed at the Board Meetings of the Company.

### CEO/CFO Certification

The Board has recognized the Chairman & Managing Director of the company as CEO and CFO of the company as the CFO for the limited purpose of compliance under the Listing Agreement. The CEO have certified, in terms of Clause 49 of the Listing Agreement, to the Board that the financial statements present a true and fair view of the company's affairs and are in compliance with the existing accounting standards, applicable laws, internal control and disclosure norms.

### Compliance Officer

Mr. M. S. Malik, Company Secretary, is designated as the Compliance Officer for the compliance of the Listing Agreement, SEBI Rules & Regulations and overseeing/addressing the investor complaints etc.

### Compliance

Certificate from the Company's Auditors on the compliance of Corporate Governance, as required under Clause 49 of the Listing Agreement, is incorporated in this Annual Report.

## 4. GENERAL BODY MEETINGS:

The particulars of AGM's held during the last three years are as under: -

AGM	Date	Time	Venue
38 <sup>th</sup> AGM	26.09.2011	9.30 A.M.	Bipin Chandra
39 <sup>th</sup> AGM	22.09.2012	9.30 A.M.	Pal Memorial
40 <sup>th</sup> AGM	26.09.2013	9.30 A.M.	Bhavan, A-81, Chittaranjan Park, New Delhi-110019

All the special resolutions in the previous three Annual General Meetings have been passed by the company with requisite majority. One of the resolution placed before the previous AGM (22<sup>nd</sup> September 2012) was required to be passed by way of postal ballot under Section 192A of the Companies Act, 1956 and the same was duly passed by complying with the prescribed procedure.

**5. DISCLOSURES:****The details of materially significant Related Party Transactions:**

The company has entered into a few transactions with the other companies, firms and parties during the year under review, in which directors are interested. However, these transactions were in the normal course of business and not considered in conflict with the interest of the company. The Company has received General Notices of Disclosure of Interest from the Directors under Section 299 of the Companies Act 1956.

The disclosure of transactions with the related parties as per Accounting Standard-18, is appearing in Note 29A of the annual accounts of the Company for the year ended on 31<sup>st</sup> March, 2014.

**Details of non-compliance, penalties etc. imposed by Stock Exchange, SEBI etc. on any matter related to Capital Market during the last 3 years:**

There has been no non-compliance of any legal requirements nor have been any strictures imposed on the company by Stock Exchange or SEBI or any statutory authority on any matter related to capital market during the last three years.

**Accounting Treatment**

The Company's Financial Statements are prepared as per the guidelines of Accounting Standards issued by the Institute of Chartered Accountants of India.

**Risk Management**

The Company has laid down procedures to inform Board Members about the risk assessment and minimization procedures. The Board of Directors reviewed the risk assessment and control process in the company and is satisfied that the process is appropriate to the company needs.

**Management Discussion and Analysis**

A 'Management Discussion and Analysis Report', which forms part of Annual Report, is given by means of a Separate Annexure attached to the Directors' Report.

**6. MEANS OF COMMUNICATION**

- (a) Quarterly Financial Results of the Company are generally published in widely circulated

newspapers namely "Financial Express" and "Jan Satta" and the copies of the results are simultaneously supplied to the BSE Ltd.

- (b) The Company has not made any presentation to any Institutional Investor/Industry Analyst.
- (c) The financial results are also posted on the website of the company [www.hindindustries.net](http://www.hindindustries.net).
- (d) The Company has e-mail addresses, which are as under: [info@hind.in](mailto:info@hind.in) & [investors@hind.in](mailto:investors@hind.in)

**7. GENERAL SHAREHOLDERS INFORMATION****(a) ANNUAL GENERAL MEETING**

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DATE	:	September 26 <sup>th</sup> , 2014
DAY	:	Friday
TIME	:	9.30 A.M.
VENUE	:	Bipin Chandra Pal Memorial Bhavan, A-81, Chittaranjan Park, New Delhi-110019

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**(b) FINANCIAL CALENDAR**

Financial reporting for the

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Quarter ending June : July-August, 2014  
30, 2014

Quarter ending : October-November, 2014  
September 30, 2014

Quarter ending : January-February, 2015  
December 31, 2014

Quarter ending March : April-May, 2015  
31, 2015

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**(c) DATE OF BOOK CLOSURE**

Saturday, the 20<sup>th</sup> September, 2014 to Friday, the 26<sup>th</sup> September, 2014 (both days inclusive).

**(d) LISTING ON STOCK EXCHANGES**

BSE Ltd., Mumbai,

**(e) STOCK CODE**

526307 (BSE)

**(f) DEMAT/REMAT ISIN NO. FOR EQUITY SHARES**

INE675B01019

**(g) MARKET PRICE DATA (FINANCIAL YEAR 2013-2014)**

The monthly high/low prices and volume of shares of the company traded on BSE from April, 2013 to March, 2014 are given below:

MONTH & YEAR	OPEN ₹	HIGH ₹	LOW ₹	CLOSE ₹	NO. OF SHARES	NO. OF TRADES
April 13	36.00	41.30	33.70	35.45	19641	65
May 13	35.00	44.50	35.00	40.10	2673	21
June 13	38.10	38.10	31.10	34.00	2228	17
July 13	34.30	38.00	31.00	32.65	5496	38
August 13	31.05	33.70	27.15	31.00	3810	27
Sept. 13	31.00	31.00	20.00	22.00	18370	110
Oct. 13	20.95	23.00	17.20	17.20	17420	67
Nov. 13	18.00	23.60	17.00	20.95	9194	50
Dec. 13	21.10	25.45	21.10	25.45	11529	43
Jan. 14	26.50	26.90	22.00	22.35	9885	66
Feb. 14	23.45	25.80	20.65	25.20	20847	153
March 14	25.35	25.35	21.95	23.25	24463	176

Source: - www.bseindia.com

**(h) REGISTRAR AND SHARE TRANSFER AGENT**

In terms of the provisions relating to the Listing Agreement entered into with the Stock Exchange, the Company is continuing with the services of M/s SKYLINE FINANCIAL SERVICES PRIVATE LIMITED for both dematerialized and physical shares of the Company for processing Demat/Remat, transfers, sub-division, consolidation, splitting of securities etc. All the correspondence relating to the above should be sent to the following address:

**SKYLINE FINANCIAL SERVICES PRIVATE LIMITED**  
(UNIT : HIND INDUSTRIES LTD.)  
D-153/A, 1ST FLOOR,  
OKHLA INDUSTRIAL AREA, PHASE – I,  
NEW DELHI – 110020

**(i) SHARE TRANSFER SYSTEM**

To expedite the transfer, authority has been delegated to the Share Transfer Committee of the Directors of the Company. The officers of the company are also authorised to oversee the share transfer procedure. The Share Transfer Committee meets thrice in a month to approve the transfer of shares, Demat/Remat, issue of duplicate, renewed, splitted and consolidated share certificates etc. The Registrar and Share Transfer Agent (RTA) ensure the dispatch of transferred and other share certificates duly signed by the abovesaid officers within 15 days of the receipt.

In compliance with the Listing Agreement and SEBI Circular, at every three months the reconciliation of share capital audit of total share capital held in NSDL, CDSL and in physical form at the office of the RTA conducted by a Practicing Company Secretary and at every six months, the Share Transfer System is also audited by him and a Report/Certificate to that effect issued by him. The said Reports/Certificates are also submitted to the BSE Ltd. within stipulated time.

**(j) SHAREHOLDING PATTERN AND DISTRIBUTION OF SHARES AS ON 31ST MARCH, 2014**
**(A) SHAREHOLDING PATTERN**

Category	No. of Shares	% of Total
Promoters	3738100	43.28
Directors & Relatives	110750	1.28
Financial Institutions	248599	2.87
Nationalized Banks	200	0.00
Mutual Funds	10100	0.12
Bodies Corporate	795219	9.21
Indian Public	3498628	40.51
NRI's/OCB's	114475	1.33
Public Trusts	500	0.01
Hindu Undivided Families	117422	1.36
Clearing Members/Houses	2247	0.03
<b>Total</b>	<b>8636240</b>	<b>100.00</b>

**(B) DISTRIBUTION OF SHAREHOLDING**

Slab	Shareholders		Shares Held	
	No.	Percentage	No.	Percentage
Upto 500	7351	94.13	881877	10.21
501-1000	230	2.95	182217	2.11
1001-2000	91	1.17	136282	1.58
2001-3000	19	0.24	47674	0.55
3001-4000	17	0.22	60946	0.71
4001-5000	15	0.19	70349	0.81
5001-10000	33	0.42	248568	2.88
10001 and above	53	0.68	7008327	81.15
<b>Total</b>	<b>7809</b>	<b>100.00</b>	<b>8636240</b>	<b>100.00</b>

**(k) LIQUIDITY AND DEMATERIALISATION OF SHARES**

The shares of the Company are compulsorily tradable in dematerialized form from January 2002, in rolling settlement segment of BSE Ltd., as per the Notification issued by the Securities and Exchange Board of India. The Company has dematerialized 51,89,947 nos. of equity shares as on 31<sup>st</sup> March, 2014 and 5196096 nos. of shares upto 31<sup>st</sup> July, 2014 in both the Depositories i.e. National Securities Depository Ltd.(NSDL) and Central Depository Services of India Ltd.(CDSL).

**(l) OUTSTANDING GDRs / ADRs / Warrants or any Convertible Instruments, conversion date and likely impact on equity: N.A**
**(m) PLANT LOCATION**

HIND INDUSTRIES LIMITED  
 B-42, Site IV,  
 Sahibabad Industrial Area,  
 Distt. Ghaziabad, (U.P.) – 201010.  
 Phone: 0120 - 4156753  
 Fax: 0120 - 4101493

**(n) ADDRESS FOR CORRESPONDENCE**

HIND INDUSTRIES LIMITED  
 Registered Office: A-1, Phase-I,  
 Okhla Industrial Area,  
**New Delhi-110020.**  
 Phone: 011 - 26372786 - 92 (7 Lines).  
 Fax: 011 - 26817941 - 42.  
 E-mail: [info@hind.in](mailto:info@hind.in)

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

NEW DELHI  
 AUGUST 14, 2014

**SIRAJUDDIN QURESHI  
 CHAIRMAN & MANAGING DIRECTOR**

**AUDITOR'S CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE UNDER CLAUSE 49 OF THE LISTING AGREEMENT****To the Members of Hind Industries Limited,**

We have examined the compliance of Corporate Governance by The Hind Industries Limited, for the year ended on 31st March, 2014, as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchange.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and

the representations made by the Directors and the management, we certify that the company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreement.

As required by the Guidance Note issued by the Institute of Chartered Accountants of India, we have to state that the Registrar and Share Transfer Agent of the Company have maintained records to show Investors' Grievances against the Company and have certified that as on 31<sup>st</sup> March, 2014, there were no investor grievances remaining unattended/pending for a period exceeding one month.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For and on behalf of**  
**M. K. Aggarwal & Co.**  
*Chartered Accountants*  
(FRN - 01411N)

**C. A. (ATUL AGGARWAL)**  
*Partner*  
(M.No. 99374)

Place : New Delhi  
Date : August 14, 2014



## Independent Auditors' Report

To the Members of Hind Industries Limited

### Report on the Financial Statements

We have audited the accompanying financial statements of Hind Industries Limited, which comprise the Balance Sheet as at March 31, 2014, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statements

The Company's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards notified under the Companies Act, 1956 (the Act) read with the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013 and in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- (b) In the case of the Statement of Profit and Loss, of the profit of the Company for the year ended on that date; and
- (c) In the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

### Report on other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 (the Order) issued by the Central Government of India in terms of Section 227(4A) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by Section 227(3) of the Act, we report that:
  - a. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b. In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
  - c. The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - d. In our opinion, the Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement comply with Accounting Standards notified under the Act read with the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013
  - e. On the basis of the written representations received from the directors as on March 31, 2014, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of Section 274(1)(g) of the Act.
  - f. Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

**For M/s M. K. AGGARWAL & CO.**

*Chartered Accountants*  
(FRN – 01411N)

**C. A. (ATUL AGGARWAL)**

*Partner*

Place: New Delhi

Date: 30-05-2014

(M. No. 99374)

## Annexure To Auditor's Report

Referred to in Paragraph 1 under the heading of "report on other legal and regulatory requirements" of our report of even date

1. In respect of its fixed assets:
  - a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of available information.
  - b) As explained to us, all the fixed assets have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.
  - c) In our opinion, the Company has not disposed off a substantial part of its fixed assets during the year and the going concern status of the Company is not affected.
2. In respect of its inventories:
  - a) The inventories have been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
  - b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
  - c) The Company has maintained proper records of inventories. As explained to us, there were no material discrepancies noticed on physical verification of inventories as compared to the book records.
3. In regard to Loans and Advances:
  - a. The company has granted loans secured or unsecured to companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956. The maximum amount outstanding during the year is ₹ 10.29 Lacs and the year end balances of such loan amount to ₹ 10.29 lacs from one party, other than above the company has not granted any loan, secured or unsecured to the party covered in the register maintained u/s 301 of the Act.
4. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchases of inventory and fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in such internal control system.
5. In respect of the contracts or arrangements referred to in Section 301 of the Companies Act, 1956:
  - (a) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements that need to be entered in the register maintained under Section 301 of the Companies Act, 1956 have been so entered.

- (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts / arrangements entered in the Register maintained under section 301 of the Companies Act, 1956 and exceeding the value of ₹ 5,00,000 in respect of each party during the year have been made at prices which appear reasonable as per information available with the Company.
6. According to the information and explanations given to us, the Company has not accepted any deposit from the public. Therefore, the provisions of Clause (vi) of paragraph 4 of the Order are not applicable to the Company.
7. In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
8. To the best of our knowledge and as explained,
- b) Details of dues of Sale Tax, Income Tax which have not been deposited as on March 31, 2014 on account of disputes are given below:

S. No.	Name of the Statute	Nature of Dues	Amount (in crores)	Period to which the amount relates	Forum where dispute is pending
1.	VAT & CST Act, 1944	Demand	0.92	Assessment Year 2008-2009 To 2013-2014	Appellate Authorities, Ghaziabad
2.	Income Tax	Demand	77.52	Assessment Year 2010-2011 and 2011-2012	Income Tax Commissioner (Appeals), New Delhi

10. The Company does not have accumulated losses at the end of the financial year. The Company has not incurred cash losses during the financial year covered by the audit and in the immediately preceding financial year.
11. Based on our audit procedures and according to the information and explanations given to us, we are of the opinion that the Company has not defaulted in repayment of dues to financial institutions, banks and debenture holders.
12. In our opinion and according to the explanations given to us and based on the information available, no loans and advances have been granted by the Company on the basis of security by way of pledge of shares, debentures and other securities.
13. In our opinion, the Company is not a chit fund / nidhi / mutual benefit fund / society. Therefore, the provisions of clause (xiii) of paragraph 4 of the Order are not applicable to the Company.
14. In our opinion, the company is not dealing in or trading in shares, securities, debentures, and other investment.
15. The Company has given guarantees for loans taken by Others from banks and financial institutions. According to the information and explanations given to us, we are of the opinion that the terms and conditions thereof are not *prima facie* prejudicial to the interest of the Company.
16. The Company has raised new term loans during the year. The term loans outstanding at the beginning of

- the year and those raised during the year have been applied for the purposes for which they were raised.
17. According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we are of the opinion that there are no funds raised on short-term basis that have been used for long-term investment.
18. The Company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under Section 301 of the Companies Act, 1956.
19. The Company does not have any outstanding debentures during the year.
20. The Company has not raised any monies by way of public issues during the year.
21. In our opinion and according to the information and explanations given to us, no material fraud on or by the Company has been noticed or reported during the year

**For M/s M. K. AGGARWAL & CO.**  
*Chartered Accountants*  
(FRN – 01411N)

**C. A. (ATUL AGGARWAL)**  
*Partner*  
(M. No. 99374)

Place : New Delhi  
Date: 30-05-2014

**Balance Sheet as at 31st March, 2014**

Particulars	Notes	As at 31.03.2014	As at 31.03.2013
		₹	₹
<b>EQUITY AND LIABILITIES</b>			
<b>SHAREHOLDERS' FUNDS</b>			
Share Capital	2	89,591,200	89,591,200
Reserves and Surplus	3	549,480,660	538,862,198
<b>Total</b>		<b>639,071,860</b>	<b>628,453,398</b>
<b>NON-CURRENT LIABILITIES</b>			
Long-Term Borrowings	4	268,183,491	310,576,733
Other Long-Term Provisions	5	19,417,214	18,242,311
Deferred Tax Liabilities (Net)	6	36,108,305	41,872,491
<b>Total</b>		<b>323,709,010</b>	<b>370,691,535</b>
<b>CURRENT LIABILITIES</b>			
Short-Term Borrowings	7	526,515,038	522,089,655
Trade Payables	8	95,095,545	48,914,636
Other Current Liabilities	9	122,689,246	36,512,531
Short-Term Provisions	10	23,381,089	12,165,962
<b>Total</b>		<b>767,680,918</b>	<b>619,682,784</b>
<b>Grand Total</b>		<b>1,730,461,790</b>	<b>1,618,827,717</b>
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
<b>Fixed Assets</b>			
Tangible Assets	11	215,247,780	242,420,836
Intangible Assets	11	3,405,623	3,892,141
		<b>218,653,403</b>	<b>246,312,977</b>
Non-Current Investments	12	354,829,200	354,829,200
Long-Term Loans and Advances	13	45,312,889	41,333,447
<b>Total</b>		<b>400,142,089</b>	<b>396,162,647</b>
<b>CURRENT ASSETS</b>			
Inventories	14	475,394,634	428,859,374
Trade Receivables	15	576,688,037	404,234,042
Cash and Cash Equivalents	16	26,780,107	27,967,511
Short-Term Loans and Advances	17	32,803,520	115,291,166
<b>Total</b>		<b>1,111,666,298</b>	<b>976,352,093</b>
<b>Grand Total</b>		<b>1,730,461,790</b>	<b>1,618,827,717</b>
SIGNIFICANT ACCOUNTING POLICIES :	1 - 45		
THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.			

For and on behalf of the Board

As per our report of even date attached  
For & on behalf ofSIRAJUDDIN QURESHI  
Chairman & Managing DirectorDR. NASEEM QURESHI  
DirectorM. K. AGGARWAL & CO.  
Chartered Accountants  
FRN - 01411NMOHD. ALI SHAUKAT  
General Manager  
(Finance & Accounts )M. S. MALIK  
Company SecretaryC. A. (ATUL AGGARWAL)  
Partner  
Membership No. 099374Place : New Delhi  
Date : 30.05.2014

**Statement of Profit and Loss for the year ended on 31st March, 2014**

Particulars	Notes	As at 31.03.2014 ₹	As at 31.03.2013 ₹
<b>INCOME</b>			
Revenue from Operations	18	1,560,724,123	1,516,316,220
Other Income	19	15,360,886	12,924,317
<b>Total Revenue</b>		<b>1,576,085,009</b>	<b>1,529,240,537</b>
<b>OPERATING EXPENDITURE</b>			
Cost of Material Consumed		1,339,494,980	366,827,830
Purchase of Stock in Trade		0	810,308,131
Changes in Inventories of Finished Goods, Stock in Process and Stock in Trade - (Increase) / Decrease.		(50,286,783)	(40,104,764)
Manufacturing Expenses	20	72,568,885	82,874,325
Personnel Expenditure	21	20,380,706	22,037,665
Financial Costs	22	106,760,965	135,883,475
Logistic and Other Selling & Distribution Expenses	23	25,198,104	84,099,270
Administrative & Other Expenses	24	15,692,749	19,098,188
<b>Total Expenditure</b>		<b>1,529,809,606</b>	<b>1,481,024,120</b>
<b>PROFIT BEFORE DEPRECIATION, EXTRAORDINARY ITEMS AND TAXES</b>			
		<b>46,275,403</b>	<b>48,216,417</b>
Extra Ordinary Items Written Off.	25	0	0
<b>PROFIT BEFORE DEPRECIATION AND TAXES</b>			
		<b>46,275,403</b>	<b>48,216,417</b>
Depreciation and Amortisation Expenses	11	27,166,016	28,671,853
<b>PROFIT BEFORE TAX</b>			
		<b>19,109,387</b>	<b>19,544,564</b>
Tax Expense:			
Current Tax		11,195,113	9,154,785
Deferred Tax Written Back		(5,764,185)	(5,211,180)
<b>PROFIT / (LOSS) FOR THE YEAR</b>			
		<b>13,678,459</b>	<b>15,600,959</b>
<b>EARNINGS PER EQUITY SHARE</b>			
		<b>1.58</b>	<b>1.81</b>

**SIGNIFICANT ACCOUNTING POLICIES :** 1 - 45  
 THE ACCOMPANYING NOTES ARE AN INTEGRAL  
 PART OF THE FINANCIAL STATEMENTS.

**For and on behalf of the Board**

**As per our report of even date attached  
 For & on behalf of**

**SIRAJUDDIN QURESHI**  
 Chairman & Managing Director

**DR. NASEEM QURESHI**  
 Director

**M. K. AGGARWAL & CO.**  
 Chartered Accountants  
 FRN - 01411N

**MOHD. ALI SHAUKAT**  
 General Manager  
 (Finance & Accounts )

**M. S. MALIK**  
 Company Secretary

**C. A. (ATUL AGGARWAL)**  
 Partner  
 Membership No. 099374

Place : New Delhi  
 Date : 30.05.2014

## Cash Flow Statement for the year ended on 31st March, 2014

Particulars	Amount in in ₹ lac except as otherwise stated	
	For the Year Ended 31.03.2014	For the Year Ended 31.03.2013
<b>A) CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit / (Loss) before Taxation as per Profit & Loss Account	191.09	195.45
ADJUSTED FOR		
Depreciation	271.66	286.72
<b>Adjustment in Depreciation for Fixed Assets sale</b>	0.00	0.00
<b>Tax for the Year</b>	(111.95)	(91.55)
Interest Paid	1,067.61	1,358.83
Operating Profit before Working Capital & Dividend changes	1,418.41	1,749.45
<b>INCREASE / ( DECREASE ) IN WORKING CAPITAL</b>		
Sundry Debtors	(1,724.54)	(55.56)
Inventory	(465.35)	(394.62)
Trade Receivable	785.09	59.15
Trade Payable	1,447.48	(95.19)
<b>NET CASH FROM OPERATING ACTIVITIES.....A</b>	<b>1,461.09</b>	<b>1,263.23</b>
<b>B) CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	(2.60)	(13.49)
Proceeds from Sale of Fixed Assets	7.23	0.00
Investment in Subsidiary	0.00	(604.99)
Intangible Assets	0.00	0.00
<b>NET CASH (USED IN) / FROM INVESTING ACTIVITIES.....B</b>	<b>4.63</b>	<b>(618.48)</b>
<b>C) CASH FLOW FROM FINANCING ACTIVITIES</b>		
Secured Loan	(423.93)	(389.58)
Unsecured Loan	0.00	0.00
Proceeds from Borrowings	44.25	1,082.51
Dividend Paid	(25.91)	(25.91)
Tax on Dividend	(4.40)	(4.20)
Interest paid	(1,067.61)	(1,358.83)
<b>NET CASH (USED IN) / FROM FINANCING ACTIVITIES.....C</b>	<b>(1,477.60)</b>	<b>(696.01)</b>
<b>Net Increase in Cash &amp; Cash Equivalent.....(A+B-C)</b>	<b>(11.88)</b>	<b>(51.26)</b>
<b>Cash &amp; Cash Equivalents (Opening Balance)</b>	<b>279.68</b>	<b>330.94</b>
<b>Cash &amp; Cash Equivalents (Closing Balance)</b>	<b>267.80</b>	<b>279.68</b>

For and on behalf of the Board

As per our report of even date attached  
For & on behalf of

**SIRAJUDDIN QURESHI**  
Chairman & Managing Director

**DR. NASEEM QURESHI**  
Director

**M. K. AGGARWAL & CO.**  
Chartered Accountants  
FRN - 01411N

**MOHD. ALI SHAUKAT**  
General Manager  
(Finance & Accounts )

**M. S. MALIK**  
Company Secretary

**C. A. (ATUL AGGARWAL)**  
Partner  
Membership No. 099374

Place : New Delhi  
Date : 30.05.2014

## Notes forming part of the financial statements for the year ended on 31st March, 2014

### 1. SIGNIFICANT ACCOUNTING POLICIES

#### A. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The Financial Statements have been prepared under the Historical Cost convention, in accordance with the accounting principles generally accepted in India and comply with the mandatory Accounting Standards notified by the Central Government of India under the Companies Act, 1956 (the Act) read with general circular 15/2013, dated 13<sup>th</sup> September, 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013 and in accordance with accounting principles generally accepted in India.

All assets and liabilities have been classified as current or non-current as per the operating cycle criteria set out in the revised schedule VI to the Companies Act, 1956.

#### B. USE OF ESTIMATES

The preparation of financial statements is in conformity with GAAP which requires that the management of the company makes estimates and assumptions that affect the reported amounts of income and expenses of the period, the reported balance of the assets and liabilities and the disclosures relating to contingent liabilities as on the date of the financial statements. Examples of such estimates include the useful life of fixed assets, provision for doubtful debt / advances, future obligation in respect of retirement benefit plans etc. Actual results could differ from these estimates.

#### C. FIXED ASSETS

##### 1. Tangible Assets

- a. Fixed Assets are stated at original cost, less depreciation, except in case of leasehold land which is stated at revalued cost.
- b. Cost of fixed assets comprises purchase price, duties, levies and any directly attributable cost of bringing the assets to its working condition for the intended use. Borrowing cost related to the acquisition or construction of the qualifying fixed assets for the period up to the completion of their acquisition or construction are included in the book value of the assets.
- c. All costs relating to up-gradations/enhancements are generally charged off

as revenue expenditure unless they bring significant additional benefits of lasting nature.

##### d. Impairments

- (i) The carrying amounts of assets are reviewed at each Balance Sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the assets net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital.
- (ii) After impairment, depreciation is provided on the revised carrying amount of the assets over its remaining useful life.

#### 2. Intangible Assets and Amortization

Intangible Assets and related expenditure are recognised as per criteria specified in Accounting Standard - 26 (AS-26) on "Intangible Assets" issued by the Institute of Chartered Accountants of India.

All costs, including Finance Cost till the commencement of commercial production are capitalized in costs of Intangible Assets. Also Intangible Assets relating to projects which have been decided to be shelved by the company are amortised over the period of 10 years.

#### D. DEPRECIATION

Depreciation is provided on Straight Line Method at the rate and in the manner specified in Schedule XIV of the Companies Act, 1956. Depreciation on addition/deletion is calculated on pro rata basis.

The Intangible Assets is no longer in use amortised over the period of 10 years.

Leasehold Land is being amortised over the period of lease.



## Notes forming part of the financial statements for the year ended on 31st March, 2014

### **E. INVESTMENTS**

Long Term investments in equity shares of subsidiary company are stated at cost. Provision for diminution is to be made, if the decline in value is other than temporary in nature.

### **F. INVENTORIES**

Inventories are stated at lower of cost or net realizable value. The cost of various categories of inventories is arrived at as under: -

- a. Raw material and packing material is valued at cost on FIFO basis.
- b. Stores & spares purchased are taken as consumption during the year.
- c. Finished goods are valued at lower of cost or net realizable value.
- d. By Product are valued at net realisable value.

### **G. REVENUE RECOGNITION**

#### **i) Sales**

Sales of goods are accounted for on C&F basis and are net of discount and sales return.

#### **ii) Purchases**

Purchases are accounted exclusive of animal's waste and other materials returned to the suppliers as per practice prevailing in the trade.

#### **iii) Expenditure**

The benefit under Duty Drawback on Raw Material has been reduced from raw material expenses on its realisable value.

### **H. BORROWING COST**

Financial income and borrowing costs include interest income on bank deposit and interest expense on loans.

Interest income is accrued evenly over the period of the corresponding instrument.

Borrowing cost are recognized in the period to which they relate, regardless of how the fund have been utilized, except where it relates to the financing of construction or development of the assets requiring a substantial period of time to prepare for their intended future use. Interest is capitalized up to the date when the asset is ready for intended use. The amount of interest capitalized for the period is determined by

applying the interest rate applicable to appropriate borrowing outstanding during the period to the average amount of accumulated expenditure incurred for the assets during the period.

### **I. RETIREMENT BENEFITS**

#### **a) Gratuity and Leave Encashment**

The liability for Gratuity and Leave Encashment as at the year end is ascertained on the basis of actuarial valuation and accordingly charged to the statement of profit and loss.

#### **b) Provident Fund**

Eligible employees receive benefit from provident fund, which is defined contribution plan for which both employees and the company make monthly contribution to the provident fund equal to a specified percentage. Retirement benefits in the form of provident fund are charged to the statement of profit and loss account of the year when contribution to the fund is due. The company has no further obligations under the provident fund plan beyond its monthly contribution.

### **J. FOREIGN EXCHANGE TRANSACTIONS**

- a) Transactions in foreign currencies are recorded at the exchange rates prevailing on the date of the transaction.
- b) Exchange differences arising on foreign currency transactions settled during the year are recognised in the profit and loss account for the year.
- c) All foreign currency denominated monetary assets and liabilities are translated at the exchange rates prevailing on the Balance Sheet date. The resultant exchange differences are recognised in the statement of profit and loss for the year.
- d) Any profit and loss arising on cancellation or renewal of a forward exchange contract made during the year is recognised as income or as expense on the occurrence of the event.

### **K. TAXATION**

#### **Current Tax:**

Provision for Current Income Tax is made on the taxable income using the applicable tax rates and tax laws.

## Notes forming part of the financial statements for the year ended on 31st March, 2014

### **Deferred Tax:**

Deferred tax arising on account of timing differences and which are capable of reversal in one or more subsequent period is recognized using the tax rates and tax laws that have been enacted or substantively enacted. Deferred tax assets are not recognised unless there is virtual certainty with respect to the reversal of the same in future years.

### **Excise Duty, Sales Tax and Value Added Tax:**

Excise duty is accounted on the basis of payment made in respect of removal of goods. Sales Tax / Value Added Tax is charged to statement of profit and loss.

## **L. CONTINGENT LIABILITIES & PROVISION**

1. In terms of the requirement of Accounting Standard - 29 (AS-29) on "Provisions, Contingent Liabilities and Contingent Assets".

(a) Where as a result of past events, there is a present obligation that probably requires an

outflow of resources and reliable estimates can be made of the amount of obligation- an appropriate provision is created and disclosed;

(b) Where as a result of past events, there is a possible obligation that may, but probably will not require an outflow of resources-no provision is recognized but appropriate disclosure is made as contingent liability unless the possibility of outflow is remote.

2. The income tax assessments of the company have been completed upto the assessment year 2010-11. The disputed demand outstanding upto the said assessment year is ₹ 77.52 crores. Based on decisions of Appellate authorities and the interpretations of other relevant provisions, the company has been legally advised that the demand is likely to be either deleted or substantially reduced and accordingly no provision is considered necessary.

## Notes forming part of the financial statements for the year ended on 31st March, 2014

Particulars	AS AT	AS AT
	31.03.2014	31.03.2013
	₹	₹
<b>2. SHAREHOLDER'S FUND</b>		
<b>SHARE CAPITAL</b>		
<b>Authorized :</b>		
16,000,000 (Previous year 16,000,000)		
Equity Shares, ₹ 10/- at Par Value	<b>160,000,000</b>	160,000,000
<b>Issued, Subscribed and Paid-Up:</b>		
8,636,240 (Previous Year 8,636,240)		
Equity Shares, ₹ 10/- ar Par Value	<b>86,362,400</b>	86,362,400
Out of the above .		
990 (Previous Year 990) Equity Shares are allotted as fully paid-up pursuant to a contract without payment received in cash.		
{1,070,000 ( Previous Year 1,070,000 ) Equity Shares of ₹ 10/- each, fully paid up have been issued as bonus shares by capitalization of the general reserve.}		
<b>Add: Forfeited Shares</b>	<b>3,228,800</b>	3,228,800
<b>Total</b>	<b>89,591,200</b>	<b>89,591,200</b>

The Company has only one class of shares referred to as equity shares having a par value of ₹ 10/-. Each holder of equity shares is entitled to one vote per share.

### The details of shareholders holding more than 5% shares ;

Name of the Shareholders	As at March 31, 2014		As at March 31, 2013	
	No. of shares	% held	No. of shares	% held
Al-Mashriq Exports Private Limited	<b>2,228,800</b>	<b>25.81</b>	2,228,800	25.81
Mrs. Kiran Qureshi	<b>594,250</b>	<b>6.88</b>	594,250	6.88
Equity Intelligence India Limited	<b>580,199</b>	<b>6.72</b>	577,449	6.69

The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

During the year ended March 31, 2014, the amount of per share dividend recognized as distributions to equity shareholders was ₹ 0.30 per share

The reconciliation of the number of shares outstanding and the amount of share capital as at March 31, 2014 and March 31, 2013. is set out below;

Particulars	As at March 31, 2014		As at March 31, 2013	
	No. of shares	Amount	No. of shares	Amount
Number of shares at the beginning	<b>8,636,240</b>	<b>86,362,400</b>	8,636,240	86,362,400
Add: Shares issued on exercise of employee stock options	<b>0</b>	<b>0</b>	0	0
Number of shares at the end	<b>8,636,240</b>	<b>86,362,400</b>	8,636,240	86,362,400

## Notes forming part of the financial statements for the year ended on 31st March, 2014

Particulars	AS AT 31.03.2014 ₹	AS AT 31.03.2013 ₹
<b>3. RESERVES AND SURPLUS</b>		
<b>Capital Reserve</b>		
As per last Balance Sheet	<b>3,228,800</b>	3,228,800
<b>Revaluation Reserve</b>		
Opening Balances	<b>1,497,929</b>	1,526,735
Less : Amortization of Land	<b>28,806</b>	28,806
Closing Balance	<b>1,469,123</b>	1,497,929
<b>Securities Premium Account</b>	<b>74,272,496</b>	74,272,496
<b>General Reserve</b>	<b>459,862,973</b>	447,273,191
<b>Closing Balance</b>	<b>459,862,973</b>	447,273,191
<b>Profit/Loss for the Year</b>	<b>13,678,459</b>	15,600,959
Transferred to General Reserve	<b>0</b>	0
<b>Less : Appropriation</b>		
Proposed Dividend (F.Y. 2012-13)	<b>0</b>	2,590,872
<b>Proposed Dividend (F.Y. 2013-14)</b>	<b>2,590,872</b>	0
Tax on Dividend	<b>440,319</b>	420,305
<b>Closing Balance</b>	<b>10,647,268</b>	12,589,782
<b>Total</b>	<b>549,480,660</b>	538,862,198

#### 4. LONG TERM BORROWINGS.

##### SECURED

Term Loan from Jammu & Kashmir Bank	<b>268,183,491</b>	310,576,733
<b>Total</b>	<b>268,183,491</b>	310,576,733

- From Jammu & Kashmir Bank, the Corporate Loan is secured against property at A-1, Phase - 1, Okhla Industrial Area, New Delhi - 110020, personal guarantee of Mr Sirajuddin Qureshi, Mrs Kiran Qureshi, Mr Samar Qureshi, Mr Naseem Qureshi, Corporate Guarantee of M/s Hind Agro Industries Ltd, guarantee of M/s Islamuddin & Co M/s Hind Air Link Pvt Ltd and extended charge on property at 2A, A-Wing, Mittal Tower, Nariman Point, Mumbai of M/s Hind Air Link Pvt Ltd. The terms of payment is ₹ 77,19,000/- per month. The

above term loan of Jammu & Kashmir Bank is payable with in the period of 7 years commencing from August 2011, repayment schedule is as under

Financial Year	Amount (in ₹)
2013-14	29,392,989
2014-15	63,869,487
2015-19	268,183,491

## Notes forming part of the financial statements for the year ended on 31st March, 2014

Pariculars	AS AT	AS AT
	31.03.2014	31.03.2013
	₹	₹
<b>5. OTHER LONG TERM PROVISIONS</b>		
Provision for Gratuity	18,191,153	17,081,686
Leave Encashment Payable	1,226,061	1,160,625
<b>Total</b>	<b>19,417,214</b>	<b>18,242,311</b>
<b>6. DEFERRED TAXES</b>		
<b>Deferred Tax Liabilities</b>		
Related to Fixed Assets	47,458,950	52,613,938
<b>Total</b>	<b>47,458,950</b>	<b>52,613,938</b>
<b>Deferred Tax Assets</b>		
Provision for Doubtful Debts.	3,114,720	3,114,720
Provision for Leave Encashment	629,667	597,062
Provision for Gratuity	7,505,864	6,922,247
Provision for Bonus	100,394	107,417
<b>Total</b>	<b>11,350,645</b>	<b>10,741,446</b>
<b>Net Deferred Tax Liabilities / (Assets)</b>	<b>36,108,305</b>	<b>41,872,491</b>
<b>Previous Year Balance</b>	<b>41,872,491</b>	<b>47,083,671</b>
Deferred Tax Assets and Deferred Tax Liabilities have been offset wherever the Company has a legally enforceable right to set off current tax assets against current tax liabilities and where the Deferred Tax Assets and Deferred Tax Liabilities relate to income taxes levied by the same Taxation Authority.		
<b>7. SHORT TERM BORROWINGS</b>		
<b>SECURED</b>		
Working Capital Loan from Banks	449,430,551	471,220,421
Term Loan from Jammu & Kashmir Bank	63,869,487	50,869,234
Loan from LIC	13,215,000	0
<b>Total</b>	<b>526,515,038</b>	<b>522,089,655</b>

**Working Capital Loans :**
**State Bank of Hyderabad :**

Primary Security : Secured against the current assets of the company including raw material, work in progress, finished goods and advance to suppliers existing and future (stocks at Sahibabad and other places) of ₹ 49.35 Crore. Share of Bank ₹ 19.74 Crore (40%) valued as at 31st January 2013.

Equitable Mortgage of residential flat at 69, Cat III, 2nd and 3rd Floor and servant quarter No. 6, Siddartha Enclave, DDA, SFS Scheme, Ashram, New Delhi in the name of Mr. Sirajuddin Qureshi and fixed assets of the company (present & future) owned by M/s. Hind Industries Limited.

Personal guarantee of the following promoter directors ;

Mr. Sirajuddin Qureshi ₹ 8.68 crores as on 13.06.2012

Mrs. Kiran Qureshi ₹ 5.36 crores as on 13.06.2012

## Notes forming part of the financial statements for the year ended on 31st March, 2014

### Indian Bank :

#### Primary :

Packing Credit: DPN by the company and 1st pari passu charge on the current assets of the company including raw material, work in progress, finished goods and advance to suppliers existing and future ( stock at Sahibabad and other places ). Entire book debts to be hypothecated to the consortium.

FBN / FBP / DP / DA 90 days : DPN by the company and documents of title to goods covered by foreign bills purchased / negotiated against firm contracts / drawn under irrevocable LCs of prime banks.

Cheque BP : DPN by the company and Agreement for bills purchased ( for local / out station cheques ).

Bank Guarantee : Counter guarantee by the company. Pledge of fixed deposits equivalent to 10% ( as margin ) of guarantee amount.

Collateral : 2nd charge on the fixed assets of the company WDV ₹ 30.21 crore ( as per ABS as on 31.03.2011 including capital work in progress). (Share of Bank 60% ₹ 18.13 crore). {Existing status (upgraded charges) prevailing after adjustment of liability of first charge holders to be continued}.

Equitable Mortgage of residential flat at 69, Cat III, 2nd and 3rd Floor and servant quarter No. 6, Siddartha Enclave, DDA, SFS Scheme, Ashram, New Delhi in the name of Mr. Sirajuddin Qureshi valued ₹ 1.80 crore as per valuation dt. 12.05.2011 of our panel valuer S.K.Jain (Share of Bank 60% ₹ 1.08 crores).

Pledge of fixed deposit of ₹ 0.93 crore as on (corpus fund equivalent to 5% of the sanctioned FBP/FBN limit for the consortium i.e ₹ 18.50 crore). Share of Bank being ₹ 0.56 crore.

Personal guarantee of the following promoter directors ;

Mr. Sirajuddin Qureshi ₹ 8.00 crores as on 31.03.2011

Mrs. Kiran Qureshi ₹ 4.90 crores as on 31.03.2011

#### Term Loan from Jammu & Kashmir Bank.

Equitable mortgage of immovable property situated at A-1, Phase-I, Okhla Industrial Area, standing in the name of M/s Islamuddin & Co, one of the group Companies valued at ₹ 43.62 crores as per valuation report dated 18 th June, 2011; Escrow of rentals of M/s Islamuddin & Co with retention balance of ₹ 20.00 lacs at any point of time together with FDR for ₹ 57.19 lacs to provide minimum cushion for one month's repayment.

Extention of charges on immovable property proposed in the Term Loan facility of group concern M/s Hind Airlink Pvt. Ltd consisting of office No: 2A on ground floor and office No: 2A in Basement, A Wing, Mittal Tower Premises Cooperative Society Limited, C.S. No. : 1957, 210 Nariman Point Mumbai valued at ₹ 20.13 crores as per valuation report dated 15.06.2010 of M/s Basavraj Masanagi & Co.

Corporate guarantee of M/s Hind Agro Industrial Limited having net worth of ₹ 93.08 crores.

Personal guarantee of all three promotor directors of the borrower company namely:-

Mr. Sirajuddin Qureshi (NW ₹ 7.94 crores)

Mrs. Kiran Qureshi (NW ₹ 4.14 crores)

Dr. Naseem Qureshi (NW ₹ 2.43 crores)

Guarantee of the mortgator, M/s Islamuddin & Co., and M/s Hind Airlink Private Ltd.

Loan from LIC for the purpose of business needs of the company is secured by keyman policy of Mr. Sirajuddin Qureshi.

The loan is payable on demand with the prior notice of three months from LIC and bearing 9% p.a. half yearly compound rate of interest from the date of loan disbursed.

## Notes forming part of the financial statements for the year ended on 31st March, 2014

Pariculars	AS AT	AS AT
	31.03.2014	31.03.2013
	₹	₹
<b>8. TRADE PAYABLES</b>		
Trade Payables	<b>170,632,646</b>	48,914,636
<b>Total</b>	<b><u>170,632,646</u></b>	<b><u>48,914,636</u></b>

### Amounts due to small scale industrial undertakings / suppliers under the MSME Act, 2006 :

The company has not received any intimation from 'suppliers' regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures, if any, relating to amounts unpaid as at the year end together with interest paid / payable as required under the said Act could not be furnished.

### 9. OTHER CURRENT LIABILITIES

Salaries and Wages	<b>2,616,323</b>	2,804,250
Bonus and Incentives	<b>309,427</b>	331,073
TDS Payable	<b>406,416</b>	356,527
PF Payable	<b>590,980</b>	136,828
Director's Salary Payable	<b>6,080,180</b>	2,254,540
Advance Received from Customers	<b>19,531,733</b>	17,317,139
Expenses Payables	<b>2,544,262</b>	1,650,388
Advances Received as Security Money	<b>4,520,898</b>	3,300,000
Gratuity Obligation	<b>4,942,964</b>	4,253,642
Leave Encashment Payable	<b>714,659</b>	679,604
Audit Fees Payable	<b>758,430</b>	758,430
M.D.Commission Payable	<b>0</b>	255,602
Associated Company- Related Party	<b>215,338</b>	214,338
Bank Over Draft	<b>2,833,367</b>	623,936
Unpaid Dividends	<b>1,087,170</b>	1,576,234
<b>Total</b>	<b><u>47,152,147</u></b>	<b><u>36,512,531</u></b>

### 10. SHORT-TERM PROVISIONS

Provision for Dividend	<b>2,590,872</b>	2,590,872
Provision for Income Tax & Dividend Tax	<b>20,790,217</b>	9,575,090
<b>Total</b>	<b><u>23,381,089</u></b>	<b><u>12,165,962</u></b>

## Notes Annexed to and forming part of the financial statements for the year ended on 31st March, 2014

**11. Fixed Assets**
**A. TANGIBLE ASSETS.**

Details	Gross Block			Depreciation			Net Block			
	As at April 01, 2013	Additions During the year	Deductions during the year	Total as at March 31, 2014	As at April 01, 2013	Depreciation for the year	Deductions during the year	Total as at March 31, 2014	As at March 31, 2014	As at March 31, 2013
Leasehold Land	3,105,460	0	0	3,105,460	952,340	41,406	0	993,746	2,111,714	2,153,120
Factory Building	65,239,537	0	0	65,239,537	37,078,569	2,179,001	0	39,257,570	25,981,967	28,160,968
Plant & Machinery	492,951,455	256,265	1,709,513	491,498,207	291,683,541	21,824,189	985,252	312,522,478	178,975,729	201,267,914
Furniture & Fixture	24,916,864	0	0	24,916,864	19,884,971	1,560,217	0	21,445,188	3,471,676	5,031,893
Office Equipment	3,773,771	0	0	3,773,771	2,279,132	164,814	0	2,443,945	1,329,826	1,494,639
Vehicle	3,665,753	0	0	3,665,753	3,496,695	48,461	0	3,545,156	120,597	169,058
Truck	6,551,503	0	0	6,551,503	2,848,299	740,975	0	3,589,274	2,962,229	3,703,204
Computers	1,538,852	3,245	0	1,542,097	1,098,814	149,241	0	1,248,055	294,042	440,038
Electrical Equipments	17,995	0	0	17,995	17,995	0	0	17,995	0	0
<b>Total</b>	<b>601,761,190</b>	<b>259,510</b>	<b>1,709,513</b>	<b>600,311,187</b>	<b>359,340,355</b>	<b>26,708,303</b>	<b>985,252</b>	<b>385,063,406</b>	<b>215,247,780</b>	<b>242,420,835</b>
<b>Previous year</b>	<b>600,412,520</b>	<b>1,348,670</b>	<b>0</b>	<b>601,761,190</b>	<b>331,126,213</b>	<b>28,214,141</b>	<b>0</b>	<b>359,340,354</b>	<b>242,420,835</b>	<b>269,286,307</b>

**B. INTANGIBLE ASSETS.**

Details	Gross Block			Depreciation			Net Block			
	As at April 01, 2013	Additions During the year	Deductions during the year	Total as at March 31, 2014	As at April 01, 2013	Amortization for the year	Deductions during the year	Total as at March 31, 2014	As at March 31, 2014	As at March 31, 2013
Salboni Project	2,262,338	0	0	2,262,338	452,468	226,234	0	678,702	1,583,636	1,809,870
Bhiwadi Project	6,618	0	0	6,618	1,324	662	0	1,986	4,632	5,294
Energy Project	2,596,221	0	0	2,596,221	519,244	259,622	0	778,866	1,817,355	2,076,977
<b>Total</b>	<b>4,865,177</b>	<b>0</b>	<b>0</b>	<b>4,865,177</b>	<b>973,036</b>	<b>486,518</b>	<b>0</b>	<b>1,459,554</b>	<b>3,405,623</b>	<b>3,892,141</b>
<b>Previous year</b>	<b>4,865,177</b>	<b>0</b>	<b>0</b>	<b>4,865,177</b>	<b>486,518</b>	<b>486,518</b>	<b>0</b>	<b>973,036</b>	<b>3,892,141</b>	<b>4,378,659</b>

a Depreciation for the year includes amortization of land of ₹41406 of which ₹28806 is transferred from Revaluation Reserve and ₹12600 is debited to Profit & Loss Account .

b) The intangible assets are amortised over the estimated life of the assets.

c) There exists no indication for the management to conclude that any of its cash generating units are impaired and accordingly no provision for impairment is required to be made in the financial statement.



## Notes forming part of the financial statements for the year ended on 31st March, 2014

Particulars	AS AT	
	31.03.2014	31.03.2013
	₹	₹
<b>12. Non-Current Investments</b>		
Long Term Investments - At Cost (Unquoted )		
Investments in equity instruments of subsidiary company		
Hind Agro Industries Limited.	<b>354,829,200</b>	354,829,200
No. of shares 2013-14      31,991,600		
No. of shares 2012-13      31,991,600		
<b>Total</b>	<b><u>354,829,200</u></b>	<b><u>354,829,200</u></b>
<b>13. Long Term Loans and Advances</b>		
Unsecured, Considered Good		
Advance for purchase of Shares	<b>10,600,000</b>	10,600,000
Less : Provision for Advance	<b><u>5,600,000</u></b>	<u>5,600,000</u>
<b>Security Deposits</b>		
Security Deposits with Government	<b>11,916,595</b>	12,016,595
Security Deposits with Others	<b><u>7,514,270</u></b>	<u>7,301,270</u>
Incentive / Refund Recoverable	<b><u>20,882,024</u></b>	<u>17,015,582</u>
<b>Total</b>	<b><u>45,312,889</u></b>	<b><u>41,333,447</u></b>
<b>CURRENT ASSETS</b>		
<b>14. INVENTORIES</b>		
Finished Goods	<b>471,952,141</b>	421,665,358
Stores & Spares	<b>3,090,455</b>	1,626,807
Fuel	<b>175,377</b>	1,586,611
Packing Material	<b><u>176,661</u></b>	<u>3,980,598</u>
<b>Total</b>	<b><u>475,394,634</u></b>	<b><u>428,859,374</u></b>
<b>15. TRADE RECEIVABLES</b>		
Unsecured, Considered good		
Debts outstanding for a period exceeding six months	<b>53,718,227</b>	56,976,697
Others Receivable	<b>522,969,810</b>	347,257,345
Over Six Months - Considered Doubtful	<b><u>4,000,000</u></b>	<u>4,000,000</u>
	<b><u>580,688,037</u></b>	<u>408,234,042</u>
Less : Provision for Doubtful Debts.	<b><u>4,000,000</u></b>	<u>4,000,000</u>
<b>Total</b>	<b><u>576,688,037</u></b>	<b><u>404,234,042</u></b>

Balance under Trade Receivable are subject to confirmation and reconciliation and consequent adjustments thereof.

### Provision for Doubtful Debts.

Periodically, the Company evaluates all customer dues to the Company for collectability. The need for provisions is assessed based on various factors including collectability of specific dues, risk perceptions of the industry in which the customer operates, general economic factors, which could affect the customer's ability to settle. The Company normally provides for trade receivable outstanding for six months or longer from the invoice date, as at the Balance Sheet date. The Company pursues the recovery of the dues, in part or full.

## Notes forming part of the financial statements for the year ended on 31st March, 2014

Particulars	AS AT 31.03.2014 ₹	AS AT 31.03.2013 ₹
<b>16. CASH AND CASH EQUIVALENTS</b>		
Cash In hand	318,277	489,421
Cheques In hand	0	0
<b>Balances with Banks</b>		
In Current and Deposit Accounts	464,920	3,801,841
In EEFC Accounts	0	0
Balances with Banks in Unpaid Dividend Accounts	1,087,171	1,575,554
Balances with Banks held as margin money deposits	24,909,739	22,100,695
<b>Total</b>	<b>26,780,107</b>	<b>27,967,511</b>
Cash and cash equivalents as of March 31, 2014 and March 31, 2013 include restricted cash and bank balances of ₹ 259.97 lacs and ₹ 236.76 lacs respectively. The restrictions are primarily on account of lien on margin money / FDR's in lieu of ECGC policies and unclaimed dividends.		
<b>17. SHORT-TERM LOANS AND ADVANCES</b>		
<b>UNSECURED AND CONSIDERED GOOD</b>		
Related Companies (Refer note 29A)	1,028,500	39,528,293
Advance to Suppliers	31,527,573	75,181,789
Loans and Advances to Employees	97,569	334,076
Prepaid Expenses	149,878	247,008
<b>Total</b>	<b>32,803,520</b>	<b>115,291,166</b>
The current assets, loan and advances are realizable at the value stated in the Balance Sheet in the ordinary course of business.		
<b>18. REVENUE FROM OPERATIONS</b>		
Sales - Export	445,234,731	667,153,144
Sales - Domestic	1,115,489,392	849,281,625
<b>Total</b>	<b>1,560,724,123</b>	<b>1,516,434,769</b>
Less : Excise Duty	0	118,549
<b>Total</b>	<b>1,560,724,123</b>	<b>1,516,316,220</b>
<b>19. OTHER INCOME</b>		
Licence - DEPB	0	204,228
Interest Received on Deposits with Banks	2,054,196	1,460,881
Export Incentives	0	11,107,549
Duty Draw Back	6,179,403	0
MD Commission reversed	255,602	0
Difference in Exchange Alignment	6,855,233	0
Interest on Securities	0	115,000
Miscellaneous Income	16,452	36,659
<b>Total</b>	<b>15,360,886</b>	<b>12,924,317</b>

## Notes forming part of the financial statements for the year ended on 31st March, 2014

Particulars	AS AT	AS AT
	31.03.2014	31.03.2013
	₹	₹
<b>20. MANUFACTURING EXPENSES</b>		
Wages & Workers's Welfare	24,139,451	22,547,184
Packing Material Consumed	4,233,508	8,797,402
Power and Fuel Consumption	35,868,804	41,429,542
Consumable Stores	1,289,549	2,090,483
Repair & Maintenance	4,929,559	5,011,305
Insurance	451,682	540,632
Security Charges	901,781	1,124,610
Others	754,551	1,333,167
<b>Total</b>	<b>72,568,885</b>	<b>82,874,325</b>
<b>21. PERSONNEL EXPENDITURE</b>		
Salaries, Bonus and Other Benefits	17,627,700	19,207,461
Contribution to Provident and Other Funds	2,123,088	2,200,157
Staff Welfare Expenses	629,918	630,047
<b>Total</b>	<b>20,380,706</b>	<b>22,037,665</b>

### EMPLOYEE BENEFITS :

Defined Benefit Plan : The company provides for its liability towards gratuity as per the actuarial valuation.

### FINANCIAL ASSUMPTION :

- Discount Rate** : The rate used to discount post employment benefit obligations ( both funded and unfunded ) has been determined by reference to market yields at the balance sheet date on government bonds. The currency and term of the government bonds is consistent with the currency and estimated term of the post employment benefit obligations.
- Salary Increase** : Salary increase is taken in to account inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.
- Rate of Return on Plan Assets** : The liability is not funded and rate of return on plan assets is not relevant to this report.

Particulars	AS AT	AS AT
	31.03.2014	31.03.2013
	₹	₹
<b>TABLE SHOWING CHANGES IN PRESENT VALUE OF OBLIGATIONS DURING THE YEAR</b>		
Present Value of Obligation as at the beginning of the year	1,840,229	2,062,210
Acquisition Adjustment	0	0
Interest Cost	147,218	179,412
Past Service Cost	0	0
Current Service Cost	125,595	157,391
Curtailement Cost/(Credit )	0	0
Settlement Cost/(Credit )	0	0
Benefit Paid	(218,479)	(278,827)
Actuarial (Gain)/Loss on obligations	46,157	(279,957)
Present Value of Obligation as at the end of the year	1,940,720	1,840,229

## Notes forming part of the financial statements for the year ended on 31st March, 2014

Particulars	AS AT 31.03.2014 ₹	AS AT 31.03.2013 ₹
<b>TABLE SHOWING CHANGES IN THE FAIR VALUE OF PLAN ASSETS DURING THE YEAR</b>		
Fair Value of Plan Assets at the beginning of the year	0	0
Acquisition Adjustment	0	0
Expected Return on Plan Assets	0	0
Contributions	0	0
Benefit Paid	0	0
Actuarial (Gain)/Loss on Plan Assets	0	0
Fair Value of Plan Assets at the end of the year	0	0
<b>TABLE SHOWING FAIR VALUE OF PLAN ASSETS</b>		
Fair Value of Plan Assets at the beginning of the year	0	0
Acquisition Adjustment	0	0
Actual Return on Plan Assets	0	0
Contributions	0	0
Benefit Paid	0	0
Fair Value of Plan Assets at the end of the year	0	0
Funded Status	(1,940,720)	(1,840,229)
Excess of Actual over Expected Return on Plan Assets	0	0
<b>ACTUARIAL (GAIN)/LOSS RECOGNIZED FOR THE YEAR</b>		
Actuarial (Gain)/Loss for the Period - Obligation	(46,157)	279,957
Actuarial (Gain)/Loss for the Period - Plan Assets	0	0
Total (Gain)/Loss for the Period	46,157	(279,957)
Actuarial (Gain)/Loss recognized in the year	46,157	(279,957)
Unrecognized Actuarial (Gains)/Losses at the end of year	0	0
<b>THE AMOUNT TO BE RECOGNIZED IN THE BALANCE SHEET AND STATEMENTS OF PROFIT AND LOSS.</b>		
Present Value of Obligation as at the end of the year	1,940,720	1,840,229
Fair Value of Plan Assets at the end of the year	0	0
Funded Status	(1,940,720)	(1,840,229)
Unrecognized Actuarial (Gains)/Losses	0	0
Net Liability Recognized in Balance Sheet	1,940,720	1,840,229
<b>EXPENSES RECOGNIZED IN THE STATEMENTS OF PROFIT AND LOSS FOR THE YEAR</b>		
Current Service Cost	125,595	157,391
Past Service Cost	0	0
Interest Cost	147,218	179,412
Expected Return on Plan Assets	0	0
Curtailment Cost/(Credit)	0	0
Settlement Cost/(Credit)	0	0
Net Actuarial (Gain)/Loss recognized in the year	46,157	(279,957)
Expenses Recognized in the Statement of Profit and Loss.	318,970	56,846
<b>AMOUNT FOR THE CURRENT YEAR</b>		
Present Value of Obligation	1,940,720	1,840,229
Plan Assets	0	0
Surplus/(Deficit)	(1,940,720)	(1,840,229)
Experience Adjustments on Plan Liabilities (Loss)/Gain	(132,305)	331,416
Experience Adjustments on Plan Assets (Loss)/Gain	0	0

## Notes forming part of the financial statements for the year ended on 31st March, 2014

Particulars	AS AT 31.03.2014 ₹	AS AT 31.03.2013 ₹
<b>22. FINANCIAL COSTS</b>		
Interest on Term Loans	57,206,502	60,029,785
Interest on Working Capital and Other Bank Interest and Charges	49,554,463	75,853,690
<b>Total</b>	<b>106,760,965</b>	<b>135,883,475</b>
<b>23. LOGISTIC AND OTHER SELLING &amp; DISTRIBUTION EXPENSES</b>		
Freight and Forwarding Expenses	23,780,255	82,262,245
Business Promotion Expenses	1,417,849	1,837,025
<b>Total</b>	<b>25,198,104</b>	<b>84,099,270</b>
<b>24. ADMINISTRATIVE &amp; OTHER EXPENSES</b>		
Rent	5,522,640	5,180,640
Vehicle Running & Maintenance	74,530	391,411
Electricity Expenses	1,195,161	1,167,590
Travelling & Conveyance	923,385	1,387,860
Rates, Taxes, Subscription and Fees	1,979,015	3,403,547
Printing & Stationery	438,352	841,723
Audit Fee & Others*	1,005,062	1,005,062
Certification Charges	17,415	0
Legal & Professional Charges	1,651,769	2,783,921
Insurance Expenses	98,675	184,567
Postage Expenses	154,707	390,211
Telephone Expenses	1,051,770	1,518,100
Misc. Expenses	1,580,268	843,556
<b>Total</b>	<b>15,692,749</b>	<b>19,098,188</b>
<b>25. EXTRA ORDINARY ITEMS WRITTEN OFF</b>		
<b>Total</b>	<b>0</b>	<b>0</b>
<b>* Payment to Auditors :</b>		
Statutory Audit Fees	617,980	617,980
Tax Audit Fees	140,450	140,450
Certification Charges	196,632	196,632
Out of Pocket Expenses	50,000	50,000
<b>Total</b>	<b>1,005,062</b>	<b>1,005,062</b>

26. The set-off of losses/unabsorbed depreciation has been considered for calculating income tax in view of pending appeal, of which the company is confident of favourable order.

## Notes forming part of the financial statements for the year ended on 31st March, 2014

Particulars	As at 31.03.2014 (₹ in lacs)	As at 31.03.2013 (₹ in lacs)
<b>27. CONTINGENT LIABILITIES</b>		
(a) Claims against the Company not acknowledged as Debt:	NIL	NIL
(b) Guarantees and other Contingencies		
<b>Guarantees given for:</b>		
Subsidiary	29,305	31780
Associate Company	1,050	1,050
Others	75.25	78.18

### 28 SEGMENT REPORTING

The Management of the affairs of the company and its internal reporting is only on the basis of the significant product line, i.e. meat. Hence, segment reporting is not required. Accordingly, the disclosure requirements of Accounting Standard – 17 (AS-17), on “Segment Reporting”, issued by the Institute of Chartered Accountants of India is not applicable.

### 29. RELATED PARTY DISCLOSURES.

#### A. PARTICULARS OF RELATED PARTIES:

Sr. No.	Name of the Related Party	Nature of Relationship	Nature of Transaction	Debit ₹ in lacs	Credit ₹ in lacs	Amount as on 31.03.2014 ₹ in lacs
1	Hind Agro Ind. Ltd.	Subsidiary Co.	Business Transactions	7261.94	8402.31	Credit 755.37
2	Islamuddin & Co.	Firm in Which KMP are Interested	Rent Paid	11.61	26.97	Credit 8.34
3	Al- Mashriq Exports Pvt. Ltd.	Co. in Which KMP are Interested	Business Transactions	NIL	NIL	Debit 10.29
4	Samar Travels & Cargo Pvt. Ltd.	Co. in Which KMP are Interested	Business Transactions	NIL	NIL	NIL
5	Fast Trax Food (P) Ltd.	Co. in Which KMP are Interested	Business Transactions	NIL	NIL	NIL
6	Mrs. Kiran Qureshi	Relatives of KMP	Rent Paid	1.20	12.00	Credit 21.60
7	Hind Air Link (P) Ltd.	Co. in Which KMP are Interested	Business Transactions	NIL	0.01	Credit 2.15
8	Aliffa Agro (India) P. Ltd	Co. in Which KMP are Interested	Business Transactions	NIL	NIL	NIL
9	Eatcco Foods (P) Ltd.	Co. in Which KMP are Interested	Business Transaction	NIL	NIL	NIL

## Notes forming part of the financial statements for the year ended on 31st March, 2014

10	Hind Air Star Pvt Ltd	Co. in Which KMP are Interested	Business Transaction	0.02	0.02	NIL
11	Hind Air Services (P) Ltd	Co. in Which KMP are Interested	Business Transactions	NIL	NIL	NIL
12	Integrated Live Stock Village Farm Pvt Ltd	Co. in Which KMP are Interested	Raw Material Purchase	100.01	832.48 Credit	729.75

Related Parties and related party relationships are identified by the company and relied upon by the Auditors

### B. KEY MANAGERIAL PERSONNEL

Sr. No.	Name of the persons	Nature of relation	Nature of transaction	Amount (₹ in Lacs)
1.	Shri Sirajuddin Qureshi	Managing Director	Remuneration	57.60
2.	Smt. Kiran Qureshi	Director	Rent	12.00
3.	Dr. Naseem Qureshi	Director	---	0.00

Particulars	Year ending 31.03.2014	Year ending 31.03.2013
<b>30. EARNING PER SHARE</b>		
Profit After Tax	<b>136.78 Lacs</b>	(156.01) Lacs
Weighted No. of Shares	<b>8,636,240</b>	8,636,240
Basic Earning per Share	<b>1.58</b>	1.81
Diluted Earning per Share	<b>1.58</b>	1.81

- 31.** In the opinion of the management, the Current Assets, Loans and Advances are realizable at the value stated in the Balance Sheet, in the ordinary course of business.
- 32.** Due to realignment of the value of Trade Receivables, to make it commensurate with the closing exchange rate, Sales & Trade Receivables have accordingly been increased by ₹ 68.55 lacs. (Previous year increase - ₹ 59.71 lacs).
- 33.** Balances under Trade Receivable, Trade Payable, Loans and Advances are subject to confirmation and reconciliation and consequent adjustments thereof. The outstanding Trade Receivables which may not be recoverable could not be ascertained at the year end.
- 34.** The company has given on loan its finished goods inventory at various intervals to its subsidiary company which is subsequently received in due course. In the opinion of the management, the above practice is adopted to have better realisation as per the practice prevailing in the industry.
- 35.** There exists no indication for the management to conclude that any of its cash generating units are impaired and accordingly no provision for impairment is required to be made in the financial statements.
- 36.** Research and Development Expenses: NIL (Previous Year – NIL)

## Notes forming part of the financial statements for the year ended on 31st March, 2014

### 37. Amount due to small scale industrial undertakings/ suppliers under the MSME Act, 2006:

As per the certificate of representation received from the Company, it has not received any intimation from suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosure, if any, relating to amounts unpaid as at the year end together with interest paid / payable as required under the said Act could not be furnished.

### 38. PARTICULARS OF PURCHASES, SALES AND CLOSING STOCK FOR THE YEAR ENDED 31ST MARCH, 2014

Items	Opening Stock (MT)	Value (₹)	Production (MT)	Sales (MT)	Value (₹)	Closing Stock (MT)	Value (₹)
Fresh	Nil (Nil)	Nil (Nil)	Nil (868.200)	Nil (868.200)	Nil (30,57,30,410)	Nil (Nil)	Nil (Nil)
Frozen	2,487.720 (3,081.925)	42,06,23,698 (38,07,05,484)	8,289.486 (1,477.811)	8,238.105 (2,072.016)	1,53,21,57,121 (35,22,36,046)	2,539.101 (2,487.720)	47,15,96,331 (42,06,23,698)

(Figures in bracket represent previous year figures)

### 39. PARTICULARS OF RAW MATERIAL CONSUMED

Items	Year ended 31 <sup>st</sup> March, 2014		Year ended 31 <sup>st</sup> March, 2013	
	Quantity (MT)	Value (₹)	Quantity (MT)	Value (₹)
Fresh	Nil	Nil	891.841	17,34,33,436
Frozen	11,114.263	1,33,78,77,975	1488.024	18,05,36,727

Particulars	AS AT 31.03.2014 ₹	AS AT 31.03.2013 ₹
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### 40. EARNING IN FOREIGN CURRENCY

FOB Value of Export Goods (On Accrual Basis)	<b>40,60,12,262</b>	59,25,22,055
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### 41. FINANCIAL AND DERIVATIVE INSTRUMENT

Derivative contracts entered in to by the Company and outstanding as on 31 March, 2014

Forward Contracts	<b>NIL</b>	NIL
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### 42. EXPENDITURE IN FOREIGN CURRENCY

Value of Remittance	<b>NIL</b>	19,40,867
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43. The Ministry of Corporate Affairs, Government of India, vide General Circular No. 2 and 3 dated 8th February 2011 and 21st February 2011 respectively has granted a general exemption from compliance with section 212 of the Companies Act, 1956, subject to fulfillment of conditions stipulated in the circular. The Company has satisfied the conditions stipulated in the circular and hence is entitled to the exemption.

The company shall make available the separate financial statements of the subsidiary to the shareholders of the holding and subsidiary company whenever required at any point of time.



## Notes forming part of the financial statements for the year ended on 31st March, 2014

**44. Disclosures as required u/s 212 of the Companies Act 1956,**
**PARTICULARS WITH REGARD TO SUBSIDIARY COMPANY**

Name of the Subsidiary : Hind Agro Industries Limited  
Country of Incorporation : India  
Registered Address : CDF Complex,  
Anupshahar Road, Aligarh – 202122, Uttar Pradesh

Particulars	Amount in ₹	
	As on 31.03.2014	As on 31.03.2013
1) Share Capital	453,832,700	453,832,700
2) Reserves	840,011,136	775,501,744
3) Total Assets	4,445,743,509	4,908,775,409
4) Total Liabilities	3,151,899,673	3,679,440,965
5) Investment Details	NIL	NIL
6) Turnover	7,365,365,704	7,191,432,742
7) Profit Before Tax	95,702,338	93,696,086
8) Provision for Taxes	37,090,112	37,421,322
9) Proposed Dividend	NIL	NIL

45. Previous year figures have been reclassified in accordance with current year requirements.

For and on behalf of the Board

As per our report of even date attached  
For & on behalf of

**SIRAJUDDIN QURESHI**  
Chairman & Managing Director

**DR. NASEEM QURESHI**  
Director

**M. K. AGGARWAL & CO.**  
Chartered Accountants  
FRN - 01411N

**MOHD. ALI SHAUKAT**  
General Manager  
(Finance & Accounts )

**M. S. MALIK**  
Company Secretary

**C. A. (ATUL AGGARWAL)**  
Partner  
Membership No. 099374

Place : New Delhi  
Date : 30.05.2014

## Disclosure as Required under Clause 32 of the Listing Agreement

(₹ in Lakhs)

Particulars	Current Year		Previous Year	
	Amount as on 31.03.2014	Maximum amount outstanding during the year ended 31.03.2014	Amount as on 31.03.2013	Maximum amount outstanding during the year ended 31.03.2013
1. Loans and advances in the nature of loans:				
a. To subsidiary Company: Hind Agro Industries Limited	755.37	755.37	385.00	385.00
b. To Companies/Firms in which Directors are interested	Nil	Nil	Nil	Nil
2. Investment by the Subsidiary Company in the shares of Hind Industries Limited and its subsidiaries.	Nil	Nil	Nil	Nil

# Independent Auditors' Report

To the Board of Directors of Hind Industries Limited

## Report on the Consolidated Financial Statements

We have audited the accompanying Consolidated financial statements of Hind Industries Limited ('the Company') and its subsidiary "Hind Agro Industries Limited" which comprise the Balance Sheet as at 31st March, 2014, and the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

## Management's Responsibility for the Consolidated Financial Statements

The Company's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards notified under the Companies Act, 1956 (the Act) read with the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013 and in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

## Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the

purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

We did not audit the financial statements of its subsidiary, whose financial statements reflect total assets of ₹ 444.57 crores as at 31st March, 2014 and total revenues of ₹ 744.26 crores for the year then ended. These financial statements have been audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included in respect of the subsidiary is based solely on the reports of the other auditors.

Consolidated financial statements have been prepared by the company in accordance with the requirements of Accounting Standard -21 (AS-21), issued by the Institute of Chartered Accountants of India, and on the basis of the separate audited financial statements of the Hind Agro Industries Ltd included in the consolidated financial statements.

## Opinion

In our opinion and to the best of our information and according to the explanations given to us and in case of holding company, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (i) in the case of the Consolidated Balance Sheet, of the state of affairs of the Company as at 31 March, 2014;
- (ii) in the case of the Consolidated Statement of Profit and Loss, of the profit for the year ended on that date; and
- (iii) in the case of the Consolidated Cash Flow Statement, of the cash flows for the year ended on that date.

**For M/s M. K. AGGARWAL & CO.**  
*Chartered Accountants*  
(FRN – 01411N)

**C. A. (ATUL AGGARWAL)**  
*Partner*  
(M. No. 99374)

Place : New Delhi  
Date : 30-05-2014

**Consolidated Balance Sheet as at 31st March, 2014**

Particulars	Notes	As at 31.03.2014 ₹	As at 31.03.2013 ₹
<b>EQUITY AND LIABILITIES</b>			
<b>SHAREHOLDERS' FUNDS</b>			
Share Capital	2	89,591,200	89,591,200
Reserves and Surplus	3	1,141,621,780	1,085,529,321
Minority Interest	3	381,786,715	362,751,321
<b>Total</b>		<b>1,612,999,695</b>	<b>1,537,871,842</b>
<b>NON-CURRENT LIABILITIES</b>			
Long-Term Borrowings	4	607,037,553	823,730,159
Other Long-Term Provisions	5	40,541,296	38,667,236
Deferred Tax Liabilities (Net)	6	3,549,369	15,210,723
<b>Total</b>		<b>651,128,218</b>	<b>877,608,118</b>
<b>CURRENT LIABILITIES</b>			
Short-Term Borrowings	7	2,791,910,725	2,923,523,868
Trade Payables	8	287,004,110	249,979,457
Other Current Liabilities	9	323,704,668	500,641,114
Short-Term Provisions	10	81,445,849	53,427,274
<b>Total</b>		<b>3,484,065,352</b>	<b>3,727,571,713</b>
<b>Grand Total</b>		<b>5,748,193,265</b>	<b>6,143,051,673</b>
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Fixed Assets			
Tangible Assets	11	1,183,156,455	1,289,459,078
Intangible Assets	11	3,405,623	3,892,141
Capital Work in Progress	11	750,000	750,000
<b>Total</b>		<b>1,187,312,078</b>	<b>1,294,101,219</b>
Non-Current Investments	12	0	0
Long-Term Loans and Advances	13	242,132,604	272,344,334
<b>Total</b>		<b>242,132,604</b>	<b>272,344,334</b>
<b>Goodwill on Consolidation</b>		<b>34,913,200</b>	<b>34,913,200</b>
<b>CURRENT ASSETS</b>			
Inventories	14	1,704,250,918	1,420,152,675
Trade Receivables	15	1,946,607,039	2,089,595,137
Cash and Cash Equivalents	16	159,310,910	249,874,565
Short-Term Loans and Advances	17	473,666,516	782,070,543
<b>Total</b>		<b>4,283,835,383</b>	<b>4,541,692,920</b>
<b>Grand Total</b>		<b>5,748,193,265</b>	<b>6,143,051,673</b>

SIGNIFICANT ACCOUNTING POLICIES:  
THE ACCOMPANYING NOTES ARE INTEGRAL  
PART OF THE FINANCIAL STATEMENTS.

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For and on behalf of the Board

As per our report of even date attached  
For & on behalf of

**SIRAJUDDIN QURESHI**  
Chairman & Managing Director

**DR. NASEEM QURESHI**  
Director

**M. K. AGGARWAL & CO.**  
Chartered Accountants  
FRN - 01411N

**MOHD. ALI SHAUKAT**  
General Manager  
(Finance & Accounts )

**M. S. MALIK**  
Company Secretary

**C. A. (ATUL AGGARWAL)**  
Partner  
Membership No. 099374

Place : New Delhi  
Date : 30.05.2014



## Consolidated Statement of Profit and Loss for the year ended on 31st March, 2014

Particulars	Notes	As at 31.03.2014 ₹	As at 31.03.2013 ₹
<b>INCOME</b>			
Revenue from Operations	18	8,932,945,061	8,707,748,962
Other Income	19	85,778,748	119,541,420
<b>Total Revenue</b>		<b>9,018,723,809</b>	<b>8,827,290,382</b>
<b>OPERATING EXPENDITURE</b>			
Cost of Material Consumed		7,303,809,515	4,590,671,635
Purchase of Stock in Trade		391,007,235	2,392,731,366
Changes in Inventories of Finished Goods, Stock in process and Stock in Trade -(Increase)/Decrease		(293,207,480)	28,028,450
Manufacturing Expenses	20	342,475,311	405,735,019
Personnel Expenditure	21	55,548,231	53,969,907
Financial Costs	22	513,249,820	527,901,271
Logistic and Other Selling & Distribution Expenses	23	382,127,789	480,398,392
Administrative & Other Expenses	24	98,066,510	123,307,713
<b>Total Expenditure</b>		<b>8,793,076,931</b>	<b>8,602,743,753</b>
<b>PROFIT BEFORE DEPRECIATION, EXTRAORDINARY ITEMS AND TAXES</b>		<b>225,646,878</b>	224,546,629
Extra Ordinary Items Written off	25	0	0
<b>PROFIT BEFORE DEPRECIATION AND TAXES</b>		<b>225,646,878</b>	224,546,629
Depreciation and Amortisation Expense	11	110,835,150	111,305,980
<b>PROFIT BEFORE TAX</b>		<b>114,811,728</b>	113,240,649
Tax Expense:			
Current Tax		48,285,225	46,576,107
Deferred Tax Written Back		(11,661,352)	(9,120,586)
<b>PROFIT FOR THE YEAR</b>		<b>78,187,855</b>	<b>75,785,128</b>
<b>EARNINGS PER EQUITY SHARE</b>		<b>6.85</b>	6.72

SIGNIFICANT ACCOUNTING POLICIES:

1-48

THE ACCOMPANYING NOTES ARE INTEGRAL  
PART OF THE FINANCIAL STATEMENTS.

For and on behalf of the Board

As per our report of even date attached  
For & on behalf of

**SIRAJUDDIN QURESHI**  
Chairman & Managing Director

**DR. NASEEM QURESHI**  
Director

**M. K. AGGARWAL & CO.**  
Chartered Accountants  
FRN - 01411N

**MOHD. ALI SHAUKAT**  
General Manager  
(Finance & Accounts )

**M. S. MALIK**  
Company Secretary

**C. A. (ATUL AGGARWAL)**  
Partner  
Membership No. 099374

Place : New Delhi  
Date : 30.05.2014



## Consolidated Cash Flow Statement for the year ended on 31st March, 2014

(Amount in Rupees in lacs except as otherwise stated)

Particulars	As at	As at
	31.03.2014	31.03.2013
<b>A) CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before Taxation as per Profit & Loss Account	1,148.12	1,132.41
<b>ADJUSTED FOR</b>		
Depreciation	1,108.35	1,113.06
Deferred Tax Income/(Expense)	116.62	91.21
Mat Credit Entitlement	0.00	0.00
Adjustment in Depreciation for Fixed Assets sale	0.00	0.00
Tax for the Year	(482.85)	(465.76)
Tax for the Earlier Year	0.00	0.00
Interest Paid	5,132.50	5,279.01
Operating Profit before Working Capital & Dividend changes	7,022.74	7,149.93
<b>INCREASE/(DECREASE) IN WORKING CAPITAL</b>		
Sundry Debtors	1,429.88	(6,558.95)
Inventory	(2,840.98)	285.98
Trade Receivable	3,386.16	(3,026.17)
Trade Payable	(1,216.80)	(405.74)
<b>NET CASH FROM OPERATING ACTIVITIES.....A</b>	<b>7,781.00</b>	<b>(2,554.95)</b>
<b>B) CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	(47.99)	(252.43)
Capital Work in Progress	0.00	0.00
Proceeds from Sale of Fixed Assets	7.23	0.00
Investment in Subsidiary	0.00	0.00
Intangible Assets	0.00	0.00
Goodwill on Consolidation	0.00	(100.83)
<b>NET CASH (USED IN) FROM INVESTING ACTIVITIES.....B</b>	<b>(40.76)</b>	<b>(353.26)</b>
<b>C) CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from issue of Share Capital to Minority	0.00	963.82
Proceeds from Long Term Borrowings	(2,166.93)	3,274.19
Proceeds from Short Term Borrowings	(1,316.13)	5,094.55
Dividend Paid	(25.91)	(25.91)
Tax on Dividend	(4.40)	(4.20)
Interest paid	(5,132.50)	(5,279.01)
<b>NET CASH (USED IN) FROM FINANCING ACTIVITIES.....C</b>	<b>(8,645.87)</b>	<b>4,023.44</b>
<b>Net Increase in Cash &amp; Cash Equivalent..... (A+B-C)</b>	<b>(905.63)</b>	<b>1,115.23</b>
<b>Cash &amp; Cash Equivalents (Opening Balance)</b>	<b>2,498.74</b>	<b>1,383.51</b>
<b>Cash &amp; Cash Equivalents (Closing Balance)</b>	<b>1,593.11</b>	<b>2,498.74</b>

For and on behalf of the Board

As per our report of even date attached  
For & on behalf ofSIRAJUDDIN QURESHI  
Chairman & Managing DirectorDR. NASEEM QURESHI  
DirectorM. K. AGGARWAL & CO.  
Chartered Accountants  
FRN - 01411NMOHD. ALI SHAUKAT  
General Manager  
(Finance & Accounts)M. S. MALIK  
Company SecretaryC. A. (ATUL AGGARWAL)  
Partner  
Membership No. 099374Place : New Delhi  
Date : 30.05.2014

## Notes forming part of the consolidated financial statements for the year ended on 31st March, 2014

### 1. SIGNIFICANT ACCOUNTING POLICIES

#### A BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The Financial Statements have been prepared under the Historical Cost convention, in accordance with the accounting principles generally accepted in India and comply with the mandatory Accounting Standards notified by the Central Government of India under the Companies Act, 1956 (the Act) read with general circular 15/2013, dated 13<sup>th</sup> September, 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013 and in accordance with accounting principles generally accepted in India.

All assets and liabilities have been classified as current or non-current as per the operating cycle criteria set out in the revised schedule VI of the Companies Act, 1956.

#### B USE OF ESTIMATES

The preparation of financial statements is in conformity with GAAP which requires that the management of the company makes estimates and assumptions that affect the reported amounts of income and expenses of the period, the reported balance of the assets and liabilities and the disclosures relating to contingent liabilities as on the date of the financial statements. Examples of such estimates includes the useful life of fixed assets, provision for doubtful debt / advances, future obligation in respect of retirement benefit plans etc. Actual results could differ from these estimates.

#### C FIXED ASSETS

##### 1. Tangible Assets

- a) Fixed Assets are stated at original cost, less depreciation, except in case of leasehold land which is stated at revalued cost.
- b) Cost of fixed assets comprises purchase price, duties, levies and any directly attributable cost of bringing the assets to its working condition for the intended use. Borrowing cost related to the acquisition or construction of the qualifying fixed assets for the period up to the completion of their acquisition or construction are included on the book value of the assets.
- c) All costs relating to upgradations / enhancements are generally charged off as revenue expenditure unless they bring significant additional benefits of lasting nature.

##### d) Impairments

- i) The carrying amounts of assets are reviewed at each Balance Sheet date if there is any indication of impairment based on internal / external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the assets net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital.
- ii) After impairment, depreciation is provided on the revised carrying amount of the assets over its remaining useful life.

### 2. Intangible Assets and Amortisation

Intangible Assets and related expenditure are recognized as per criteria specified in Accounting Standard - 26 (AS-26) on "Intangible Assets" issued by the Institute of Chartered Accountants of India.

#### D INVENTORIES

Inventories are stated at lower of cost or net realisable value. The cost of various categories of inventories are arrived at as under: -

- I) Raw material and packing material is valued at cost on FIFO basis.
- II) Stores & spares purchased are taken as consumption during the year.
- III) Finished goods are valued at lower of cost or net realizable value.
- IV) By Products are valued at net realizable value.

#### E REVENUE RECOGNITION

##### i) Sales

Sales of goods are accounted for on C&F basis and are net of discount and sales return.

##### ii) Purchases

Purchases are accounted exclusive of animal's waste and other materials returned to the suppliers as per practice prevailing in the trade.

## Notes forming part of the consolidated financial statements for the year ended on 31st March, 2014

### iii) Income

Revenue is recognised only when there is reasonable certainty that the ultimate collection will be made.

### iv) Expenditure

The benefit under Duty Drawback on Raw Material has been reduced from raw material expenses on its realisable value.

## F DEPRECIATION

- i) Depreciation is provided under the Straight Line Method at the rates and in the manner prescribed in schedule XIV of the Companies Act, 1956. Depreciation on addition / deletion is calculated on pro-rata basis.
- ii) The Intangible assets are amortised over the period of 10 years.
- iii) Leasehold land is being amortised over the period of lease.

## G INVESTMENTS

Long Term investments in equity shares of subsidiary company are stated at cost. Provision for diminution is to be made, if the decline in value is other than temporary in nature.

## H BORROWING COST

Financial income and borrowing costs include interest income on bank deposit and interest expense on loans.

Interest income is accrued evenly over the period of the corresponding instrument.

Borrowing cost are recognized in the period to which they relate, regardless of how the fund have been utilized, except where it relates to the financing of construction or development of the assets requiring a substantial period of time to prepare for their intended future use. Interest is capitalized up to the date when the asset is ready for intended use. The amount of interest capitalized for the period is determined by applying the interest rate applicable to appropriate borrowing outstanding during the period to the average amount of accumulated expenditure incurred for the assets during the period.

## I RETIREMENT BENEFITS

### a) Gratuity and Leave Encashment

The liability for Gratuity and Leave Encashment as at the year end is ascertained on the basis of actuarial valuation and accordingly charged to the statement of profit and loss.

### a) Provident Fund

Eligible employees receive benefit from provident fund, which is defined contribution plan for which both employees and the company make monthly contribution to the provident fund equal to a specified percentage. Retirement benefits in the form of provident fund are charged to profit and loss account of the year when contribution to the fund is due. The company has no further obligations under the provident fund plan beyond its monthly contribution.

## J FOREIGN EXCHANGE TRANSACTIONS

Transactions in foreign currencies are recorded at the exchange rates prevailing on the date of the transaction.

Exchange differences arising on foreign currency transactions settled during the year are recognised in the profit and loss account for the year.

All foreign currency denominated monetary assets and liabilities are translated at the exchange rates prevailing on the Balance Sheet date. The resultant exchange differences are recognised in the statement of profit and loss for the year, other than exchange differences related to the liabilities for acquisition of fixed assets that are adjusted to the cost of fixed assets.

Any profit and loss arising on cancellation or renewal of a forward exchange contract made during the year is recognized as income or as expense on the occurring of the event.

## K TAXATION

### Current Tax

Provision for current income taxes is made on the taxable income using the applicable tax rates and tax laws.

## Notes forming part of the consolidated financial statements for the year ended on 31st March, 2014

### Deferred Tax

Deferred tax arising on account of timing differences and which are capable of reversal in one or more subsequent periods is recognized using the tax rates and tax laws that have been enacted or subsequently enacted. Deferred tax assets are not recognized unless there is virtual certainty with respect to the reversal of the same in future years.

### Excise Duty, Sales Tax and Value Added Tax

Excise duty is accounted on the basis of payment made in respect of goods cleared. Sales Tax / Value Added Tax is charged to statement of profit and loss.

## L CONTINGENT LIABILITIES & PROVISION

1. In terms of the requirement of Accounting Standard - 29 (AS-29) on "Provisions, Contingent Liabilities and Contingent Assets".
  - (a) Where, as a result of past events, there is a present obligation that probably requires an outflow of resources and reliable estimates can be made of the amount of obligation- an appropriate provision is created and disclosed;
  - (b) Where, as a result of past events, there is a possible obligation that may, but probably will not require an outflow of resources-no

provision is recognized but appropriate disclosure is made as contingent liability unless the possibility of outflow is remote.

2. The income tax assessments of the company have been completed upto the assessment year 2010-11. The disputed demand outstanding upto the said assessment year is Rs. 77.52 crores. Based on decisions of Appellate authorities and the interpretations of other relevant provisions, the company has been legally advised that the demand is likely to be either deleted or substantially reduced and accordingly no provision is considered necessary.

## M CONSOLIDATION OF FINANCIAL STATEMENTS

- a) The consolidation of accounts of the company with its subsidiary company "Hind Agro Industries Limited" has been done on the basis of Accounting Standard - 21 (AS-21) issued by the Institute of Chartered Accountants of India.
- b) The consolidated financial statements have been prepared using uniform accounting policies in accordance with Generally Accepted Accounting Principles (GAAP).
- c) The effect of intra group transactions are eliminated in consolidation.



## Notes forming part of the consolidated financial statements for the year ended on 31st March, 2014

Particulars	AS AT 31.03.2014 ₹	AS AT 31.03.2013 ₹
<b>2. SHAREHOLDER'S FUND</b>		
<b>SHARE CAPITAL</b>		
<b>Authorized :</b>		
16,000,000 (Previous year 16,000,000)		
Equity Shares, ₹ 10/- at Par Value	<b>160,000,000</b>	160,000,000
<b>Issued, Subscribed and Paid-up:</b>		
8,636,240 (Previous Year 8,636,240)		
Equity Shares, ₹ 10/- at Par Value	<b>86,362,400</b>	86,362,400
Out of the above:		
990 (Previous year 990) Equity Shares are allotted as fully paid-up pursuant to a contract without payment received in cash.		
{1,070,000 (Previous Year 1,070,000) Equity Shares of ₹ 10/- each fully paid-up have been allotted as Bonus Shares by capitalization of the General Reserve.}		
<b>Add: Forfeited Shares</b>	<b>3,228,800</b>	3,228,800
<b>Total</b>	<b>89,591,200</b>	89,591,200

The Company has only one class of shares referred to as equity shares having a par value of ₹ 10/-. Each holder of equity shares is entitled to one vote per share.

**The details of shareholders holding more than 5% shares ;**

Name of the Shareholders	As at March 31, 2014		As at March 31, 2013	
	No. of shares	% held	No. of shares	% held
Al-Mashriq Exports Private Limited	2,228,800	25.81	2,228,800	25.81
Mrs. Kiran Qureshi	594,250	6.88	594,250	6.88
Equity Intelligence India Limited	580,199	6.72	577,449	6.69

The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the share-holders in the ensuing Annual General Meeting.

During the year ended March 31, 2014, the amount of per share dividend recognized as distributions to equity shareholders was ₹ 0.30 per share

The reconciliation of the number of shares outstanding and the amount of share capital as at March 31, 2014 and March 31, 2013, is set out below:

Particulars	As at March 31, 2014		As at March 31, 2013	
	No. of shares	Amount	No. of shares	Amount
Number of shares at the beginning	8,636,240	86,362,400	8,636,240	86,362,400
Add: Shares issued on exercise of employee stock options	0	0	0	0
Number of shares at the end	<b>8,636,240</b>	<b>86,362,400</b>	8,636,240	86,362,400

In the event of liquidation of the Company, the holders of Equity Shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. However, no such preferential amounts exist currently. The distribution will be in proportion to the number of equity shares held by shareholders.

## Notes forming part of the consolidated financial statements for the year ended on 31st March, 2014

Particulars	AS AT 31.03.2014 ₹	AS AT 31.03.2013 ₹
<b>3. RESERVES AND SURPLUS</b>		
<b>A. Capital Reserve</b>		
As per Balance Sheet	3,228,800	3,228,800
<b>B. Revaluation Reserve</b>		
Opening Balances	1,497,929	1,526,735
Less: Amortization of Land	28,806	28,806
Closing Balance	<u>1,469,123</u>	<u>1,497,929</u>
<b>C. Securities Premium Account</b>	91,519,364	91,519,364
<b>D. General Reserve</b>		
Opening Balances	459,862,973	447,273,191
Closing Balance	<u>459,862,973</u>	<u>447,273,191</u>
<b>Total (A+B+C+D)</b>	<u>556,080,260</u>	<u>543,519,284</u>
<b>E. Profit/(Loss) for the Year</b>	13,678,459	15,600,959
Transferred to General Reserve	0	0
Proposed Dividend	2,590,872	2,590,872
Tax on Dividend	440,319	420,305
Amount of Subsidiary Profit and Loss	815,544,736	751,035,344
Less: Minority Interest	<u>240,650,484</u>	<u>221,615,089</u>
<b>Total</b>	<u>585,541,520</u>	<u>542,010,037</u>
<b>Profit &amp; Loss Account</b>		
Closing Balance	<u>585,541,520</u>	<u>542,010,037</u>
<b>Total Profit (D+E)</b>	<u>1,141,621,780</u>	<u>1,085,529,321</u>
<b>Minority Interest</b>		
Share in Capital of Subsidiary Company	133,916,699	133,916,700
Share in Reserve and Surplus of Subsidiary Company	240,650,484	221,615,089
Share in Security Premium	<u>7,219,532</u>	<u>7,219,532</u>
<b>Total</b>	<u>381,786,715</u>	<u>362,751,321</u>

## Notes forming part of the consolidated financial statements for the year ended on 31st March, 2014

Particulars	AS AT 31.03.2014 ₹	AS AT 31.03.2013 ₹
<b>4. LONG TERM BORROWINGS</b>		
<b>SECURED</b>		
Term Loan from Jammu & Kashmir Bank	<b>268,183,491</b>	310,576,733
Term Loan from Punjab National Bank	<b>61,619,731</b>	98,665,884
Term Loan from Bank of India	<b>140,000,000</b>	259,999,014
<b>Others</b>		
India Bulls Financial Services Ltd.	<b>132,310,909</b>	141,168,646
<b>Deferred Payment Liabilities</b>		
<b>From Non-Banking Entities</b>		
Deferred Payment Liabilities against Hyp. Of Vehicles	<b>4,923,422</b>	13,319,882
<b>Total</b>	<b>607,037,553</b>	<b>823,730,159</b>

1. From Jammu & Kashmir Bank, the Corporate Loan is secured against property at A-1, Phase-1, Okhla Industrial Area, New Delhi - 110020, Personal Guarantee of Mr. Sirajuddin Qureshi, Mrs. Kiran Qureshi, Mr. Samar Qureshi, Dr. Naseem Qureshi, Corporate Guarantee of M/s Hind Agro Industries Ltd, Guarantee of M/s Islamuddin & Co., M/s Hind Air Link Pvt. Ltd. And extended charge on property at 2A, A-Wing, Mittal Tower, Nariman Point, Mumbai of M/s Hind Air Link Pvt. Ltd. The terms of payment is ₹ 7,719,000/- per month.

The above Term Loan of Jammu & Kashmir Bank is payable with in the period of 7 years commencing from August 2011, repayment schedule is as under:

Financial Year	Amount
2013-14	29,392,989
2014-15	63,869,487
2015-19	268,183,491

**Term Loan from PNB** for ongoing project of the company at Chennai is secured by 1st pari-passu charge on its Current Assets and Fixed Assets at Aligarh Plant and equitable mortgage on the property of M/s Al-Mashriq Exports Pvt. Ltd. And Personal Guarantees of Mr. Sirajuddin Qureshi and Mrs. Kiran Qureshi. An installment of ₹ 3,083,333/- per month is being paid towards repayment of Loan. **The Term Loan from PNB** is payable within the period of 5 years commencing from 1st Nov. 2011 bearing rate of interest @ 15% p.a.

**Term loan from BOI** for the purpose of Business Needs of the Company is secured by Equitable Mortgage of the immovable property at G-21, Maharani Bagh, Ring Road, New Delhi - 110065 which belongs to our Group Company M/s Al-Mashriq Exports Pvt. Ltd. And Personal Guarantees of Mr. Sirajuddin Qureshi, Mrs. Kiran Qureshi, Mr. Samar Qureshi and Corporate Guarangee of M/s Al-Mashriq Exports Pvt. Ltd. The Loan repayment is starting from 30th June, 2012 till the end of financial year 2015-2016, bearing rate of interest 13.75% p.a.

**Term Loan from Indiabulls Financial Services Ltd.** For the purpose of Business Needs of the Company, is secured by Equitable Mortgage of the immovable property at Khasra No. 42, Killa No. 9, (4-9), 10(4-9), 11/1 MIN (1-14) & 12 MIN North (1-12) Village Mehrauli, New Delhi - 110030 which is in the name of M/s S. R. Landcon Private Limited. The Loan repayment starts from 01.02.2013 till 01.12.2022 in 118 instalments of ₹ 2,338,938/ each, barring 1st installment of ₹ 2,529,449/- including interest @ 14% p.a.

Deferred payment Liabilities are secured against hypothecation of Vehicles.

## Notes forming part of the consolidated financial statements for the year ended on 31st March, 2014

**Loan from LIC** for the purpose of business needs of the Company is secured by Keyman Policies of Mr. Sirajuddin Qureshi, Dr. Naseem Qureshi, and Mr. Samar Qureshi. The Loan is payable on demand with the prior notice of three months from LIC and bearing 9% p.a. half yearly compound rate of interest from the date of loan disbursed.

The scheduled maturity of the Long Term Borrowings is summarised as under:

### Borrowings Repayable

Particulars	As at 31st March, 2014			As at 31st March, 2013		
	Term Loan from Banks and LIC	Term Loan from Others	Deferred Payment Liabilities - (Bank & others)	Term Loan from Banks	Term Loan from Banks	Deferred payment Liabilities - (Bank & others)
In the first year (Note 7)	209,891,630	8,857,738	8,371,329	159,499,996	7,706,790	8,216,541
<b>Current Maturities of Long Term Debt</b>	<b>209,891,630</b>	<b>8,857,738</b>	<b>8,371,329</b>	<b>159,499,996</b>	<b>7,706,790</b>	<b>8,216,541</b>
In the second year	176,999,996	10,180,570	4,923,422	156,999,996	8,857,738	8,396,488
In the third year	24,619,735	11,700,957	0	176,999,010	10,180,570	4,923,394
In the fourth year	0	13,448,402	0	24,665,892	11,700,957	0
In the fifth year	0	15,456,813	0	0	13,448,402	0
In the sixth to tenth year	0	81,524,166	0	0	96,980,979	0
<b>Total</b>	<b>201,619,731</b>	<b>132,310,908</b>	<b>4,923,422</b>	<b>358,664,898</b>	<b>141,168,646</b>	<b>13,319,882</b>

Particulars	AS AT 31.03.2014 ₹	AS AT 31.03.2013 ₹
<b>5. OTHER LONG TERM PROVISIONS</b>		
Provision for Gratuity	35,016,954	33,918,958
Leave Encashment Payable	4,796,189	4,388,706
Provision for Cess U/S 441A	728,153	359,572
<b>Total</b>	<b>40,541,296</b>	<b>38,667,236</b>
<b>6. DEFERRED TAXES</b>		
<b>Deferred Tax Liabilities</b>		
Deferred Tax Liabilities Related to Fixed Assets	47,458,950	52,613,938
<b>Total</b>	<b>47,458,950</b>	<b>52,613,938</b>
<b>Deferred Tax Assets</b>		
Depreciation on Fixed Assets	24,319,253	18,836,192
Provision for Doubtful Debts	3,666,994	3,666,994
Provision for Leave Encashment	1,933,199	1,831,522
Provision for Gratuity	13,525,372	12,695,436
Provision for Bonus	228,514	256,408
Provision for Cess U/S 441A	236,249	116,663
<b>Total</b>	<b>43,909,581</b>	<b>37,403,215</b>
<b>Net Deferred Tax Liabilities/(Assets)</b>	<b>3,549,369</b>	<b>15,210,723</b>
<b>Previous Year Balance</b>	15,210,723	24,331,309

## Notes forming part of the consolidated financial statements for the year ended on 31st March, 2014

Deferred Tax Assets and Deferred Tax Liabilities have been offset wherever the Company has a legally enforceable right to set off current tax assets against current tax liabilities and where the Deferred Tax Assets and Deferred Tax Liabilities relate to income taxes levied by the same Taxation Authority.

Particulars	AS AT	AS AT
	31.03.2014	31.03.2013
	₹	₹
<b>7. SHORT TERM BORROWINGS</b>		
<b>SECURED</b>		
Working Capital Loan from Banks	2,487,705,541	2,690,972,538
Term Loan from Jammu & Kashmir Bank	63,869,487	50,869,234
PNB Term Loan	36,999,996	36,999,996
BOI Term Loan	145,013,634	122,500,000
Loan from LIC	41,093,000	0
Indiabulls Financial Services Ltd.	8,857,738	7,706,790
<b>FROM BANKS</b>		
Deferred Payment Liabilities against hypothecation of Vehicles	0	277,300
<b>FROM OTHERS</b>		
Deferred Payment Liabilities against hypothecation of Vehicles	8,371,329	14,198,010
<b>Total</b>	<b>2,791,910,725</b>	<b>2,923,523,868</b>

### Working Capital Loans :

State Bank of Hyderabad:

Primary Security : Secured against the current assets of the company including raw material, work in progress, finished goods and advance to suppliers existing and future (stocks at Sahibabad and other places) of 49.35 Crores. Our Share ₹ 19.74 Crores (40%) valued as at 31st January 2013.

Equitable Mortgage of residential flat at 69, Cat III, 2nd and 3rd Floor and servant quarter No. 6, Siddartha Enclave, DDA, SFS Scheme, Ashram, New Delhi in the name of Mr. Sirajuddin Qureshi and fixed assets of the company (present & future) owned by M/s Hind Industries Limited.

### Personal Guarantee of the following promoter directors ;

Mr. Sirajudding Qureshi ₹ 8.68 crores as on 13.06.2012

Mrs. Kiran Qureshi ₹ 5.36 crores as on 13.06.2012

### Indian Bank :

Primary:

Packing Credit: DPN by the company and 1st pari passu charge on the current assets of the company including raw material, work in progress, finished goods and advance to suppliers existing and future (stock at Sahibabad and other places). Entire book debts to be hypothecated to the consortium.

FBN/FBP/DP/DA 90 days : DPN by the company and documents of title to goods covered by foreign bills purchased/negotiated against firm contracts/drawn under irrevocable LCs of prime banks.

Cheque BP : DPN by the company and Agreement for bills purchased (for local/outstation cheques).

Bank Guarantee : Counter Guarantee by the company. Pledge of fixed deposits equivalent to 10% (as margin) of guarantee amount.

## Notes forming part of the consolidated financial statements for the year ended on 31st March, 2014

Collateral : 2nd charge on the fixed assets of the company WDV ₹ 30.21 crores (as per ABS as on 31.03.2011 including capital work in progress).

(Bank's Share 60% ₹ 18.13 crores). {Existing status (upgraded charges) prevailing after adjustment of liability of first charge holders to be continued}.

Equitable Mortgage of residential flat at 69, Cat III, 2nd & 3rd Floor and servant quarter no. 6, Siddartha Enclave DDA, SFS Scheme, Ashram, New Delhi in the name of Mr. Sirajuddin Qureshi valued ₹ 1.80 Crores as per valuation dtd. 12.05.2011 of our panel valuer S.K. Jain (Our Share 60% ₹ 1.08 Crores).

Pledge of fixed deposit of ₹ 0.93 crore as on (corpus fund equivalent to 5% of the sanctioned FBP/FBN limit for the consortium i.e. ₹ 18.50 crores)/ our Share being ₹ 0.56 crore.

Personal Guarantee of the following promoter directors ;

Sh. Sirajuddin Qureshi ₹ 8.00 crores as on 31.03.2011

Smt. Kiran Qureshi ₹ 4.90 crores as on 31.03.2011

### **Term Loan from Jammu & Kashmir Bank :**

Equitable mortgage of immovable property situated at A-1, Phase-1, Okhla Industrial Area, standing in the name of M/s Islamuddin & Co., one of the Group Companies valued at ₹ 43.62 crores as per valuation report dated 18th June, 2011; Escrow of rentals of M/s Islamuddin & co. with retention balance of ₹ 20.00 lacs at any point of time together with FDR for ₹ 57.19 lacs to provide minimum cushion for one month's repayment.

Extention of charges on immovable property proposed in the Term Loan facility of group concern M/s Hind Airlink Pvt. Ltd. Consisting of office No. 2A on ground floor and office no. 2A in basement, A Wing, Mittal Tower Premises Cooperative Society Limited, C.S. No. 1957, 210 Nariman Point Mumbai valued at ₹ 20.13 crores as per valuation report dated 15.06.2010 of M/s Basavraj Masanagi & Co.

Corporate Guarantee of M/s Hind Agro Industries Limited having net worth of ₹ 93.08 crores.

Personal Guarantee of all three promoter directors of the borrower company namely:-

Mr. Sirajuddin Qureshi (NW ₹ 7.94 crores)

Mrs. Kiran Qureshi (NW ₹ 4.14 crores)

Dr. Naseem Qureshi (NW ₹ 2.43 crores)

Guarantee of the mortgator, M/s Islamuddin & Co. and M/s Hind Airlink Private Ltd.

**Working Capital Loans** under Consortium are secured against following securities:

1. **Facilities from PNB** are secured against hypothecation of current assets, foreign documentary bills, inward clearing cheques/DD and collateral security of the immovable property situated at Village Karanki, Sohna, Gurgaon in the name of M/s Al-Mashriq Exports Pvt. Ltd.
2. **Facilities from Central bank of India** are secured against first pari passu charge on the current assets of the company and collateral security of the immovable property situated at Village Karanki, Sohna, Gurgaon in the name of M/s Al-Mashriq Exports Pvt. Ltd., Personal Guarantees of directors and Corporate Guarantees of M/s Al-Mashriq Exports Pvt. Ltd., M/s Hind Industries Ltd. & M/s Integrated Live Stock Village Farm Pvt. Ltd.
3. **Facilities from Indian Bank** are secured against first pari passu charge on the current assets of the company, document of title and collateral security of the 1st pari passu charge on Fixed Assets of the Company, pledge of 1,683,450 shares of M/s Hind Industries Ltd., pledge of Fixed Deposits and pari passu charge with consortium on equitable mortgage of the immovable property situated at Village Karanki, Sohna, Gurgaon in the name of M/s Al-Mashriq Exports Pvt. Ltd. And Counter Guarantees by the Company.
4. **Facilities from Dena Bank** are secured against hypothecation of current assets, foreign documentary bills, advance under pre-shipment credit to be covered under Whole Turnover Packing Guarantee of ECGC, shipping documents and 100% counter guarantee by the company under its Common Seal.

## Notes forming part of the consolidated financial statements for the year ended on 31st March, 2014

Particulars	AS AT	AS AT
	31.03.2014	31.03.2013
	₹	₹
<b>8. TRADE PAYABLES</b>		
Trade Payables	279,954,722	198,193,742
Related Parties	7,049,388	51,785,715
<b>Total</b>	<b>287,004,110</b>	<b>249,979,457</b>

Outstanding amount under Related Parties is due to Associate Company M/s Integrated Livestock Village Farm Pvt. Ltd. (Refer Note No. 29)

Amount due to small scale industrial undertakings/suppliers under the MSME Act, 2006:

The Company has not received any intimation from suppliers' regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures, if any, relating to amounts unpaid as at the year end together with interest paid/payable as required under the said Act could not be furnished.

### 9. OTHER CURRENT LIABILITIES

Salary and wages	10,081,705	9,426,160
Bonus & Incentives	704,311	790,283
TDS Payable	1,881,241	2,041,931
Employees PF & Other Payable	1,251,180	490,616
Director's Salary Payable	6,080,180	2,254,540
Advance Received from Customers	139,767,606	359,336,249
Expenses Payables	9,423,207	7,201,710
Advance Received as Security Money	7,142,802	4,921,904
Gratuity Obligation	6,670,123	5,210,140
Leave Encashment Payable	1,162,197	1,256,301
Audit Fees Payable	758,430	758,430
M.D. Commission Payable	0	255,602
Associated Company-Related Party	15,050,704	14,528,897
Bank (Over Draft)	56,802,199	33,890,064
Interest Accrued & Due	14,361,355	6,445,521
Interest Accrued but not due	2,330,737	236,708
Unpaid Dividends	1,087,170	1,576,234
<b>OTHER PAYABLE</b>		
Statutory Dues	5,552,388	6,051,185
Payable for Chennai Plant	43,597,133	43,968,639
<b>Total</b>	<b>323,704,668</b>	<b>500,641,114</b>

Related Parties include M/s Hind Air Link Pvt. Ltd., M/s Al-Mashriq Exports Pvt. Ltd., M/s Islamuddin & Co., Mr. Sirajuddin Qureshi, Mrs. Kiran Qureshi and Mr. Samar Qureshi.

### 10. SHORT-TERM PROVISIONS

Provision for Dividend	2,590,872	2,590,872
Provision for Income Tax & Dividend Tax	78,469,601	50,601,900
Provision for Wealth Tax	385,376	234,502
<b>Total</b>	<b>81,445,849</b>	<b>53,427,274</b>

**Notes annexed to and forming part of the consolidated financial statements for the year ended on 31st March, 2014**
**11. Consolidated Fixed Assets As At 31st March, 2014**
**A. TANGIBLE ASSETS**

Particulars	Gross Block					Depreciation			Net Block		
	As At 01.04.2013	Addition During The Period	Sales During The Year	Adjustments	Total As At 31.03.2014	Up To 31.03.2013	For The Year	Adjustment	Up To 31.03.2014	As At 31.03.2014	As At 31.03.2013
Leasehold Land	3,105,460	0	0	0	3,105,460	952,340	41,406	0	993,746	2,111,714	2,153,120
Freehold Land	87,992,015	0	0	0	87,992,015	0	0	0	0	87,992,015	87,992,015
Factory Building	498,028,424	0	0	0	498,028,424	138,998,638	16,634,150	0	155,632,788	342,395,636	359,029,786
Plant & Machinery	1,752,471,041	4,285,986	1,709,513	0	1,755,047,514	993,277,774	81,755,958	985,252	1,074,048,480	680,999,034	759,193,267
Vehicles	68,048,716	0	0	0	68,048,716	31,115,676	5,414,212	0	36,529,888	31,518,828	36,933,040
Trucks	16,723,077	0	2,921,030	0	13,802,047	10,001,946	1,545,456	2,866,118	8,681,284	5,120,763	6,721,131
Furniture & Fixtures	51,314,228	368,149	0	0	51,682,377	26,272,900	3,139,422	0	29,412,322	22,270,055	25,041,328
Computers	15,509,959	140,595	0	0	15,650,554	12,443,291	1,103,944	0	13,547,235	2,103,319	3,066,668
Office Equipments	16,242,164	59,260	0	0	16,301,424	6,913,443	742,890	0	7,656,333	8,645,091	9,328,721
Electrical Equipments	17,995	0	0	0	17,995	17,995	0	0	17,995	0	0
<b>Total</b>	<b>2,509,453,079</b>	<b>4,853,990</b>	<b>4,630,543</b>	<b>0</b>	<b>2,509,676,526</b>	<b>1,219,994,003</b>	<b>110,377,438</b>	<b>3,851,370</b>	<b>1,326,520,071</b>	<b>1,183,156,455</b>	<b>1,289,459,076</b>
Capital Work in Progress	750,000	0	0	0	750,000	0	0	0	0	750,000	750,000
Previous Year	2,484,210,482	25,242,597	0	0	2,509,453,079	1,109,145,733	110,848,268	0	1,219,994,001	1,289,459,078	1,375,064,749

**B. INTANGIBLE ASSETS.**

Description	Gross Block			Depreciation			Net Block				
	As At 01.04.2013	Addition During The Period	Sales During The Year	Adjustments	Total As At 31.03.2014	Up To 31.03.2013	Amortisation For The Year	Adjustment	Up To 31.03.2014	As At 31.03.2014	As At 31.03.2013
Saiboni Project	2,262,338	0	0	0	2,262,338	452,468	226,234	0	678,702	1,583,636	1,809,870
Bhiwadi Project	6,618	0	0	0	6,618	1,324	662	0	1,986	4,632	5,294
Energy Project	2,596,221	0	0	0	2,596,221	519,244	259,622	0	778,866	1,817,355	2,076,977
<b>Total</b>	<b>4,865,177</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>4,865,177</b>	<b>973,036</b>	<b>486,518</b>	<b>0</b>	<b>1,459,554</b>	<b>3,405,623</b>	<b>3,892,141</b>
Previous Year	4,865,177	0	0	0	4,865,177	486,518	486,518	0	973,036	3,892,141	4,378,659

**Fixed Assets And Capital Work In Progress:**

Depreciation for the year includes amortization of land of ₹ 41,406 of which ₹ 28,806 is transferred from Revaluation Reserve and ₹ 12,600 is debited to Profit & Loss Account

The intangible assets are amortised over the estimated life of the assets.

There exists no indication for the management to conclude that any of its cash generating units are impaired and accordingly no provision for impairment is required to be made in the financial statement.

Capital Work in Progress comprises of fixed assets acquired and other incidental cost that are not ready for intended use before the balance sheet date.



## Notes forming part of the consolidated financial statements for the year ended on 31st March, 2014

Particulars	AS AT 31.03.2014 ₹	AS AT 31.03.2013 ₹
<b>12. NON-CURRENT INVESTMENTS</b>		
Long Term Investments - At Cost (Unquoted)		
Investments in equity instruments of Subsidiary Company:		
M/s Hind Agro Industries Ltd.	0	0
No. shares during the year 2013-14	31,991,600	
No. shares during the year 2012-13	31,991,600	
<b>Total</b>	<b>0</b>	<b>0</b>
<b>13. LONG TERM LOANS AND ADVANCES</b>		
Unsecured, Considered Good		
Advance for Share		
Less : Provision for Advance	5,000,000	5,000,000
<b>Security Deposits</b>		
Security Deposits with Government	20,606,420	20,706,420
Security Deposits with Others		106,650,503
	<b>106,866,503</b>	
Incentive / refund Recoverable	43,839,283	42,680,095
MAT Credit Entitlement	8,484,303	26,414,616
Old Debit balance of Sundry Creditors	55,569,673	68,405,863
Related Parties Old Debit balance	3,468,606	4,189,021
Less Provision for Doubtful Debts	(1,702,184)	(1,702,184)
<b>Total</b>	<b>242,132,604</b>	<b>272,344,334</b>

Security Deposits with Others include Related parties M/s Al-Mashriq Exports Pvt. And M/s Hind Bio-Pharmaceuticals Ltd.

Old Balance with Related Parties include M/s Hind Infra Engineers Ltd.

### CURRENT ASSETS

#### 14. INVENTORIES

Finished Goods	1,670,458,233	1,377,250,754
Stores & Spares	23,485,373	37,334,712
Fuel	3,433,281	1,586,611
Packing Material	6,874,031	3,980,598
<b>Total</b>	<b>1,704,250,918</b>	<b>1,420,152,675</b>

Raw material, consumables and packing materials are valued at cost on FIFO basis.

Finished and Semi Finished goods are valued at lower of cost or net realisable value. The Duty Drawback benefits are reduced from the cost for the purpose of valuation of closing stock.

By-products are valued at net realisable value.

## Notes forming part of the consolidated financial statements for the year ended on 31st March, 2014

Particulars	AS AT	AS AT
	31.03.2014	31.03.2013
	₹	₹
<b>15. TRADE RECEIVABLES</b>		
Related Parties	3,455,155	5,854,423
Unsecured, Considered good		
Debts outstanding for a period exceeding six months	194,125,949	166,589,018
Other Receivable	1,749,025,935	1,917,151,696
Over Six Months - Considered Doubtful	4,000,000	4,000,000
	<u>1,950,607,039</u>	<u>2,093,595,137</u>
Less : Provision for Doubtful Debts.	4,000,000	4,000,000
<b>Total</b>	<u><b>1,946,607,039</b></u>	<u><b>2,089,595,137</b></u>

Balance under Trade Receivable are subject to confirmation and reconciliation and consequent adjustments thereof.

Provision for Doubtful Debts.

Periodically, the Company evaluates all customer dues to the Company for collectability. The need for provisions is assessed based on various factors including collectability of specific dues, risk perceptions of the industry in which the customer operates, general economic factors, which could affect the customer's ability to settle. The Company normally provides for trade receivable outstanding for six months or longer from the invoice date, as at the Balance Sheet date. The Company pursues the recovery of the dues, in part or full.

### 16. CASH AND CASH EQUIVALENTS

Cash in hand	1,048,347	1,063,525
Cheques in hand	0	318,598
<b>Balance with Banks</b>		
In Current and Deposit Accounts	8,890,543	115,510,371
In EEFC Accounts	124,307	113,170
Balances with Banks in Unpaid Dividend Accounts	1,087,171	1,575,554
Balances with Banks held as margin money deposits	148,160,542	131,293,347
<b>Total</b>	<u><b>159,310,910</b></u>	<u><b>249,874,565</b></u>

Cash and cash equivalents as of March 31, 2014 and March 31, 2013, include restricted cash and bank balances of ₹ 259.97 lacs and ₹ 236.76 lacs respectively. The restrictions are primarily on account of lien on margin money/FDR's in lieu of ECGC policies and unclaimed dividends.

### 17. SHORT-TERM LOANS AND ADVANCES UNSECURED AND CONSIDERED GOOD

Related Companies (Refer note 29)*	7,121,387	10,361,605
Advance to suppliers	463,415,584	767,723,871
Loans and Advances to Employees	1,252,726	1,698,425
Export Incentive	630,000	903,000
Prepaid Expenses	1,246,819	1,383,642
<b>Total</b>	<u><b>473,666,516</b></u>	<u><b>782,070,543</b></u>

The current assets, loan and advances are realizable at the value stated in the Balance Sheet in ordinary course of business.

\*Related Parties include M/s Al-Mashriq Exports Pvt. Ltd., M/s Hind Air Services Pvt. Ltd., M/s Hind Live Stock Development Foundation, M/s Prime Packaging & M/s Fast Trax Foods Pvt. Ltd.

## Notes forming part of the consolidated financial statements for the year ended on 31st March, 2014

Particulars	AS AT	AS AT
	31.03.2014	31.03.2013
	₹	₹
<b>18. REVENUE FROM OPERATIONS</b>		
Sales - Export	5,104,571,335	5,942,590,572
Sales - Domestic	3,828,378,302	2,765,336,980
	<u>8,932,949,637</u>	<u>8,707,927,552</u>
Less : Excise Duty	4,576	178,590
<b>Total</b>	<u>8,932,945,061</u>	<u>8,707,748,962</u>
<b>19. OTHER INCOME</b>		
Licence - DEPB	0	204,228
Interest Received on Deposits with Banks	11,151,526	9,560,400
Export Incentives	74,257,580	107,110,737
Profit on Sale of Fixed Assets	75,088	0
Interest on Securities	0	115,000
Professional Income	0	2,447,490
IFCI Liability Written Back	255,602	0
Miscellaneous Income	38,952	103,565
<b>Total</b>	<u>85,778,748</u>	<u>119,541,420</u>
<b>20. MANUFACTURING EXPENSES</b>		
Wages & Workers' Welfare	55,967,717	54,860,034
Packing Material Consumed	73,556,935	77,419,735
Power & Fuel Consumption	161,341,480	199,651,684
Consumable Stores	19,689,891	25,317,440
Repair & Maintenance	20,325,354	34,651,402
Insurance	1,406,463	1,257,834
Inward Freight/Cartage	332,910	804,273
Truck Running & Maintenance	974,666	1,714,463
Security Charges	3,615,433	4,170,010
Horticulture Expenses	684,108	727,716
Research & Development Expenses	1,693,517	2,486,357
Cess Water & UPCCB	287,860	310,000
Others	2,598,977	2,364,071
<b>Total</b>	<u>342,475,311</u>	<u>405,735,019</u>

## Notes forming part of the consolidated financial statements for the year ended on 31st March, 2014

Particulars	AS AT	AS AT
	31.03.2014	31.03.2013
	₹	₹
<b>21. PERSONNEL EXPENDITURE</b>		
Salaries, Bonus and Other Benefits	<b>50,928,939</b>	49,050,183
Contribution to Provident and Other Funds	<b>3,989,374</b>	4,289,677
Staff Welfare Expenses	<b>629,918</b>	630,047
<b>Total</b>	<b>55,548,231</b>	<b>53,969,907</b>

### EMPLOYEE BENEFITS :

Defined Benefit Plan : The company provides for its liability towards gratuity as per the actuarial valuation.

### FINANCIAL ASSUMPTION :

- Discount Rate** : The rate used to discount post employment benefit obligations (both funded and unfunded) has been determined by reference to market yields at the balance sheet date on government bonds. The currency and term of the government bonds is consistent with the currency and estimated term of the post employment benefit obligations.
- Salary Increase** : Salary increase is taken in to account inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.
- Rate of Return on Plan Assets** : The liability is not funded and rate of return on plan assets is not relevant to this report.

### TABLE SHOWING CHANGES IN PRESENT VALUE OF OBLIGATIONS DURING THE YEAR

Present Value of Obligation as at the beginning of the year	<b>5,645,007</b>	5,502,289
Acquisition Adjustment	<b>0</b>	0
Interest Cost	<b>455,405</b>	475,259
Past Service Cost	<b>0</b>	0
Current Service Cost	<b>573,133</b>	732,561
Curtailment Cost/(Credit)	<b>0</b>	0
Settlement Cost/(Credit)	<b>0</b>	0
Benefit Paid	<b>(1,328,103)</b>	(780,089)
Actuarial (Gain)/Loss on obligations	<b>612,944</b>	(285,013)
Present Value of Obligation as at the end of the year	<b>5,958,386</b>	5,645,007

### TABLE SHOWING CHANGES IN THE FAIR VALUE OF PLAN ASSETS DURING THE YEAR

Fair Value of Plan Assets at the beginning of the year	<b>0</b>	0
Acquisition Adjustment	<b>0</b>	0
Expected Return on Plan Assets	<b>0</b>	0
Contributions	<b>0</b>	0
Benefit Paid	<b>0</b>	0
Actuarial (Gain)/Loss on Plan Assets	<b>0</b>	0
Fair Value of Plan Assets at the end of the year	<b>0</b>	0

## Notes forming part of the consolidated financial statements for the year ended on 31st March, 2014

Particulars	AS AT	AS AT
	31.03.2014	31.03.2013
	₹	₹
<b>TABLE SHOWING FAIR VALUE OF PLAN ASSETS</b>		
Fair Value of Plan Assets at the beginning of the year	0	0
Acquisition Adjustment	0	0
Actual Return on Plan Assets	0	0
Contributions	0	0
Benefit Paid	0	0
Fair Value of Plan Assets at the end of the year	0	0
Funded Status	<b>(5,958,386)</b>	(5,502,289)
Excess of Actual over Expected Return on Plan Assets	0	0
<b>ACTUARIAL GAIN/LOSS RECOGNIZED FOR THE YEAR</b>		
Actuarial (Gain)/Loss for the Period - Obligation	<b>(612,944)</b>	285,013
Actuarial (Gain)/Loss for the Period - Plan Assets	0	0
Total (Gain)/Loss for the Year	<b>612,944</b>	(285,013)
Actuarial (Gain)/Loss recognized in the year	<b>612,944</b>	(285,013)
Unrecognized Actuarial (Gains)/Losses at the end of Year	0	0
<b>THE AMOUNT TO BE RECOGNIZED IN THE BALANCE SHEET AND STATEMENTS OF PROFIT AND LOSS.</b>		
Present Value of Obligation as at the end of the year	<b>5,958,386</b>	5,645,007
Fair Value of Plan Assets at the end of the year	0	0
Funded Status	<b>(2,342,486)</b>	(5,645,007)
Unrecognized Actuarial (Gains)/Losses	0	0
Net Liability Recognized in Balance Sheet	<b>(2,342,486)</b>	5,645,007
<b>EXPENSES RECOGNIZED IN THE STATEMENTS OF PROFIT AND LOSS FOR THE YEAR</b>		
Current Service Cost	<b>573,133</b>	732,561
Past Service Cost	0	0
Interest Cost	<b>455,405</b>	475,259
Expected Return on Plan Assets	0	0
Curtailment Cost/(Credit )	0	0
Settlement Cost/(Credit )	0	0
Net Actuarial (Gain)/Loss recognized in the year	<b>612,944</b>	(285,013)
Expenses Recognized in the Statement of Profit and Loss	<b>1,641,482</b>	922,807
<b>AMOUNT FOR THE CURRENT YEAR</b>		
Present Value of Obligation	<b>5,958,386</b>	5,645,007
Plan Assets	0	0
Surplus/(Deficit )	<b>(5,958,386)</b>	(5,645,007)
Experience Adjustments on Plan Liabilities (Loss)/Gain	<b>(930,037)</b>	446,192
Experience Adjustments on Plan Assets (Loss)/Gain	0	0
<b>22. FINANCIAL COSTS</b>		
Interest on Term Loans	<b>150,532,883</b>	138,995,598
Interest on Working Capital and Other Bank Interest and Charges	<b>362,716,937</b>	388,905,672
<b>Total</b>	<b><u>513,249,820</u></b>	<u>527,901,270</u>
<b>23. LOGISTIC AND OTHER SELLING &amp; DISTRIBUTION EXPENSES</b>		
Freight and Forwarding Expenses	<b>359,411,213</b>	454,922,965
Business Promotion Expenses	<b>13,417,596</b>	17,249,939
Commission	<b>9,298,980</b>	8,225,488
<b>Total</b>	<b><u>382,127,789</u></b>	<u>480,398,392</u>

## Notes forming part of the consolidated financial statements for the year ended on 31st March, 2014

Particulars	AS AT 31.03.2014 ₹	AS AT 31.03.2013 ₹
<b>24. ADMINISTRATIVE &amp; OTHER EXPENSES</b>		
Rent	36,547,896	35,589,463
Vehicle Running & Maintenance	5,801,180	4,354,425
Electricity Expenses	3,057,277	2,961,070
Travelling & Conveyance	13,010,360	16,896,171
Rates, Taxes, Subscription and Fees	5,571,691	7,420,747
Security Service Charges	1,675,997	1,580,936
Printing & Stationery	2,932,012	3,087,843
Audit Fee & others*	1,757,874	1,497,440
Certification Charges	17,415	196,632
Legal & Professional Charges	14,363,755	26,665,436
Repair & Maintenance Office	3,667,497	4,117,820
Insurance Expenses	2,740,757	2,846,871
Postage Expenses	730,018	952,110
Telephone Expenses	3,146,730	3,472,049
Doubtful Debts	0	1,702,184
Misc. Expenses	3,046,051	9,966,516
<b>Total</b>	<b>98,066,510</b>	<b>123,307,713</b>
<b>25. EXTRA ORDINARY ITEMS WRITTEN OFF</b>	<b>0</b>	<b>0</b>
<b>Total</b>	<b>0</b>	<b>0</b>
<b>* Payment to Auditors:</b>		
Statutory Audit Fees	617,980	617,980
Tax Audit Fees	140,450	140,450
Certification Charges	196,632	196,632
<b>Total</b>	<b>955,062</b>	<b>955,062</b>

26. Hind Industries Limited (hereinafter referred to as 'the Holding Company') holds 70.49% shares of Equity Share Capital of Hind Agro Industries Limited (hereinafter referred to as 'the Subsidiary Company'). The Subsidiary Company has been incorporated under Companies Act, 1956 and follows the same financial year and reporting date as Holding Company.

27. In Holding Company, the corporate loan of ₹ 3320.53 lacs from Jammu & Kashmir Bank is secured against property at A-1, Phase -1, Okhla Industrial Area, New Delhi 110 020, Personal Guarantee of Mr. Sirajuddin Qureshi, Mrs. Kiran Qureshi, Mr. Samar Qureshi, Dr. Naseem Qureshi, Corporate Guarantee of M/s Hind Agro Industries Ltd, Guarantee of M/s Islamuddin & Co. and M/s Hind Air Link Pvt Ltd and extended charge on property at 2A, A-Wing, Mittal Tower, Nariman Point, Mumbai of M/s Hind Air Link Pvt Ltd .

28. The current assets, loans and advances are realisable at the value stated in the balance sheet, in the ordinary course of business.

29. Balance under trade payable, trade receivable, loan and advances are subject to confirmation and reconciliation and consequent adjustments thereof.

30. Due to realignment of the value of Trade Receivables, to make it commensurate with the closing exchange rate, Sales & Trade Receivables have accordingly been increased by ₹ 68.55 lacs. (Previous year increase - ₹ 59.71 lacs).

31. The company has given on loan its finished goods inventory at various intervals to its subsidiary company which is subsequently received in due course. In the opinion of the management, the above practice is adopted to have better realisation as per the practice prevailing in the industry.

32. Detailed accounting policies and Notes on Accounts of the Holding and Subsidiary Company are set out in their respective financial statements.

33. There exists no indication for the management to conclude that any of its cash generating units impaired and accordingly no provision for impairment is required to be made in the financial statement.

34. Expenditure incurred on Salboni Project and Energy Project has been amortised as Intangible Assets and are being amortised accordingly over the period of 10 years.

## Notes forming part of the consolidated financial statements for the year ended on 31st March, 2014

### 35. RELATED PARTY DISCLOSURES

Sr. No.	Name of the Related Party	Nature of Relationship	Nature of Transaction	Debit ₹ in lac	Credit ₹ in lac	Balance Amount as on 31.03.2014 (₹ in Lacs)
1.	Al-Mashriq Exports Pvt. Ltd.	i) Company in which KMP* are interested.	i) Rent	NIL	NIL	Debit 10.29
		ii) Company in which Directors are interested.	ii) Business Transactions	260.61	278.00	Debit 321.69
2.	Eatcco Foods Pvt. Ltd.	i) Company in which KMP* are interested.	i) Business Transactions	NIL	NIL	NIL
		ii) Company in which Directors are interested.	ii) Business Transactions	0.04	0.04	NIL
3.	Islamuddin & Company	i) Firm in which KMP* are interested.	i) Rent	11.61	26.97	Credit 8.34
		ii) Firm in which MD is Partner.	ii) Rent	32.92	53.93	Credit 20.13
4.	Hind Air Link Pvt Ltd	i) Company in which KMP* are interested.	i) Business Transactions	NIL	0.01	Credit 2.15
		ii) Company in which Directors are interested.	ii) Business Transactions	91.19	10.00	Credit 3.56
5.	Hind Air Star Pvt Ltd	i) Company in which KMP* are interested.	i) Business Transactions	0.02	0.02	NIL
		ii) Company in which Directors are interested.	ii) Business Transactions	238.55	263.09	NIL
6.	Hind Air Services Pvt Ltd	i) Company in which KMP* are interested.	i) Business Transactions	NIL	NIL	NIL
		ii) Company in which Directors are interested.	ii) Business Transactions	0.07	9.00	Debit 4.38
7.	Fast Trax Food Pvt Ltd	i) Company in which KMP* are interested.	i) Business Transactions	NIL	NIL	NIL
		ii) Company in which Directors are interested.	ii) Raw Material Purchase	568.96	530.14	Debit 15.72
8.	Prime Packaging	Firm in which Directors are interested.	Supply of Packing Material.	45.27	21.49	Debit 40.18
9.	Samar Travels & Cargo Pvt Ltd	i) Company in which KMP* are interested.	i) Business Transactions	NIL	NIL	NIL
		ii) Company in which Directors are interested.	ii) Business Transactions	0.01	24.00	Debit 34.55
10.	Hind Bio-Pharmaceuticals Ltd.	Company in which Directors are interested	Business Transactions	0.02	0.02	Debit 70.00
11.	Integrated Livestock Village Farm Pvt. Ltd.	i) Company in which KMP* are interested.	i) Raw Material Purchase	100.01	832.48	Credit 729.75
		ii) Company in which Directors are interested.	ii) Raw Material Purchase	7096.39	6677.39	Credit 70.50
12.	Aliffa Agro (India) Pvt Ltd.	Co. in which KMP* are interested.	Business Transactions	NIL	NIL	NIL
13.	Hind Live Stock Development Foundation	Society in which Directors are interested	Research & Development	NIL	NIL	Debit 0.66
14.	Hind Infra Engineers Ltd.	Company in which Directors are interested	Business Transactions	3.76	1.36	Debit 34.69
15.	Shri Sirajuddin Qureshi	i) KMP*	i) Remuneration	NIL	38.29	Credit 60.84
		ii) KMP*	ii) Rent	11.62	21.60	Credit 19.32
16.	Mrs. Kiran Qureshi	i) Relative of KMP*	i) Rent	1.20	12.00	Credit 21.60
		ii) Relative of KMP*	ii) Rent	8.10	32.40	Credit 29.16

## Notes forming part of the consolidated financial statements for the year ended on 31st March, 2014

Sr. No.	Name of the Related Party	Nature of Relationship	Nature of Transaction	Debit ₹ in lac	Credit ₹ in lac	Balance Amount as on 31.03.2014 (₹ in Lacs)
17	Dr. S.K. Ranjhan	Director	Consultancy	4.45	4.50	Credit .036
18.	Dr. Naseem Qureshi	KMP*	Remuneration	NIL	7.79	Credit. 15.50
19.	Mr. Samar Qureshi	KMP*	Remuneration	11.60	26.20	Credit 17.87
20.	Mr. R. K. Goel	KMP*	Remuneration	21.46	21.46	NIL

\*KMP = Key Management Personnel

### 36. EARNING PER SHARE

Particulars	2013-2014 ₹	201-2013 ₹
Consolidated Profit after Tax	<b>781.88 lacs</b>	757.85 lacs
Less : Minority Interest	<b>190.35 lacs</b>	177.59 lacs
Balance Profit	<b>591.52 lacs</b>	580.26 lacs
Weighted No. of Shares	<b>8,636,240</b>	863,6240
Consolidated Basic and Diluted Earning per share	<b>6.85</b>	6.72

### 37. CONTINGENT LIABILITIES

i) Claims against the Company not acknowledged as Debt :	NIL	NIL
ii) Guarantees and other contingencies		

	2013-2014 (₹ in lacs)	2012-2013 (₹ in lacs)
a) Given to Associate Company	<b>2610.00</b>	2610.00
b) Given to others	<b>135.50</b>	369.69

### 38. CONSOLIDATED SEGMENT REPORTING

As the company's business activity falls within a significant primary business segment viz. "Meat Products", the disclosure requirements of Accounting Standard -17 (AS-17) "Segment Reporting", issued by the Institute of Chartered Accountants of India are not applicable.

### 39. Amounts due to small scale industrial undertakings / suppliers under the MSME Act, 2006

As per the certificate of representation received from the Company, it has not received any intimation from 'suppliers' regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures, if any, relating to amounts unpaid as at the year end together with interest paid / payable as required under the said Act could not be furnished

### 40. DETAILS OF PURCHASES, SALES AND CLOSING STOCK FOR THE YEAR ENDED 31ST MARCH, 2014

Items	Opening Stock (MT)	Production (MT)	Sales (MT)	Value (₹)	Closing Stock (MT)	Value (₹)
Fresh	Nil (Nil)	860.220 (1,114.190)	860.220 (1,114.190)	337,429,915 (394,535,894)	Nil (Nil)	Nil (Nil)
Frozen	8,435.454 (10,258.604)	43,032.078 (30,779.180)	42,859.534 (32,602.330)	7,847,228,688 (5,489,415,148)	8,607.998 (8,435.454)	1,669,050,398 (1,369,882,044)

(Previous year figures are shown in brackets)

### 41. DETAILS OF RAW MATERIAL CONSUMED

Items	2013-14		2012-13	
	Qty. (M.T.)	Value (₹)	Qty. (MT)	Value (₹)
Fresh	<b>1,394.532</b>	<b>295,285,698</b>	1,256.487	259,082,723
Frozen	<b>56,391.140</b>	<b>7,066,808,806</b>	38,243.567	4,202,294,450



## Notes forming part of the consolidated financial statements for the year ended on 31st March, 2014

Particulars	2013-14 (₹ In lacs)	2012-13 (₹ In lacs)
<b>42. EXPENDITURE IN FOREIGN CURRENCY</b>		
Travelling	12.66	67.48
Commission	97.89	118.64
Advertisement and Exhibition	45.87	57.61
<b>43. VALUE OF IMPORTS</b>		
Value of Imports(CIF Value)	3.76	27.29

<b>44. EARNINGS IN FOREIGN CURRENCY</b>		
FOB Value of Export Goods	48,621.76	56,665.96
<b>45.</b> The Ministry of Corporate Affairs, Government of India, vide General Circular no 2 and 3, dated 8th February, 2011 and 21st February, 2011 respectively has granted a general exemption from compliance with section 212 of the Companies Act, 1956, subject to fulfillment of conditions stipulated in the circular. The company has satisfied the conditions stipulated in the circular and hence is entitled to the exemption.		

**46.** The company shall make available the separate financial statements of the subsidiary to the shareholders of holding and subsidiary company whenever required at any point of time  
Disclosure as required u/s 212 of the Companies Act, 1956:

### PARTICULARS WITH REGARD TO SUBSIDIARY COMPANY

Name of Subsidiary	:	Hind Agro Industries Limited
Country of Incorporation	:	India
Registered Address	:	Central Dairy Farm Complex, Anupshahr Road, Aligarh, (U.P.) - 202 122

Particulars	(Amount in ₹)	
	2013-14	2012-13
1) Share Capital	453,832,700	453,832,700
2) Reserves	840,011,136	775,501,744
3) Total Assets	4,445,743,509	4,908,775,409
4) Total Liabilities	3,151,899,673	3,679,440,965
5) Investment Details	NIL	NIL
6) Turnover	7,365,365,704	7,191,432,742
7) Profit Before Tax	95,702,338	93,696,086
8) Provision for Taxes	37,090,112	37,421,322
9) Proposed Dividend	NIL	NIL

**47.** During the current year, figures of the Subsidiary Company have been rearranged, regrouped to make them comparative with the figures of the Holding Company.

**48.** Previous year's figures have been regrouped / restated wherever considered necessary to make them comparable with current year's figures.

**For and on behalf of the Board**

**As per our report of even date attached  
For & on behalf of**

**SIRAJUDDIN QURESHI**  
Chairman & Managing Director

**DR. NASEEM QURESHI**  
Director

**M. K. AGGARWAL & CO.**  
Chartered Accountants  
FRN - 01411N

**MOHD. ALI SHAUKAT**  
General Manager  
(Finance & Accounts )

**M. S. MALIK**  
Company Secretary

**C. A. (ATUL AGGARWAL)**  
Partner  
Membership No. 099374

Place : New Delhi

Date : 30.05.2014



# HIND INDUSTRIES LIMITED

**Regd Office:** A-1, Phase-1, Okhla Industrial Area, New Delhi-110020

**E-mail:** info@hind.in **Website:** www.hindindustries.net **CIN:** L74899DL1973PLC006667

## ATTENDANCE SLIP

<b>Name</b>	
<b>Address</b>	
<b>Folio No./DP Id-Client Id*</b>	
<b>No. of shares held</b>	

I certify that I am the registered shareholder/proxy for the registered shareholder of the Company.

I/we hereby record my presence at the 41<sup>st</sup> Annual General Meeting of the Company at Bipin Chandra Pal Memorial Bhavan, A-81, Chittaranjan Park, Near Nehru Place, New Delhi - 110019, at 09:30 AM on Friday the 26<sup>th</sup> day of September 2014.

SIGNATURE OF THE ATTENDING MEMBER/PROXY \_\_\_\_\_

THIS ATTENDANCE SLIP, DULY FILLED IN, IS TO BE HANDED OVER AT THE ENTRANCE OF THE MEETING VENUE.





# HIND INDUSTRIES LIMITED

Regd Office: A-1, Phase-1, Okhla Industrial Area, New Delhi-110020

E-mail: info@hind.in Website: www.hindindustries.net CIN: L74899DL1973PLC006667

Form No. MGT-11

## FORM OF PROXY

Pursuant to Section 105 (6) of the Companies Act, 2013 and Rule 19 (3) of the Companies (Management and Administration) Rules, 2014.

<b>Name</b>	
<b>Registered Address</b>	
<b>Email ID</b>	
<b>Folio No./DP ID Client ID**</b>	
<b>No. of Share held</b>	

\*Applicable for investors holding shares in Electronic form.

I/We, being the member(s) of \_\_\_\_\_ shares of the above named Company, hereby appoint

1. Name:  
Address:  
E-mail Id:  
Signature: \_\_\_\_\_, or failing him/ her
2. Name:  
Address:  
E-mail Id:  
Signature: \_\_\_\_\_, or failing him/ her
3. Name:  
Address:  
E-mail Id:  
Signature:

as my/our proxy to vote for me/us and my/our behalf at the 41<sup>st</sup> Annual General Meeting of the Company at Bipin Chandra Pal Memorial Bhavan, A-81, Chittaranjan Park, Nr. Nehru Place, New Delhi - 110019, at 09:30 AM on Friday the 26<sup>th</sup> day of September 2014 or at any adjournment thereof In respect of such resolutions as are indicated below:

Resolution No.	Subject Matter of Resolution	Options	
		For	Against
	<b>Ordinary Business</b>		
1.	Adoption of Balance Sheet and Profit & Loss Account for the Year ended on 31 <sup>st</sup> March, 2014.		
2.	Declaration of Dividend on Equity Shares for the Year ended on 31 <sup>st</sup> March, 2014.		
3.	Re-appointment of Dr. Naseem Qureshi, Director, who retires by rotation.		
4.	Re-appointment of M/s M. K. Aggarwal & Co., Chartered Accountants as Statutory Auditors and fixing their remuneration.		
	<b>Special Business</b>		
5.	Appointment of Mr. B. B. Gupta as Independent Director.		
6.	Appointment of Mr. B. B. Huria as Independent Director.		
7.	Appointment of Dr. S. K. Ranjhan as Independent Director.		
8.	Re-appointment of Mr. Sirajuddin Qureshi as Chairman & Managing Director for a period of Three Years with same Remuneration as detailed in the Resolution.		
9.	Special Resolution under Section 180(1)(c) of the Companies Act, 2013, for authorizing the Board of Directors to Borrow Monies upto ₹300 Crores over and above the paid-up share capital and free reserves of the Company.		
10.	Special Resolution under Section 180(1)(a) of the Companies Act, 2013, for authorizing the Board of Directors to Mortgage and/or Charge the Assets of the Company against Monies Borrowed upto ₹300 Crores.		

Signed this..... day of ..... 2014

Affix a revenue stamp of not less than ₹ 1/-

**NOTE:**

1. This form of proxy in order to be effective should be duly completed, signed and stamped must be deposited at the Registered Office of the Company not less than 48 Hours before the time for holding the aforesaid Meeting.
2. The Proxy need not be a Member of the Company.
3. It is optional to put 'X' in the appropriate column against the Resolution indicated in the Box. If you leave the For/ Against Boxes blank against any or all resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.

**BOOK-POST**

*If undelivered please return to:*



**Hind Industries Limited**

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