

**38th Annual Report
2010 - 2011**



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 (w.e.f 12 August, 2011)

CHIEF EXECUTIVE OFFICER	Mr. Anil Vanjani
CHIEF FINANCIAL OFFICER	Mr. R. K. Goel
GENERAL MANAGER (F & A)	Mr. Mohd. Ali Shaukat
COMPANY SECRETARY	Mr. Samar Bhatia
BANKERS	Indian Bank State Bank of Hyderabad Bank of India J & K Bank
AUDITORS	M/s. M. K. Aggarwal & Co. Chartered Accountants
REGISTERED OFFICE	A-1, Phase-I, Okhla Industrial Area, New Delhi - 110 020 Phone: 011-26372786-92. (7 Lines) Fax: 011-26817941-42. (2 Lines) Email: info@hind.in
WORKS	B-42, Site IV, Industrial Area, Sahibabad, Distt. Ghaziabad (U.P.) - 201010 Phone: 0120-4397750 Fax: 0120-2895341

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NOTICE

NOTICE IS HEREBY GIVEN THAT THE 38TH ANNUAL GENERAL MEETING OF THE MEMBERS OF THE COMPANY WILL BE HELD ON MONDAY, THE 26TH DAY OF SEPTEMBER, 2011, AT 9.30 A.M. AT A-81, BIPIN CHANDRA PAL MEMORIAL BHAVAN, CHITTARANJAN PARK, NEW DELHI- 110 019, TO TRANSACT THE FOLLOWING BUSINESS:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March 2011 and the Profit & Loss Account of the Company for the year ended on that date together with the Directors' and Auditors' Reports thereon.
2. To appoint a Director in place of Dr. Naseem Qureshi, who retires by rotation and being eligible, offers himself for re-appointment.
3. To declare dividend on the Equity Shares.
4. To appoint the Auditors of the Company to hold the office from the conclusion of this meeting until the conclusion of next Annual General Meeting of the Company and to fix their remuneration.

SPECIAL BUSINESS:

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

“Resolved that pursuant to the provisions of Section 257 and other applicable provisions, if any, of the Companies Act, 1956, Dr. S. K. Ranjhan be and is hereby appointed as a Director of the company liable to retire by rotation.”

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

“RESOLVED THAT pursuant to the provisions of Section 198, 269, 309, 310 read with Schedule XIII and all other applicable provisions, if any, of the Companies Act, 1956, including any statutory modification or re-enactment thereof, for the time being in force and subject to approval of Central Government and such other approvals and sanctions, if required, and as per the approval and recommendation from the Remuneration Committee, the consent of the company be and is hereby accorded for the re-appointment of Mr. Sirajuddin Qureshi, the Chairman & Managing Director of the Company for the period of five years i.e. from 06th August, 2011 to 05th August, 2016, as per the details set out hereunder:

(i) **Salary:**

Salary of Rs.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 XIII and other applicable provisions, if any, of the Companies Act, 1956, 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."

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

PLACE: NEW DELHI
DATE: 12.08.2011

SAMAR BHATIA
Company Secretary

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

NOTES:

- 1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ALSO ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON HIS/HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE, MUST REACH AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE MEETING A PROXY FORM IS ATTACHED HEREWITH.**
2. The Register of Members and Share Transfer Books of the Company will remain closed from Monday, 19th September, 2011 to Monday, 26th September, 2011 (both days inclusive).
3. Pursuant to the directions of the Securities Exchange Board of India (SEBI), trading in the shares of your company is in compulsory de-materialized form. Members who have not yet got their shares de-materialized, are requested to opt for the same in their own interest and send their share certificates

through Depository Participant(s) with whom they have opened the de-materialization account.

4. Members are requested to intimate to the Company/Registrar changes, if any, in their registered addresses along with Pin Code Number.
5. Members/Proxies should bring the attendance slip duly filled in for attending the meeting.
6. As a measure of economy, distribution of copies of the Annual Report at the Annual General Meeting shall not be made. Therefore, Members are requested to bring their copies of the Report to the meeting.
7. As per the green initiatives taken by the Ministry of Corporate Affairs it is imperative to protect the environment by conserving the natural resources hence members are advised to kindly provide their email addresses so that the Annual Report and other correspondence with them may be furnished in electronic form in future.
8. Members who hold shares in dematerialized form are requested to write their DP ID and Client ID numbers and those who hold shares in physical form are requested to write their Folio Numbers in the attendance slip for attending the meeting.
9. Shareholders seeking any information with regard to accounts are requested to write to the company well in advance so as to reach the company atleast 7 days prior to the annual general meeting and to enable the management to keep information ready at the AGM.
10. Those Members who have not yet claimed their dividend for the financial year 1997-98 are further notified that they should claim the same as soon as possible, since after completing 7 years from becoming unpaid it will be transferred in June, 2013 into the 'Investors Education and Protection Fund' and after such transfer claim cannot lie against the company or Fund.

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

PLACE: NEW DELHI
DATE: 12.08.2011

SAMAR BHATIA
Company Secretary

EXPLANATORY STATEMENT

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

ITEM NO. 5

To further Broadbase and professionalize the Board of the company, Dr. S. K. Ranjhan has been appointed as the Additional Director, with effect from 12th August, 2011. The term of office of the aforesaid Director expires at the ensuing Annual General Meeting.

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

the Company will be greatly benefited by his rich experience and professional approach.

The Company has received notice under section 257 of the Companies Act, 1956 along with the prescribed deposits proposing the appointment of Dr. S. K. Ranjhan as the Director of the Company.

Board recommends the passing of resolutions at point no.5 as Ordinary Resolution.

None of the Directors, shall be considered to be interested and/or concerned in the passing of said resolution except to the extent of her/his Shareholding in the Company.

ITEM NO. 6

Members are hereby informed that Mr. Sirajuddin Qureshi (aged 63) was re-appointed as the Chairman and Managing Director of the Company for a period of three years effective from 06.08.2008 to 05.08.2011 on the remuneration as recommended by the Remuneration Committee in its meeting held on 30th August, 2008 and confirmed by the Board of Directors in its meeting held on 30th August, 2008 and by the Shareholders in the Annual General Meeting held on 30th September, 2008.

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 recommendation of the Remuneration Committee, the Board of Directors have considered and resolved to re-appoint him for a period of five years w.e.f. 06th August, 2011 to 05th August, 2016, on such terms and conditions as set out in the resolutions passed in their respective meetings, subject to the necessary approvals including members of the company at the ensuing Annual General Meeting of the Company and Central Government.

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 302 of the Companies Act, 1956.

As required under the Schedule XIII of the Companies Act, 1956, 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.

INFORMATION REQUIRED TO BE FURNISHED UNDER THE LISTING AGREEMENT AND SCHEDULE XIII OF THE COMPANIES ACT, 1956.

As required under the Listing Agreement and Schedule XIII of the Companies Act, 1956, the particulars of Directors who are proposed to be appointed/re-appointed, are given below:

Name	Dr. Naseem Qureshi
Age	47 Years
Qualification	B.Sc., BUMS.
Expertise	Dr. Naseem Qureshi, the brother of Mr. Sirajuddin Qureshi-Chairman & Managing Director and brother-in-law of Mrs. Kiran Qureshi-Director, has nearly two decades of valuable experience in the various areas of industry specially procurement of raw material, production and export of meat and meat products. He has worked for the company as its Vice President for about four years and has been associated with Hind Agro Industries Ltd., the subsidiary of the company, as President for the last eight years.
Other Directorships	Hind Infra Engineers Ltd. Agriotek Foods Ltd.
Name	Dr. S. K. Ranjhan
Age	76 Years
Qualification	M.V.Sc., MS (USA), PHD., D.Sc., Fellow-NAVS.
Expertise	More than four decades of rich experience in various areas of livestock development and industry. He has been an ex-consultant of World Bank and is considered to be an authority on veterinary sciences and buffalo rearing. He has authored several books, journals and articles on veterinary sciences.

He is one of the distinguished Directors on the Board of Hind Agro Industries Ltd., the subsidiary of the company, since long time.

Other Directorships

Hind Agro Industries Ltd.
Hind Bio-pharmaceuticals Ltd.
Appropriate Technology India
Hind Techno Consultants Pvt. Ltd.

Name

Mr. Sirajuddin Qureshi

Age

63 Years

Qualification

BA., LL.B.

Expertise

Mr. Sirajuddin Qureshi is the core promoter of Hind Industries Ltd. and has been associated as the Chairman & Managing Director of the company since beginning. He has a vast experience of the various areas of meat export industry and is a coveted member of various prestigious Government and Non-Government Bodies of Commerce and Industry. He has been honored with several awards and recognitions from the Government of India for his contributions to the Export Industry.

He is also acting as the Managing Director of Hind Agro Industries Ltd., the subsidiary of the company, since its commencement.

Other Directorships

Hind Agro Industries Ltd.
Hind Bio-pharmaceuticals Ltd.
Hind Infra Engineers Ltd.
Agriotek Foods Ltd.
Jamia Co-operative Bank Ltd.
National Small Industries Corporation Ltd.

I. General Information: (1) Nature of Industry: (2) Date or expected date of commencement of commercial production: (3) In case of new companies, expected date of commencement of activities as per project approved by financial Institutions appearing in the prospectus: (4) Financial performance based on given indicators: (5) Export performance and net foreign exchange collaborations: (6) Foreign investments or collaborators, if any:	Manufacturing & Export 01.01.1990 Not Applicable <p style="text-align: right;">(Rs. In Lacs)</p> <table border="1"> <thead> <tr> <th>Parameters</th> <th>2010-11</th> <th>2009-10</th> <th>2008-09</th> </tr> </thead> <tbody> <tr> <td>Turnover</td> <td>13837</td> <td>12245</td> <td>11796</td> </tr> <tr> <td>Net Profit/ (Loss) as per P&LA/c</td> <td>194</td> <td>197</td> <td>104</td> </tr> </tbody> </table> <p style="text-align: right;">(Rs. In Lacs)</p> <table border="1"> <thead> <tr> <th>Parameters</th> <th>2010-11</th> <th>2009-10</th> <th>2008-09</th> </tr> </thead> <tbody> <tr> <td>Exports</td> <td>13170</td> <td>11917</td> <td>11278</td> </tr> <tr> <td>FOB Value</td> <td>11561</td> <td>10427</td> <td>9769</td> </tr> </tbody> </table> NIL	Parameters	2010-11	2009-10	2008-09	Turnover	13837	12245	11796	Net Profit/ (Loss) as per P&LA/c	194	197	104	Parameters	2010-11	2009-10	2008-09	Exports	13170	11917	11278	FOB Value	11561	10427	9769
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II. Information about the Appointee: (1) Background details:	The proposed appointee i.e. Mr. Sirajuddin Qureshi, has been working as the Chairman & Managing Director and is the core promoter of the Company. He is discharging the overall responsibilities of the affairs of the Company through Marketing, Finance, and Production to Exports and overall management of the Company.																								

(2) Past remuneration:	2010-11 Rs.34,91,567/- 2009-10 Rs.33,86,405/- 2008-09 Rs.34,89,286/-
[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.
[5] Remuneration proposed:	Basic Salary: Rs.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.6 of the Notice contained in this Annual Report.
[6] Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin):	No comparative figures are available of the industry as such, but the remuneration package is in consonance with the profile of the Appointee, position, industry and size of the Company. The Appointee is not an expatriate.
(7) Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personal, if any:	The Appointee does not have any pecuniary relationship with the Company. He is a relative of Mrs. Kiran Qureshi and Dr. Naseem Qureshi, Directors in the Company.
III. Other information:	
(1) Reason of loss or inadequate profits.	The Company has managed to achieve only a Net Profit After Tax of Rs.254.21 Lacs during the financial year 2010-11, due to appreciation of Indian Rupee vis-à-vis United States Dollar.
(2) Steps taken or proposed to be taken for improvement.	The company is making its regular efforts for the improvement in its production and sales volume.
[3] Expected increase in productivity and profits in measurable terms.	The company is expected to increase its productivity and profits by about 20% in the next financial year.

IV. Disclosures:

- (1) The shareholders of the company are being informed of the remuneration package of Mr. Sirajuddin Qureshi-Chairman and Managing Director, at point no. 6 of the Notice contained in this Annual Report.
- (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: -
 - (i) All elements of remuneration package such as salary, benefits, bonuses, stock options, pension, etc. of all the Directors:
The Company is not paying any remuneration to any other Director of the Company.
 - (ii) Details of fixed and performance linked incentives along with the performance criteria:
All elements of the remuneration package of the Appointee are defined in the Special Resolution at point no.6 of the Notice as contained in this Report.
 - (iii) Service contracts, notice period, severance fees:
No separate service contract executed by the Company with the proposed Appointee.
 - (iv) Stock option details, if any, and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable:
Nil.

DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting the Thirty Eighth 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, 2011.

Financial Results:

The Financial Highlights of the Company for the financial year ended on March 31st, 2011 are as under:

Particulars	<i>(Amount in Lac Rs.)</i>	
	2010-11	2009-10
Sales	13837.40	12245.36
Other Income	117.23	188.33
Profit before Depreciation, Interest and Tax {PBDIT}	1336.04	1108.54
Profit/(Loss) before Taxes {PBT}	362.15	247.54
Less- Tax for current year	162.88	126.36
Less- Tax for Earlier years	0.00	(83.43)
Add- Deferred tax asset /(liability)	54.93	43.33
Profit/(Loss) after Taxes {PAT}	254.21	247.95
Surplus/(Loss) Carried to Balance Sheet	4713.44	4519.65

Performance:

During the financial year 2010-11, your Company again achieved the highest ever turnover of Rs.138.37 Crores as against Rs.122.45 Crores in the previous year 2009-10, thereby showing an increase of 13.00%. The Profit before tax (PBT) of the Company during the financial year 2010-11 stood at Rs.3.62 Crores as against Rs.2.48 Crores in the previous financial year 2009-10, which is an increase of 45.97%. The Net Profit after tax (PAT) of the Company during the financial year 2010-11 stood at Rs.2.54 Crores as compared to Rs.2.48 Crores in the previous year.

The Company has made a satisfactory progress in the first quarter of this current financial year 2011-12 and has achieved a turnover of around 28.77 Crores in the quarter ended on 30th June, 2011.

Your Directors are pleased to inform you that the Company has made full and final payment to IFCI Ltd. of all loans under the 'Negotiated Settlement of Dues' during the year under review.

Profitability:

During the year under review the profitability of the company is static in comparison to the corresponding

financial year. The company could be able to maintain the profitability at par mainly due to better efforts to control the cost of raw material.

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 an integrated abattoir-cum-meat processing plant at Aligarh (U.P.), achieved Total Sales Turnover Rs.701.37 Crores and Profit before taxes (PBT) of Rs.9.30 Crores for the year ended 31st March, 2011, as compared to the Total Sales Turnover of Rs.686.13 Crores and the Profit before taxes (PBT) of Rs.9.34 Crores in the previous year 2009-10. A copy of the Directors' Report, Auditors' Report, Balance Sheet and Profit & Loss A/c of the Subsidiary Company for the financial year ended on 31st March, 2011 are attached herewith for your perusal.

Directors are pleased to inform that your Subsidiary company has also repaid all loans taken from IFCI & IDBI, during the year under review.

Dividend:

The Board considering the Company's performance on achieving the highest ever turnover for the year under review, has recommended payment of dividend @ 6% for the year ended 31st March, 2011, subject to the approval of Members at the ensuing Annual General Meeting.

Current year's outlook:

Your Company is expected to improve further and consolidate its operations in the ongoing financial year i.e.2011-12, by making increase in volumes, reduce financial and other costs, monitoring and controlling a better mix of its products and markets towards achieving the better top and bottom lines in the years to come.

The Company has already commenced the commercial production w.e.f. 25th March, 2010 in the factory of High Security Registration Number Plate (HSRNP). The said project at Baddi, in the State of Himachal Pradesh is now commissioned and the company is applying for tenders in various states.

The Company has also diversified its activities into the power generation and natural resources field. 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 form part of this Annual Report.

Deposits:

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

Capital Structure:

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

Listing Agreement Compliance:

The securities of the Company are listed with the Bombay Stock Exchange Limited, Mumbai. The Calcutta Stock Exchange Association Limited has not conveyed its formal approval for de-listing of the shares of the Company, as earlier agreed and resolved by the Company. The Company has been complying with the Listing Agreement and has already made the payment of listing fees for the Financial Year 2011-12, to the Bombay Stock Exchange Limited, 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 (SEBI) Corporate Governance practices and have implemented all the major stipulations prescribed. A separate section on Corporate Governance and the Certificate from the Auditors of the Company regarding compliance of the conditions of Corporate Governance forms part of this Annual Report.

Insurance:

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

Directors:

In accordance with the provisions of section 256 of the

Companies Act, 1956 and Article No. 147 of the Articles of Association of the Company, 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. During the period under review, nomination of Mr. Dinesh Sharma, Nominee Director-IFCI has been withdrawn by IFCI. Board places on record its appreciation for the valuable guidance provided by Mr. Dinesh Sharma during his tenure as Director of the Company.

Dr. S. K. Ranjhan is being appointed as the Additional Director of the Company by the Board in its meeting held on 12th August, 2011, his appointment being valid till the ensuing Annual General Meeting, is proposed to be regularized under section 257 of the Companies Act, 1956.

The term of appointment of Mr. Sirajuddin Qureshi as the Chairman & Managing Director, has expired on 05th August, 2011. He shall be re-appointed for a further period of five years w.e.f. 06th August, 2011 to 05th August, 2016, by passing a special resolution of the shareholders in the ensuing Annual General Meeting of the Company.

The Board recommends for the respective re-appointments of Dr. Naseem Qureshi, Dr. S. K. Ranjhan and Mr. Sirajuddin Qureshi.

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 224(1B) of the Companies Act, 1956 and they are not disqualified for such re-appointment within the meaning of section 226 of the said Act.

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

Auditor's Report:

The observations of the Auditors in the Auditor's Report on the Annual Accounts for the year 2010-11, are explained and clarified as under:

– Explanation to Point No. 4 of the Auditor's Report and Point No. C.8 of the Notes forming part of accounts to the Auditor's Report:

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

Particulars of Employees:

Since there is no employee drawing a remuneration more than Rs.60,00,000 per year or Rs.5,00,000/- per month the provisions of section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of employees) rules 1975 does not apply.

Particulars of Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo:

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

Directors' Responsibility Statement:

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

- (i) that in the preparation of the Annual Accounts for the Financial Year ended 31st March, 2011, 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;

- (iv) that the Directors had prepared the Accounts for the Financial Year ended 31st March, 2011, on a 'going concern' basis.

Personnel:

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

Acknowledgements:

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

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

PLACE: NEW DELHI
DATE: 12.08.2011

SIRAJUDDIN QURESHI
CHAIRMAN & MANAGING DIRECTOR

ANNEXURE TO THE DIRECTORS' REPORT

Form "B"

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

(See Rule 2)

A) CONSERVATION OF ENERGY:

Following activities were undertaken to save / conserve 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 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
a) Purchased units (KWH)	—	—
Total amount (Rs.)	—	—
Average rate/unit (Rs.)	—	—
b) Own generation through diesel generator set		
Units of electricity	45,55,374	47,84,197
Total cost (Rs.)	4,91,90,363/-	4,58,06,945/-
Cost per unit of electricity (Rs.)	10.80	9.57
c) Furnace Oil (Boiler)		
Ltrs	5,37,949	2,37,375
Cost in Rs.	1,58,44,727	66,31,662/-
Rate / Litre (Rs.)	29.45	27.94
d) High Speed Diesel Oil (Boiler)		
Ltrs	83,078	1,06,419
Cost in Rs.	29,28,488	33,92,421/-
Rate / Litre (Rs.)	35.25	31.88

Consumption per unit of production:
Fresh & Frozen Meat:

(Per K.G.)

Particulars	Current Year	Previous Year
Energy (in Units)	0.575	0.652

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 **Rs.1,15,61,49,368/-** (FOB Value) during the financial year 2010-11 (Previous year Rs.1,04,26,74,663/-), by way of exports and the foreign exchange outgo during the same period was **Rs. NIL**.

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

 PLACE: NEW DELHI
DATE: 12.08.2011

SIRAJUDDIN QURESHI
CHAIRMAN & MANAGING DIRECTOR

MANAGEMENT DISCUSSION AND ANALYSIS

OVERVIEW

Fiscal 2010-11 witnessed the global economy largely shaking off the effects of the economic and financial crisis and starting on the road of recovery. Nevertheless, economic growth in the industrialized nations was below average compared with the performance seen after previous economic slumps, with only Asia, particularly India and China seeing above-average momentum. The Financial Year 2010-11 faced headwinds such as the Euro-zone debt crisis, political upheaval in Middle East and the twin catastrophes of earthquakes and tsunami striking Japan. The Indian economy continues to be on a strong growth trajectory with CSO (Central Statistical Office) estimating a growth of 8.6% in real GDP for 2010-11 fiscal as compared to a 8% growth for 2009-10 fiscal. Although GDP remained strong, high levels of inflation throughout the year played spoilsport, oscillating within a band of 11% to 8%. This led to several rounds of interest rate hikes by the Reserve Bank of India to curb inflation and prevent overheating of the economy. This led to an increase in financial costs during the fiscal 2010-11. 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 2010-11 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 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.2010-11), as compared to the previous year (i.e.2009-10), there has been increase in the Total Production and increase in the Sales Value made by the Company.

2.1 PRODUCTION AND CAPACITY UTILISATION

Production achieved during the year under review is 7919.615 M.T. as compared to 7343.224 M.T. during the previous year, which shows an increase of 7.85% over the previous year. The capacity utilization as a percentage of installed capacity increased slightly from 29.37% to 31.68% over the same period.

2.2 SALES TURNOVER

The Company achieved highest ever turnover of Rs.138.37 Crores during the year 2010-11, as compared to Rs.122.45 Crores during the previous year 2009-10.

3. FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

3.1 Raw Materials and Packing Cost

The Raw Material Consumed to Sales is 69.99% during the year under review as compared to 70.75% in the previous year. The Consumption of Packing Material Cost to Sales decreased to 0.82% in the year 2010-11, from 1.10% in the year 2009-10.

3.2 Interest Cost

The Financial Cost in the year 2010-11 was at Rs.6.92 Crores as against Rs.5.96 Crores in 2009-10.

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, enjoys 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.

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.
- The increase in the rate of INR (Indian Rupee) in comparison with the USD (US Dollar) is the primary concern as the company is billing to its overseas customers in USD.
- Political unrest in the importing country.

5. HIGH SECURITY REGISTRATION PLATE PROJECT

The Commercial Production for the High Security Registration Plate was commenced

from 25th 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 Industries Limited, bagged work order from Chennai Municipal Corporation for constructing, operating and maintaining of Modern Slaughter House at Perambur, Chennai on Design, Build, Operate and Transfer (DBOT) basis. The construction is nearly completed and the Commercial Production is expected to start in the year 2011-12.

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 9% in the fiscal 2011-12. With 56.6% 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 Egypt, your company is hopeful that the Financial Year 2011-12 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.
- Appreciation in 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. The services of an independent Chartered Accountant firm, i.e. M/s. Sekhon & Co., have also been taken to add more emphasis to the internal/ concurrent audits of the Company. 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 infrastructure resources like, 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 OF DIRECTORS

PLACE : NEW DELHI
DATE: 12.08.2011

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 2010-2011, as per the format prescribed by SEBI and incorporated in the revised 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, 63 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 30 years 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 from Northern India in its field.

Mrs. Kiran Qureshi, 61 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, 47 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 ten years.

Mr. B. B. Gupta, 64 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, 67 years, B.Sc., M.S. (Mechanical Engineering), Diploma in Russian-English Translation & Interpretation, Peoples' Friendship University, Moscow, is an Ex-Chief General Manager of IFCI Ltd. He has 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, 76 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 4 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. 2010-11). The meetings were held on 30th April, 2010, 14th August, 2010, 12th November, 2010 and 12th February, 2011. 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 Directorships#
		Board Meeting	Annual General	Committee Meeting	Chair-Membership	
Mr. Sirajuddin Qureshi	Chairman & Managing Director	3	Yes	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	3	Nil	2
Mr. B. B. Gupta	Independent	4	Yes	2	2	Nil
Mr. Dinesh Sharma^	Independent	4	No	2	Nil	Nil

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

#This excludes directorships held in Private Limited Companies.

^ Nomination of Mr. Dinesh Sharma was withdrawn by IFCI Limited w.e.f. 24th May, 2011.

Shareholding of Directors in the Company

(As on 31.03.2011)

S. No.	Name of the Director	No. of Equity Shares of Rs.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 Director

Dr. Naseem Qureshi, Director shall retire by rotation at the ensuing Annual General Meeting and is eligible for re-appointment. His brief resume has been provided in the Notice.

Dr. S. K. Ranjhan, Director was appointed as Additional Director by the Board in their meeting held on 12th August, 2011. The term of Dr. S. K. Ranjhan will expire at the ensuing Annual General Meeting. The Company has received notice under section 257 of the Companies Act, 1956 along with the prescribed deposits proposing the appointment of Dr. S. K. Ranjhan as the Director of the Company.

Re-appointment of Chairman & Managing Director

Since the term of appointment of Mr. Sirajuddin Qureshi, Chairman & Managing Director has been expired on 05th August, 2011. Keeping in view of his long cherishing experience it would be in the great interest of the business of the company to reappoint him for further period. His reappointment shall be approved at the ensuing Annual General Meeting and his brief resume and other detail has 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 2010-11

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 2010-11."

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

PLACE: NEW DELHI
DATE: 12.08.2011

SIRAJUDDIN QURESHI
CHAIRMAN & 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 (w.e.f. 12th August, 2011)

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 revised 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 amended 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 2010-11, the Committee met four times on 30th April, 2010, 14th August, 2010, 12th November, 2010 and 12th February, 2011. The attendance of the members of the Committee in the meetings is as under:

Name	No. of Meetings during the Year (2010-11)	
	Held	Attended
Mr. B. B. Gupta	4	4
Mr. B. B. Huria	4	4
Mr. Dinesh Sharma*	4	4

*Nomination of Mr. Dinesh Sharma was withdrawn by IFCI Limited from 24th May, 2011.

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 recommends 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 2010-11, 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 (w.e.f. 12th August, 2011)

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 the 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 2010-11, the committee met once on 14th August, 2010 and all the members attended the meeting. The Committee discussed the following complaints received during the period regarding Dematerialization of shares and Issue of Duplicate Share Certificates 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 dematerialization of shares.	1	1	Nil
With regard to Issue of Duplicate Shares Certificates.	1	1	Nil
Total	2	2	Nil

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 (w.e.f. 12th August, 2011)

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 2010-11, the committee could not meet, since there was no matter to be discussed by the committee.

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, 2011 of the Chairman and Managing Director of the Company is as under:

(Amount in Rs.)

Name of the Director	Salary, Allowances and Perquisites			
	Salary	Allowances & Perquisites	P. F.	Commission
Mr. Sirajuddin Qureshi	18,00,000/-	13,05,000/-	9,360/-	3,86,567/-

Compensation/Fees paid to Non-Executive Directors

The Company is making payment to the Non-Executive Directors by way of sitting fees only 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. Two Independent Director on the Board of Directors of the Company, namely Mr. B. B. Huria and Dr. S. K. Ranjhan are also 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 the CFO-Hind Group as the CFO for the limited

purpose of compliance under the Listing Agreement. The CEO and CFO 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. Samar Bhatia, Company Secretary is designated as the Compliance Officer for the compliance of the Listing Agreement, SEBI Rules & Regulation 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
35 th AGM	30.09.2008	9.30 A.M.	Seble Hall, Main Mathura Road, Badarpur, New Delhi-110044
36 th AGM	30.09.2009	9.30 A.M.	Same as above.
37 th AGM	24.09.2010	9.30 A.M.	A-81, Bipin Chandra Pal Memorial Bhavan, 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. None of the resolution placed before the previous AGMs required a postal ballot under section 192A of the Companies Act, 1956. Hence, there are no such resolutions which are proposed to be passed by Postal Ballot in the ensuing Annual General Meeting.

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 C.2 of Schedule 21 of the annual accounts with the Company for the year ended on 31st March, 2011.

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 Bombay Stock Exchange 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.
- (d) The Company has e-mail addresses, which are as under: info@hind.in & investors@hind.in

7. GENERAL SHAREHOLDERS INFORMATION

(a) ANNUAL GENERAL MEETING

DATE	: September 26th, 2011
DAY	: Monday
TIME	: 9.30 A.M.
VENUE	: A-81, Bipin Chandra Pal Memorial Bhavan, Chitranjan Park, Near Nehru Place, New Delhi-110019

(b) FINANCIAL CALENDAR

Financial reporting for the	
Quarter ending June 30, 2011	: July-August, 2011
Quarter ending September 30, 2011	: Oct.-Nov., 2011
Quarter ending December 31, 2011	: January-Feb., 2012
Quarter ending March 31, 2012	: April-May, 2012

(c) DATE OF BOOK CLOSURE

Monday, the 19th September, 2011 to Monday, the 26th September, 2011 (both days inclusive).

(d) LISTING ON STOCK EXCHANGES

1. The Bombay Stock Exchange Limited, Mumbai,
2. The Calcutta Stock Exchange Association Ltd., Kolkata.

(e) STOCK CODE

526307 (BSE)

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

INE675B01019

(g) MARKET PRICE DATA (FINANCIAL YEAR 2010-2011)

The monthly high/low prices and volume of shares of the company traded on BSE from April, 2010 to March, 2011 are given below:

MONTH & YEAR	OPEN RS.	HIGH RS.	LOW RS.	CLOSE RS.	NO. OF SHARES	NO. OF TRADES
April 10	26.45	30.90	23.65	26.70	72186	526
May 10	27.00	29.95	24.05	25.45	134033	550
June 10	25.95	29.30	23.05	27.30	105947	612
July 10	26.00	34.25	26.00	31.75	209848	997
August 10	31.00	47.10	29.80	42.75	1098524	6086
Sept. 10	43.00	54.00	39.00	48.45	1051722	7248
Oct. 10	49.05	95.00	48.00	78.45	1681573	13541
Nov. 10	80.45	104.20	68.60	71.90	1018288	8636
Dec. 10	71.00	79.00	58.55	63.15	164719	1309
Jan. 11	64.00	69.10	54.20	54.30	70492	1062
Feb. 11	51.65	56.85	43.00	49.25	36612	549
March 11	51.65	53.00	45.75	51.05	64784	493

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 LIMITED)
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 once in a fortnight 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 21 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 Bombay Stock Exchange Ltd. within stipulated time.

(j) SHAREHOLDING PATTERN AND DISTRIBUTION OF SHARES AS ON 31ST MARCH, 2011:
(A) SHAREHOLDING PATTERN

Category	No. of Shares	% of Total
Promoters	3577200	41.42
Directors & Relatives	101450	1.18
Financial Institutions	254400	2.95
Nationalized Banks	200	0.00
Mutual Funds	10100	0.12
Bodies Corporate	823240	9.53
Indian Public	3758783	43.52
NRI's/OCB's	110867	1.28
Total	8636240	100.00

(B) DISTRIBUTION OF SHAREHOLDING

Slab	Shareholders		Shares Held	
	No.	Percentage	No.	Percentage
Upto 500	8043	93.86	988992	11.45
501-1000	272	3.17	213534	2.47
1001-2000	102	1.19	150449	1.74
2001-3000	27	0.32	67061	0.78
3001-4000	21	0.25	72327	0.84
4001-5000	23	0.27	107978	1.25
5001-10000	27	0.32	193520	2.24
10001 and above	54	0.63	6842379	79.23
Total	8569	100.00	8636240	100.00

(k) LIQUIDITY AND DEMATERIALIZATION OF SHARES

The shares of the Company are compulsorily tradable in dematerialized form from January 2002, in rolling settlement segment of Bombay Stock Exchange, as per the Notification issued by the Securities and Exchange Board of India. The Company has dematerialized 50,82,115 nos. of equity shares as on 31st March, 2011 and 51,20,433 nos. of shares upto 08th August, 2011 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: 0120-4397750
Fax: 0120-2895341

(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. (2 Lines).
E-mail: info@hind.in

ON BEHALF OF THE BOARD OF DIRECTORS

PLACE : NEW DELHI
DATE: 12.08.2011

SIRAJUDDIN QURESHI
CHAIRMAN & MANAGING DIRECTOR

AUDITOR'S CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE UNDER CLAUSE 49 OF THE LISTING AGREEMENT(S)**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, 2011, as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchanges.

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 31st March, 2011, 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)**

Sd/-

**C.A. ATUL AGGARWAL
PARTNER
(M.NO.99374)**

PLACE : NEW DELHI
DATE : 12.08.2011

AUDITORS' REPORT

To

The Members of

HIND INDUSTRIES LIMITED

1. We have audited the attached Balance Sheet of HIND INDUSTRIES LIMITED as at March 31, 2011 and the Profit and Loss account and also the cash flow statement for the year ended on that date, annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's report) Order, 2003 issued by the Central Government of India in terms of Section 227(4A) of the Companies Act, 1956, we enclose in the Annexure hereto, a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. *Provision for Sundry Debtors and advances to suppliers pending adjustment.*
(Refer Note C.8 of Notes forming part of Balance Sheet.)
5. Further to our comments in the Annexure referred to in paragraph (3) above, we report that :
 - i. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - ii. 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;

- iii. The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
- iv. In our opinion, the Balance Sheet and Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the mandatory accounting standards referred to in Section 211(3C) of the Companies Act, 1956.
- v. On the basis of the written representations received from the Directors of the Company, as on March 31st, 2011 and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on March 31st, 2011 from being appointed as a Director in terms of Section 274(1)(g) of the Companies Act, 1956.
- vi. Subject to para (4) above and, in our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with significant accounting policies and subject to other notes give the information as required by the Companies Act, 1956, 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 Company as at 31st March, 2011;
 - b) In the case of the Profit and Loss Account, of the profit for the year ended on that date; and
 - c) in the case of Cash Flow Statement, of the cash Flow of the company for the year ended on that date.

For M.K.AGGARWAL & CO.
Chartered Accountants
(FRN - 01411N)

C. A. ATUL AGGARWAL
PARTNER
(M. NO. 99374)

PLACE : NEW DELHI
DATE : 12.08.2011

ANNEXURE TO AUDITOR'S REPORT

(Referred to in paragraph [3] of our report of even date)

- I) In respect of its fixed assets:
 - a. The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.
 - b. As informed to us, most of the fixed assets have been physically verified by the management during the year in accordance with a phased programme of verification which, in our opinion, is reasonable having regard to the size of the Company and nature of its fixed assets. No material discrepancies were noticed on such verification as per explanation and information given to us.
 - c. In our opinion, the company has not disposed of substantial part of fixed assets during the year and the going concern status of the company is not affected.
 - II) In respect of its inventories :
 - a. As explained to us, inventories have been physically verified by the management in accordance with perpetual inventory program at regular intervals during the year.
 - b. In our opinion, the procedures of physical verification of inventory followed by management are, reasonable and adequate in relation to the size of the Company and the nature of its business.
 - c. The Company is maintaining proper record of inventories. As explained to us there were no material discrepancies noticed in physical verification as compared to book records.
 - III) 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 and total amount outstanding at the year end is Rs. 150 lakhs from one party. However the terms & conditions as regard thereto are not prima-facie prejudice to the interest of the company.
 - b. As informed, the company has taken loan, secured or unsecured from companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956 and total amount outstanding at the year end is Rs. 1484.19 lacs from two parties. However the terms & conditions as regard thereto are not prima-facie prejudice to the interest of the company.
 - c. According to the records of the company examined by us and the information and explanations given to us, there is no overdue amount of loans taken or granted to companies, firms or other parties listed in the registers maintained under section 301 of the companies Act, 1956.
- IV) In our opinion and according to the information and explanations given to us there are adequate internal control procedures commensurate with the size of the company and nature of its business for the purchase of the inventory, fixed assets and for sale of goods. During the course of our audit we have not observed any continuing failure to correct major weaknesses in internal controls.
 - V) In our opinion and according to the information and explanations given to us, there are no contracts or arrangements that need to be entered into the register maintained under Section 301 of the Companies Act 1956.
 - VI) The Company has not accepted any deposits from the public within the meaning of Section 58A of the Companies Act, 1956 and therefore we have no comments to offer.

- VII) In our opinion and according to the information and explanations given to us, the Company has an internal audit system commensurate with the size and nature of its business.
- VIII) To the best of our knowledge and as explained, the Central Government has not prescribed the maintenance of cost records under clause (d) of sub section (1) of Section 209 of the Companies Act, 1956 for the products of the Company.
- IX) In respect of statutory dues :
- a. Undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employee's State Insurance Fund, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Value Added Tax, Central Sales Tax, Cess and other material statutory dues applicable to it, have generally been regularly deposited with the appropriate authorities.
- b. According to the information and explanations given to us, no undisputed amounts payable in respect of aforesaid dues were outstanding, at the year end for a period of more than six months from the date they became payable.
- X) The Company does not have any accumulated losses at the year end. However it has not incurred any cash losses in the current year and immediately preceding financial year.
- XI) Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to financial institutions/banks as at the year-end and renegotiated settlement has been accepted.
- XII) According to the information and explanations given to us, and based on the documents and records produced to us, the company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- XIII) In our opinion, the company is not a chit fund or Nidhi / mutual benefit fund/society.
- XIV) In our opinion, the company is not dealing in or trading in shares, securities, debentures, and other investment.
- XV) According to the information and explanations given to us, the Company has given guarantee for loans taken by its subsidiary from a bank, the terms and conditions whereof in our opinion are not prima-facie prejudicial to the interest of the Company.
- XVI) Based on the information and explanations given to us, the term loans raised earlier have been applied for the purpose for which the loans were obtained.
- XVII) According to the information and explanations given to us, and on overall examination of the balance sheet of the Company, we report that no funds raised on short term basis have been used prima-facie for long-term investment by the Company
- XVIII) The Company has not made any preferential allotment of shares to any parties or companies covered in the register maintained under section 301 of the Companies Act, 1956.
- XIX) The Company does not have any outstanding debentures during the year.
- XX) The Company has not raised any money by way of public issue during the year.
- XXI) Based upon the audit procedures performed and information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the year that causes the financial statements to be materially misstated.

For M. K. AGGARWAL & CO.

Chartered Accountants
(FRN - 01411N)

C. A. (ATUL AGGARWAL)

PLACE : New Delhi
DATE : 12.08.2011

Partner
(M. No. 99374)

**BALANCE SHEET AS AT MARCH 31, 2011**

PARTICULARS	SCHEDULE	AS AT 31.03.2011 (Rs.)	AS AT 31.03.2010 (Rs.)
I. SOURCES OF FUNDS			
1 Shareholders' Funds			
a) Share Capital	1	89591200	89591200
b) Reserve & Surplus	2	550400355	531050473
2 Loan Funds			
a) Secured	3	530442630	412215330
b) Unsecured		0	0
3 Deferred Tax Liabilities		53112713	58606109
TOTAL		1223546898	1091463112
II. APPLICATION OF FUNDS			
1 Fixed Assets			
a) Gross Block	4	600218432	593958152
b) Less : Depreciation		302982854	274813698
c) Net Block		297235578	319144454
d) Capital Work in Progress	5	4858559	2262338
Total Assets		302094137	321406792
2 Investment	6	253830000	253830000
3 Current Assets, Loans & Advances			
a) Inventories	7	367752643	297688836
b) Sundry Debtors	8	283877840	245504434
c) Cash and Bank Balances	9	20960801	20581937
d) Loans and Advances	10	316957893	112009866
		989549177	675785073
Less : Current Liabilities & Provisions			
Current Liabilities	11	284182107	127178680
Provisions	12	37744309	32380073
		321926416	159558753
Net Current Assets		667622761	516226320
TOTAL		1223546898	1091463112
Significant Accounting Policies & Notes to Account forming part of the Accounts	20		

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
DirectorANIL VANJANI
Chief Executive OfficerM.K.AGGARWAL & CO.
Chartered Accountants
(FRN - 01411N)R.K. GOEL
Chief Financial OfficerMOHD. ALI SHAUKAT
General Manager
(Finance & Accounts)SAMAR BHATIA
Company SecretaryC.A. ATUL AGGARWAL
Partner
(Membership No. 99374)

PLACE : NEW DELHI

DATE : 12.08.2011

**PROFIT AND LOSS ACCOUNT FOR THE YEAR
ENDED MARCH 31, 2011**

PARTICULARS	SCHEDULE	For the Year ended 31.03.2011 (Rs.)	For the Year Ended 31.03.2010 (Rs.)
IINCOME			
Sales	13	1383740479	1224536391
Other Income	14	11722590	18832742
TOTAL		1395463069	1243369133
EXPENDITURE			
Operational & Other Expenses	15	1020317997	926277603
Payment to & Provision for Employees	16	23898465	22359287
Administrative & Other Expenses	17	18634792	18662423
Selling, Distribution & Other Expenses	18	199007427	165215784
Financial Expenses	19	69248752	59622307
Depreciation	4	28140350	26477588
TOTAL		1359247783	1218614993
PROFIT / (-) LOSS BEFORE TAXATION		36215286	24754140
i) Tax for Current Year		16287614	12636248
ii) Tax for Earlier Year		0	(8343453)
iii) Deferred Taxes Asset / (Liability)		5493396	4333439
PROFIT / (-) LOSS AFTER TAX		25421068	24794784
i) Proposed Dividend		5181744	4318120
ii) Dividend Tax		860636	733865
PROFIT / (-) LOSS AFTER DIVIDEND		19378688	19742799
Balance brought forward		451964830	432222031
Surplus Carried to Balance Sheet		471343518	451964830
Earning per Share		2.94	2.87
Significant Accounting Policies & Notes to Account forming part of the Accounts	20		

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

ANIL VANJANI
Chief Executive Officer

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

R.K. GOEL
Chief Financial Officer

MOHD. ALI SHAUKAT
General Manager
(Finance & Accounts)

SAMAR BHATIA
Company Secretary

C.A. ATUL AGGARWAL
Partner
(Membership No. 99374)

PLACE : NEW DELHI
DATE : 12.08.2011

**SCHEDULES ANNEXED TO AND FORMING PART
OF THE BALANCE SHEET AS AT MARCH 31, 2011**

	AS AT 31.03.2011 (Rs.)	AS AT 31.03.2010 (Rs.)
SCHEDULE - '1' SHARE CAPITAL :		
Authorised		
1,60,00,000 (Previous year 1,60,00,000) Equity Shares of Rs.10/- each	<u>1,60,00,000</u>	<u>1,60,00,000</u>
Issued, Subscribed & Paid - Up		
8636240 (Previous year 8636240) Equity Shares of Rs. 10/- each fully paid up	86362400	86362400
Out of the above:		
1. 990 (Previous year 990) Equity Shares are, allotted as fully paid up pursuant to a contract without payment received in cash.		
2. 1070000 (Previous year 1070000) Equity Shares of Rs. 10/- each fully paid have been allotted as Bonus Shares by capitalisation of General Reserve.		
Add : Shares Forfeited.	3228800	3228800
TOTAL	<u>89591200</u>	<u>89591200</u>

SCHEDULE - '2' RESERVES & SURPLUS
REVALUATION RESERVE

Balance as per last Balance Sheet	1584347	1613153
Less : Amortization of land	<u>28806</u>	<u>28806</u>
Securities Premium Account	74272496	74272496
Capital Reserve	3228800	3228800

GENERAL RESERVE

Balance as per last Balance Sheet	451964830	432222031
Add: Transferred from Profit & Loss A/C.	<u>19378688</u>	<u>19742799</u>
TOTAL	<u>550400355</u>	<u>531050473</u>

**SCHEDULES ANNEXED TO AND FORMING PART
OF THE BALANCE SHEET AS AT MARCH 31, 2011**

	AS AT 31.03.2011 (Rs.)	AS AT 31.03.2010 (Rs.)
SCHEDULE - '3' SECURED LOANS :		
From the Industrial Finance Corporation of India Ltd. (IFCI)		
IFCI Loan - 12.50%	0	34500000
IFCI Loan - (Interest Free)	0	6930000
<p>(Secured by first charge by way of hypothecation of all the movable properties (save and except book debts) including movable machinery, machinery spares, tools and accessories present and future subject to prior charges created and /or to be created in favour of the borrower's bankers on stock of raw - materials, semi finished and finished goods, consumable stores, book debts and such other movables used in the ordinary course of business, all security yet to be released, being loan fully paid.)</p>		
Liability under IFCI Restructuring Account* (Refer Note No. C. 10)	0	9571245
From Bank of India Corporate Loan (Secured against Property at A-1, Phase-1, Okhla Industrial Area, New Delhi, Personal Guarantee of Mr.Sirajuddin Qureshi, Mrs. Kiran Qureshi, Mr.Samar Qureshi, Dr. Naseem Qureshi and Guarantee of M/s. Islamuddin & Co.).	120317978	163184452
From Scheduled Banks (Secured against Stocks, Book Debts and Personal Guarantee of the Promoter Directors and second charge on the entire fixed assets present & future of the company.)	410124652	198029633
TOTAL	<u>530442630</u>	<u>412215330</u>

SCHEDULES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2011
Schedule - " 4" - Fixed Assets

Details / Description	GROSS BLOCK			DEPRECIATION			NET BLOCK			
	As at April 01,2010	Additions During the year	During the year	Total as at March 31,2011	As at April 01,2010	Depreciation For the year	Deductions During the year	Total as at March 31, 2011	As at March 31, 2010	
Leasehold Land	3,105,460.00	0	0	3,105,460.00	828,122.00	41,406.00	0	869,528.00	2,235,932.00	2,277,338.00
Factory Building	63,582,714.00	1,656,823.00	0	65,239,537.00	30,591,598.32	2,128,969.04	0	32,720,567.36	32,518,969.64	32,991,115.68
Plant & Machinery	489,907,911.00	2,849,456.00	0	492,757,367.00	221,548,680.99	23,359,723.14	0	244,908,404.13	247,848,962.87	268,359,230.01
Furniture & Fixture	24,883,114.00	21,830.00	0	24,904,944.00	15,169,058.38	1,573,379.20	0	16,742,437.58	8,162,506.42	9,714,055.62
Office Equipment	3,730,471.00	0	0	3,730,471.00	1,789,411.20	162,757.09	0	1,952,168.29	1,778,302.71	1,941,059.80
Vehicle	3,665,752.55	0	0	3,665,752.55	3,119,079.63	196,457.73	0	3,315,537.36	350,215.19	546,672.92
Truck	3,616,285.00	1,647,718.00	0	5,264,003.00	1,112,255.92	544,925.97	0	1,657,181.89	3,606,821.11	2,504,029.08
Computers	1,448,449.00	84,453.00	0	1,532,902.00	637,496.58	161,537.63	0	799,034.21	733,867.79	810,952.42
Electrical Equipments	17,995.00	0	0	17,995.00	17,995.00	0	0	17,995.00	0	0
Total	593,958,151.55	6,260,280.00	0	600,218,431.55	274,813,698.02	28,169,155.80	0	302,982,853.82	297,235,577.73	319,144,453.53
Previous year	562,081,904.55	34,271,628.00	2,395,381.00	593,958,151.55	249,753,099.32	26,506,391.70	(1,445,793.00)	274,813,698.02	319,144,453.53	312,328,805.23

Depreciation for the year includes amortization of land of Rs. 41406.00 of which Rs. 28806.00 is transferred from Revaluation Reserve and Rs. 12600.00 is debited to Profit & Loss Account.

**SCHEDULES ANNEXED TO AND FORMING PART
OF THE BALANCE SHEET AS AT MARCH 31, 2011**

	AS AT 31.03.2011 (Rs.)		AS AT 31.03.2010 (Rs.)	
SCHEDULE - '5' CAPITAL WORK IN PROGRESS				
Opening bal. : Expenses incurred on Energy project	0		0	
Additions during the year	<u>2596221</u>	2596221	<u>0</u>	0
Opening bal. : Expenses incurred on Salboni project	2262338		2262338	
Additions during the year	<u>0</u>	2262338	<u>0</u>	2262338
TOTAL		<u><u>4858559</u></u>		<u><u>2262338</u></u>
SCHEDULE - '6' INVESTMENT (AT COST)				
A) EQUITY SHARES, UNQUOTED				
2,42,50,000 Equity Shares of Rs. 10/-each fully paid up of Hind Agro Industries Limited Subsidiary company under same management (Previous Year 2,42,50,000 Equity Shares of Rs. 10/- each fully paid up)		253830000		253830000
TOTAL		<u><u>253830000</u></u>		<u><u>253830000</u></u>
CURRENT ASSETS, LOANS AND ADVANCES				
SCHEDULE - '7'				
a) INVENTORIES				
(As valued, taken & Certified by the Management)				
Finished goods	360405803		290016352	
Packing Material & Others	<u>7346840</u>		<u>7672484</u>	
TOTAL		<u><u>367752643</u></u>		<u><u>297688836</u></u>
SCHEDULE - '8'				
b) SUNDRY DEBTORS				
Over Six Months - Considered Good	35056376		16590866	
Over Six Months - Considered Doubtful	4000000		4000000	
Other Debts - Considered Good	<u>248821464</u>		<u>228913568</u>	
	287877840		249504434	
Less : Provision for Doubtful Debts.	<u>4000000</u>		<u>4000000</u>	
TOTAL		<u><u>283877840</u></u>		<u><u>245504434</u></u>

**SCHEDULES ANNEXED TO AND FORMING PART
OF THE BALANCE SHEET AS AT MARCH 31, 2011**

	AS AT 31.03.2011 (Rs.)	AS AT 31.03.2010 (Rs.)
SCHEDULE - '9'		
c) CASH AND BANK BALANCES :		
Cash in hand	497082	247700
Balance with Scheduled Banks:		
i) Current Account	2251580	2657060
ii) FDR'S with Banks (Including interest accrued on FDR)	<u>18212140</u>	<u>17677177</u>
	20960801	20581937
TOTAL	<u>20960801</u>	<u>20581937</u>
SCHEDULE - '10'		
d) LOANS & ADVANCES		
Advances recoverable in cash or in kind or for value to be received, Unsecured		
Considered good	316362830	111087420
Considered Doubtful	<u>5600000</u>	<u>5600000</u>
	321962830	116687420
Less : Provision for Doubtful Advances	<u>5600000</u>	<u>5600000</u>
Tax Deducted at Source	595063	922446
TOTAL	<u>316957893</u>	<u>112009866</u>
CURRENT LIABILITIES & PROVISIONS		
SCHEDULE - '11'		
a) CURRENT LIABILITIES		
Sundry Creditors	103326955	109629368
Other Liabilities	<u>180855152</u>	<u>17549312</u>
TOTAL	<u>284182107</u>	<u>127178680</u>
SCHEDULE - '12'		
b) PROVISIONS		
Provision for Staff - Welfare Scheme	20051862	18129135
Provision for Taxation	<u>17692447</u>	<u>14250937</u>
TOTAL	<u>37744309</u>	<u>32380073</u>

**SCHEDULES ANNEXED TO AND FORMING PART OF THE PROFIT
AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2011**

	For the Year Ended 31.03.2011 (Rs.)	For the Year Ended 31.03.2010 (Rs.)
SCHEDULE - "13"		
SALES		
Export Sales	1316999392	1191680189
Domestic Sales	66741087	32856202
TOTAL	1383740479	1224536391
SCHEDULE - "14"		
OTHER INCOME		
IFCI Liability Written Back.	9571245	12761656
Interest on FDR / Margin Money	1588209	1356963
Provision for Insurance Claim-Frozen	0	4674649
Excess provision of I. Tax for 2009-10	503131	0
Misc. Income	60005	39474
TOTAL	11722590	18832742
SCHEDULE - "15"		
OPERATIONAL & OTHER EXPENSES		
Raw Material Consumed	898083229	817157537
Consumable Stores Consumed	2222482	3344567
Packing Material Consumed	11313492	13472132
Power and Fuel	70641571	54377980
Repairs & Maintenance:-		
Plant & Machinery	8288747	11072857
Building	1134814	1370057
Others	561568	650358
Wages	21383009	19367274
Worker's Welfare Expenses	1465798	1374814
Insurance	457934	430066
Vehicle Running & Maintenance	3756623	2934539
Freight Inward	107386	121720
Security Charges	901344	603702
TOTAL	1020317997	926277603
SCHEDULE - "16"		
EMPLOYEES REMUNERATION & BENEFITS		
Salaries, Wages & Other Benefits	21796795	20568683
Contribution to Provident Fund	2101670	1790604
TOTAL	23898465	22359287

SCHEDULES ANNEXED TO AND FORMING PART OF THE PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2011

	For the Year Ended 31.03.2011 (Rs.)	For the Year Ended 31.03.2010 (Rs.)
SCHEDULE - "17"		
ADMINISTRATIVE & OTHER EXPENSES		
Rent	4973600	4740000
Vehicle Running & Maintenance	931959	817334
Travelling & Conveyance	2117558	1265493
Rates, Taxes, Subscription and Fees	1687790	2607623
Printing & Stationery	1464838	996179
Audit Fee	606650	606650
Certification Charges	150448	150448
Legal & Professional Charges	1436742	2126148
Loss on Sale of Assets	0	549588
Insurance Expenses	1552930	1318170
Postage Expenses	220164	78055
Telephone Expenses	1703492	1466143
Misc. Expenses	1788621	1940592
TOTAL	18634792	18662423
SCHEDULE - "18"		
SELLING, DISTRIBUTION & OTHER EXPENSES		
Freight, Clearing & Forwarding Charges	196489132	163698052
Business Promotion Expenses	2518295	1517732
TOTAL	199007427	165215784
SCHEDULE - "19"		
FINANCIAL EXPENSES		
Interest on Term Loans	23847996	30753842
Interest on Working Capital, Bank Interest & Charges	45400756	28868465
TOTAL	69248752	59622307

SCHEDULE- 20

Notes forming part of Accounts as at 31st March, 2011

A. SIGNIFICANT ACCOUNTING POLICIES**A.1 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 (Accounting Standards) Rules, 2006 and the relevant provisions of the Companies Act, 1956.

A.2 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.

A.3 FIXED 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 upto the completion of their acquisition or construction are included in 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) Capital work in progress comprises of fixed assets acquired and other incidental cost that are not ready for intended use as on the balance sheet date.
- e) 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.

A.4 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.

A.5 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) The realizable costs of inventories of finished goods are arrived at Direct Costing Method, based on FIFO formula.

A.6 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) **Depreciation** :
 - a) Depreciation is provided under the Straight Line Method at the rates and in the manner prescribed in

schedule XIV of the Companies Act, 1956.

- b) Leasehold land is being amortized over the period of lease.

iv) Expenditure :

The duty credit scrip benefit under Duty Entitlement Pass Book on Post Export (DEPB-Post Export), 2009 has been reduced from raw material expenses on its realisable value.

A.7 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.

A.8 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 provided for.

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 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.

A.9 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 profit and loss account for the year.

A.10 TAXATION

Tax expenses comprises of Current Income Tax and Wealth Tax.

Current Tax liabilities have been determined as per the tax laws prevailing during the year and accounted for accordingly.

Deferred Tax liabilities and Assets have been accounted for as per AS-22.

A.11 CONTINGENT LIABILITIES & PROVISIONS

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.

B. CONTINGENT LIABILITIES & NOTES

B.1 Claims against the Company not acknowledged as Debt:

Rs. NIL (Previous Year : NIL)

B.2 Guarantees and other Contingencies

(Rs. In lacs)

	CURRENT YEAR As at 31-03-2011	PREVIOUS YEAR As at 31-03-2010
a) <i>Given to Subsidiary</i>		
For Term Loan	116.40	896.41
For Working Capital	6275.00	5230.00
b) Given to Associate Company	10.50	0
c) Given to others	98.18	98.18

C.1 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, as per the opinion of management, segment reporting is not required. Accordingly, the disclosure requirements of Accounting Standard (AS-17) on "Segment Reporting", issued by the Institute of Chartered Accountants of India is not applicable.

C.2.A RELATED PARTY DISCLOSURES

S.No.	Name of the Related Party	Nature of Relationship	Nature of Transaction	Debit Rs. in lacs	Credit Rs. in lacs	Amount as on 31.03.2011 Rs. in lacs
1.	Hind Agro Ind. Ltd.	Subsidiary Co.	Unsecured Loan	150.00	NIL	Debit 150.00
2	Hind Agro Ind. Ltd.	Subsidiary Co.	Business Transaction	8017.31	9494.98	Credit 1477.67
3	Islamuddin & Co.	Firm in which KMP are Interested	Rent	18.72	25.42	Credit 6.52
4	Al- Mashriq Exports Pvt. Ltd.	Firm in which KMP are Interested	Business Transaction	255.00	255.00	NIL
5	Samar Travels & Cargo Pvt. Ltd.	Firm in which KMP are Interested	Business Transaction	NIL	NIL	NIL
6	Fast Trax Food Pvt. Ltd.	Firm in which KMP are Interested	Business Transaction	300.33	300.33	NIL
7	Mrs. Kiran Qureshi	Relatives of KMP	Rent	12.00	12.00	NIL
8	Hind Air Link Pvt. Ltd.	Firm in which KMP are Interested	Business Transaction	NIL	NIL	NIL
9	Aliffa Agro (India) Pvt. Ltd.	Firm in which KMP are Interested	Business Transaction	165.00	165.00	NIL
10	Eatcco Foods Pvt. Ltd.	Firm in which KMP are Interested	Business Transaction	NIL	NIL	NIL
11	Hind Air Services Pvt. Ltd.	Firm in which KMP are Interested	Business Transaction	NIL	NIL	NIL

Related Party relationship is identified by the company and relied upon by the Auditors.

C.2.B KEY MANAGERIAL PERSONNEL

S.No.	NAME OF THE PERSONS	NATURE OF RELATIONSHIP	NATURE OF TRANSACTION	AMOUNT (Rs. in Lacs)
1.	Shri Sirajuddin Qureshi	Managing Director	Remuneration	33.86
2.	Smt. Kiran Qureshi	Director	Rent	12.00
3.	Dr. Naseem Qureshi	Director	—	0.00
4.	Mr. Anil Vanjani	Chief Executive Officer	Remuneration	39.28

C.3 Earning per Share

Particulars	Year ending 31.03.2011	Year ending 31.03.2010
Profit After Tax	254.21 Lacs	247.95 Lacs
Weighted No. of Shares	8636240	8636240
Basic Earning per Share	2.94	2.87
Diluted Earning per Share	2.94	2.87

C.4 PAYMENT TO AUDITORS :

Particulars	For the year ended 31-03-2011	For the year ended 31-03-2010
Statutory Audit Fees	4,68,775.00	4,68,775.00
Tax Audit Fees	1,37,875.00	1,37,875.00
Total (Rupees)	6,06,650.00	6,06,650.00

C.5 Accounting for Deferred Tax (A.S.-22) on income :

Particulars	(Rs.in lacs)	
	Year Ended 31 st March, 2011	Year Ended 31 st March, 2010
a) Deferred Tax Assets on account of timing differences:		
(i) Provision for doubtful debts	31.89	32.63
(ii) Provision for Gratuity & Bonus	60.42	55.47
(iii) Provision for Leave encashment	6.19	6.15
Total	98.50	94.25
b) Deferred Tax Liability on account of timing differences:		
(i) Depreciation on fixed assets	629.62	680.31
Total	629.62	680.31
Net Deferred Tax Liability (b-a)	531.12	586.06

C.6 The Current Assets, Loans and Advances are realizable at the value stated in the Balance Sheet, in the ordinary course of business.

C.7 Mr. Sirajuddin Qureshi, Chairman & Managing Director, and Mrs. Kiran Qureshi, Director of the Company have given personal guarantee to Industrial Finance Corporation of India Ltd. for Term Loan which has been fully repaid by the company towards year end. The confirmation of dues from IFCI has not been received as on the date of the Balance Sheet. Also the loan of Rs. 1203.18 lacs from the Bank of India is secured by Personal Guarantees of Mr. Sirajuddin Qureshi, Mrs Kiran Qureshi, Mr. Samar Qureshi, Dr. Naseem Qureshi and Guarantee of M/s Islamuddin & Co. and property at A-1, Phase -1, Okhla Industrial Area, New Delhi owned by M/s Islamuddin & Co.

C.8 Balances under Sundry Debtors, Creditors, Loans and Advances are subject to confirmation and reconciliation and consequent adjustments thereof. The outstanding Debtors which may not be recoverable could not be ascertained at the year end.

C.9 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. The project of HSRP has not resulted in any income to the company due to the inadequate orders from the State Governments. However, the management foresee no impairment of the assets of the said unit as on date.

C.10 Expenditure incurred on Energy Project has been capitalized as Capital Work In Progress, being pre-operative in nature. However, the management is pursuing for the necessary acquisition of land.

C.11 Expenditure incurred on Salboni project had been capitalized as Capital Work In Progress, being pre-operative in nature. However, the management is pursuing for the necessary acquisition of land.

C.12 Research and Development Expenses :- NIL (Previous year - NIL).

C.13 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.

C.14 Additional information pursuant to the provision of paragraphs 3 & 4 of part IInd of Schedule VI to the Companies Act, 1956 :

A. PARTICULARS OF INSTALLED CAPACITY AND ACTUAL PRODUCTION.

	ITEMS	QUANTITY (MT) AS AT 31-03-2011	QUANTITY (MT) AS AT 31-03-2010
Licensed Capacity*	Fresh & Frozen Meat	25,000.000	25,000.000
Installed Capacity*	Fresh & Frozen Meat	25,000.000	25,000.000
Actual Production	Fresh	2,678.700	2,922.275
	Frozen	5,240.915	4,420.949
		7,991.615	7,343.224

* As certified by the management and relied upon by the Auditors being a technical matter.

B. DETAILS OF PURCHASES, SALES AND CLOSING STOCK FOR THE YEAR ENDED 31ST MARCH, 2011

Items	Opening Stock (MT)	Value (Rs)	Production (MT)	Sales (MT)	Value (Rs)	Closing Stock (MT)	Value (Rs)
Fresh	Nil (Nil)	Nil (Nil)	2,678.700 (2,922.275)	2,678.700 (2,922.275)	72,27,95,090 (68,63,09,893)	Nil (Nil)	Nil (Nil)
Frozen	2,459.850 (2,457.577)	28,32,98,251 (24,07,86,222)	5,240.915 (4,420.949)	4,670.000 (4,368.876)	59,34,60,339 (51,56,82,003)	* 3,030.765 (2,459.850)	35,63,57,069 (28,32,98,251)

* Includes Good-In-Transit of 56 MT.

(Figures in bracket represent previous year figures)

C. DETAIL OF RAW MATERIAL CONSUMED

Items	Year ended 31 st March, 2011		Year ended 31 st March, 2010	
	Quantity (MT)	Value (Rs)	Quantity (MT)	Value (Rs)
Fresh	2,750.870	50,52,25,836	2,962.371	47,02,95,732
Frozen	5,264.364	49,66,40,877	4,444.647	41,63,58,290

D. EXPENDITURE IN FOREIGN CURRENCY
NIL (Previous Year : NIL)

E. VALUE OF IMPORTS

	For the year ended on 31.03.2011 (Rs)	For the year ended on 31.03.2010 (Rs)
Value of Imports(CIF Value)	Nil	Nil

F. EARNING IN FOREIGN CURRENCY

	For the year ended on 31.03.2011 (Rs)	For the year ended on 31.03.2010 (Rs)
FOB Value of Export Goods	115,61,49,368	104,26,74,663

C.17 PARTICULARS OF MANAGERIAL REMUNERATION ARE AS UNDER :—

- (a) Salaries include remuneration payable to Chairman & Managing Director amounting to Rs. 31,05,000/- . (Previous Year – 31,05,000/-)
- (b) Commission Payable as follows :

Particulars	Amount (in Rs)
Net Profit/ (Loss) as per Profit & Loss A/c	36215289
<i>Add:</i>	
Depreciation as per Profit & Loss A/c	28140350
Director's Remuneration	3105000
Sitting Fee Paid	0
Commission paid	397175
	67857811
<i>Less :</i>	
Depreciation as per Section 350 of the Companies Act, 1956	28140350
Net Profit /(Loss) available for Director's remuneration	39717461
Commission Payable Rs. 397,175/-	39717461
The Commission payable to the Chairman & Managing Director is restricted to Rs. 397,175/- being 1% of the net profit.	

C.18 Previous year's figures have been regrouped and reclassified wherever necessary to the extent possible to make them comparable with those of the current year.

For and on behalf of the Board
As per Report of even date attached
SIRAJUDDIN QURESHI
Chairman & Managing Director

DR. NASEEM QURESHI
Director

For & on behalf of
M.K.AGGARWAL & CO.
Chartered Accountants
(FRN - 01411N)

ANIL VANJANI
Chief Executive Officer

R.K. GOEL
Chief Financial Officer

C.A. (ATUL AGGARWAL)
Partner
(Membership No. 99374)

MOHD. ALI SHAUKAT
General Manager
(Finance & Accounts)

SAMAR BHATIA
Company Secretary

PLACE : NEW DELHI
DATE : 12.08.2011

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH - 2011
[Amount Rs. In lacs]

Particulars	For the Year Ended March 31, 2011	For the Year Ended March 31, 2010
A) CASH FLOW FROM OPERATING ACTIVITIES		
Profit before Taxation as per Profit & Loss Account	362.15	247.54
ADJUSTMENTS FOR		
Depreciation	281.40	264.78
Adjustment in Depreciation for Fixed Assets sale	0	5.50
Tax for the Year	(162.88)	(126.36)
I.F.C.I Restructuring Account Written Back	(95.71)	(127.62)
Tax for earlier Year	0	83.43
Interest Paid	692.49	596.22
Operating profit before working capital & Dividend	<u>1,077.46</u>	<u>943.49</u>
INCREASE / (DECREASE) IN WORKING CAPITAL		
Sundry Debtors	(383.73)	263.00
Inventory	(700.64)	(561.17)
Trade Receivable	(2,049.48)	2,493.74
Trade Payable	<u>1,623.68</u>	<u>(579.97)</u>
NET CASH FROM OPERATING ACTIVITIES.....A	<u>(432.72)</u>	<u>2,559.09</u>
B) CASH FLOW FROM INVESTMENT ACTIVITIES		
Purchase of Fixed Assets	(62.60)	(34.48)
Proceeds from Sale of Fixed Assets	0	4.00
Investment in Subsidiary	0	(663.30)
Capital work in progress	(25.96)	(5.22)
NET CASH USED IN INVESTING ACTIVITIES.....B	<u>(88.56)</u>	<u>(699.00)</u>
C) CASH FLOW FROM FINANCE ACTIVITIES		
Secured Loan	(842.97)	(544.80)
Unsecured Loan	0	0
Proceeds from Borrowings	2,120.95	(634.85)
Dividend Paid	(51.82)	(43.18)
Tax on Dividend	(8.61)	(7.34)
Interest paid	(692.49)	(596.22)
NET CASH USED IN FINANCE ACTIVITIES.....C	<u>525.06</u>	<u>(1,826.39)</u>
CASH FLOW DURING THE YEAR.....(A+B-C)	<u>3.78</u>	<u>33.70</u>
Cash & Cash Equivalents (Opening Balance)	205.83	172.13
Cash & Cash Equivalents (Closing Balance)	209.61	205.83

For and on behalf of the Board
As per our report of even date attached
SIRAJUDDIN QURESHI
Chairman & Managing Director

DR. NASEEM QURESHI ANIL VANJANI
Director Chief Executive Officer

For & on behalf of
M. K. AGGARWAL & CO
Chartered Accountants
(FRN : 01411N)

R.K. GOEL
Chief Financial Officer

MOHD. ALI SHAUKAT SAMAR BHATIA
General Manager Company Secretary
(Finance & Accounts)

C.A. (ATUL AGGARWAL)
Partner
(Membership No. 99374)

PLACE : NEW DELHI
DATE : 12.08.2011

Disclosure as Required by Clause 32 of the Listing Agreement

(Rs. In Lacs)

Particulars	Current Year		Previous Year	
	Amount as on 31.03.2011	Maximum amount outstanding during the year ended 31.03.2011	Amount as on 31.03.2010	Maximum amount outstanding during the year ended 31.03.2010
1. Loans and advances in the nature of loans:				
a. To subsidiary Company: Hind Agro Industries Limited	150.00	150.00	150.00	150.00
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



**INFORMATION PURSUANT TO PART IV OF SCHEDULE VI OF THE COMPANIES ACT, 1956
BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE**

I. REGISTRATION DETAILS

Registration No. State Code

Balance Sheet Date

II. CAPITAL RAISED DURING THE YEAR (AMOUNT IN Rs. THOUSAND)

Public issue Right issue

Bonus issue Private Placement

III. POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS

Total Liabilities Total Assets

SOURCES OF FUNDS

Paid-up-Capital Reserves & Surplus

Secured Loans Unsecured Loans

Deferred Tax Liability

APPLICATION OF FUNDS

Net Fixed Assets Investments

Net Current Assets Misc.Expenditure

IV. PERFORMANCE OF COMPANY (AMOUNT IN Rs. THOUSANDS)

Turnover Total Expenditure

Profit/(Loss) before tax Profit / (Loss) After Tax

Earning Per Share (in Rs.) Dividend Rate%

V. GENERIC NAMES OF THREE PRINCIPAL PRODUCTS/SERVICES OF THE COMPANY

Item Code (I.T.C. Code)

Product Description

The ITC codes of the products are as per publication of "Indian Trade Classification" base on harmonised commodity description and coding system by Ministry of Commerce, Directorate General of Commercial Intelligence and Statistics.

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

ANIL VANJANI
Chief Executive Officer

M.K. AGGARWAL & CO.
Chartered Accountants
FRN : 01411N

R. K. GOEL
Chief Financial Officer

MOHD. ALI SHAUKAT
General Manager
(Finance & Accounts)

SAMAR BHATIA
Company Secretary

C.A. ATULAGGARWAL
Partner
(Membership No. 99374)

PLACE : NEW DELHI
DATE : 12.08.2011

STATEMENT PURSUANT TO SECTION 212(1) (e) OF THE COMPANIES ACT, 1956, RELATING TO THE SUBSIDIARY COMPANY

1. Name of subsidiary : HINDAGRO INDUSTRIES LTD.
2. Financial Year of the subsidiary ended on : 31st March, 2011.
3. Date from which it became Subsidiary Company : 27th March, 2000
4. Shares of the subsidiary held by the Company on the above date :
 - a) Number and face value : 2,42,50,000 Equity Shares of the face value of Rs.10/- each fully paid up.
 - b) Extent of holding : 73.15%
5. Net aggregate amount of profit/ (losses) of the subsidiary for the above financial year of the subsidiary so far as they concern members of the Company.
 - a) Dealt with in the accounts of the company for the year ended 31st March, 2011. : Nil
 - b) Not dealt with in the accounts of the company for the year ended 31st March, 2011. : Rs. 4.23 Crores
6. Net aggregate amount of profit/ (losses) for previous financial year of the subsidiary, since it became a subsidiary so far as they concern members of the Company.
 - a) Dealt with in the accounts of the company for the year ended 31st March, 2011. : Nil
 - b) Not dealt with in the accounts of the company for the year ended 31st March, 2011. : Rs. 32.52 Crores

For and on behalf of the Board

SIRAJUDDIN QURESHI
Chairman & Managing Director

DR. NASEEM QURESHI
Director

ANIL VANJANI
Chief Executive Officer

R. K. GOEL
Chief Financial Officer

MOHD. ALI SHAUKAT
General Manager
(Finance & Accounts)

SAMAR BHATIA
Company Secretary

PLACE : NEW DELHI
DATE : 12.08.2011

DIRECTORS' REPORT

Dear Members,

Your Directors presents the Seventeenth Annual Report of your Company together with the Audited Accounts for the year ended on March 31, 2011.

FINANCIAL HIGHLIGHTS

(Rs. in Lacs)

PARTICULARS	2010-11	2009-10
Total Sales & Other Income	70137.21	68612.54
Profit before Depreciation,		
Interest & Tax	3558.65	3130.11
Depreciation	687.34	666.13
Interest	1941.33	1530.01
Profit/(Loss) before Tax	929.98	933.96
Less: Prior Period Expenses	9.53	2.69
Less: Provision for Tax	187.96	190.70
Profit After Tax for the current year	732.49	740.57
Add: Deferred Tax Expense/(Income)	152.87	220.54
Total Profit for the year	579.61	520.03
Balance brought forward	5524.93	5004.90
Balance carried to Balance Sheet	6104.54	5524.93

OPERATIONS

Your Directors are pleased to inform you that the financial performance of the company has improved during the year under review. The turnover of the company increased to Rs.701.37 Crores during the year 2010-11 from Rs.686.13 Crores in the previous financial year 2009-10, thereby making a growth of around 2.22% during the year. Profit Before Tax decreased to Rs.9.30 crores as compared to Rs.9.34 crores in the previous year ended 31st March, 2010.

DIVIDEND

In view of the further growth and expansion of business of your Company, the Board of Directors have taken a view that it will be in the larger interest of the Company to retain and plough back the profits for the purpose of business growth. Hence, no dividend is being recommended for the Financial Year ended on 31st March, 2011.

PROSPECTS

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 9% in the fiscal

2011-12. With 56.6% 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 Egypt, your company is hopeful that the Financial Year 2011-12 will be much better.

Last year your company bagged work order for constructing, operating and maintaining of Modern Slaughter House at Perambur, Chennai on Design, Build, Operate and Transfer (DBOT) basis, the construction work has been completed and Commencement of Production is expected during the year 2011-12 after successful Trial Runs.

Your company is committed to provide the highest quality of products to its customers and continue to maintain its overseas markets share. Efforts are also underway to improve processes and operations to maximize gain and reduce cost.

FIXED DEPOSITS

Your 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 there under.

DIRECTORS

During the year under review, nominations of Mr. Ashok Kumar Verma and Mr. Rajendra Kumar Goyal both Nominee Director- UPPUNL has been withdrawn by UPPUNL. The Board places on record the able guidance it has received by Mr. Ashok Kumar Verma and Mr. Rajendra Kumar Goyal during their tenure as Directors of the Company. The Board also places on record with grief the sudden demise of Mr. Ishtiaque Abidi, Director of the Company on July 28th, 2011 and pray to almighty that the departed soul of Mr. Ishtiaque Abidi may rest in peace.

Dr. S. K. Ranjhan and Mr. K. D. Sharma, Directors, retires by rotation but being eligible, offer themselves for re-appointment at the ensuing Annual General Meeting of the Company.

The Board recommends their re-appointment as Director in the ensuing Annual General Meeting of the company.

DIRECTORS' RESPONSIBILITY STATEMENT

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

- in the preparation of the Annual Accounts for the financial year ended March 31, 2011, the

applicable Accounting Standards had been followed alongwith proper explanation relating to material departures;

- (ii) 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) 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;
- (iv) the Directors had prepared the Accounts for the financial year ended March 31, 2011, on a going concern basis.

AUDITORS

The Statutory Auditors M/s Vipin Aggarwal & Associates, Chartered Accountants, retire at the conclusion of the ensuing Annual General Meeting and have expressed their willingness to act as auditors of the Company, if appointed, by way of Special Resolution at the ensuing Annual General Meeting by the shareholders of the Company and have further confirmed that the said appointment would be in conformity with the provisions of Section 224 (1B) of the Companies Act, 1956.

AUDITOR'S REPORT

The observations of the Auditors are self explanatory and need no further clarifications.

ANNEXURE TO DIRECTORS' REPORT

INFORMATION IN ACCORDANCE WITH THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988.

(A) CONSERVATION OF ENERGY

(a) Energy conservation measures taken:

The Company has adopted the following energy conservation measures:

- A High Rate Bio-Methanation Plant with Japanese Collaboration was installed to control the pollution and introduce the waste-to-energy generation program under the auspices of Ministry of Non-Conventional Energy Sources (MNES)-

PARTICULARS OF EMPLOYEES

During the Financial Year 2010-11, there was no employee in the company drawing a remuneration in aggregate of Rs. 60,00,000/- or more per annum or employed for part of the year, drawn a remuneration of Rs. 5,00,000/- or more per month, therefore no particulars of employees under section 217(2A) of Companies Act, 1956 read with Companies (Particulars of Employees) Rules 1975, are required to be given.

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 the Report.

ACKNOWLEDGMENT

Your Directors take this opportunity to express their appreciation for the cooperation and assistance received from the Government of India and the State of Uttar Pradesh, Tamil Nadu, the financial institutions, banks as well as the shareholders during the year under review. The Directors also wish to place on record their appreciation of the devoted and dedicated services rendered by all employees of the Company.

**On Behalf of the Board
For HIND AGRO INDUSTRIES LIMITED**

Place : New Delhi **SAMAR QURESHI** **SIRAJUDDIN QURESHI**
Date : 10.08.2011 DIRECTOR MANAGING DIRECTOR

Government of India and Central Leather Research Institute (CLRI). During the year 71756 Units of Electricity were generated from this Plant.

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

The measures mentioned at point no.(a) above has been facilitating the energy conservation and its consequent impact on the cost of production of goods in the following ways:

- Reduction of pollution and generation of energy from wastes.

(c) Total energy consumption:
I. Power and fuel consumption.

	Current Year	Previous Year
1. Electricity		
(a) Purchased		
Unit	7820350	5447362
Total amount	36997328	25439483
Rate/unit	4.73	4.67
(b) Own generation		
(i) Through diesel generator		
Units	9002555	9873943
Units per ltr. of diesel oil	3.62	3.67
Cost/unit	Rs.9.44	Rs.8.29
(ii) Through steam turbine/generator	NA	NA
Units	NA	NA
Units per ltrs. of fuel oil/gas	NA	NA
Cost/unit	NA	NA
(iii) Through Bio Gas generator		
Units	71756	NA
Cost/unit	NA	NA
2. Coal (specify quality and where used)		
Quantity (tonnes)	NA	NA
Total Cost	NA	NA
Average rate	NA	NA
3. Furnace oil (Boiler)		
Quantity (liters)	8700	1847205
Total amount	279686	44618749
Average rate	32.15	24.15
4. Others		
HSD oil (BOILER)		
Quantity	2299379	881026
Total Cost	78500799	26793267
Rate/Unit	34.14	30.41

II. Consumption per unit of production.

	Standards (if any)	Current Year	Previous Year
Products(with details)unit	No Standards as such have been		
-Electricity	prescribed but	0.31	0.28
-Furnace oil	the company	NA	NA
-Coal (specify quality)	is making continuous efforts for	NA	NA
-Others (specify)	minimizing the consumption of energy per unit of production.	NA	NA

(B) TECHNOLOGY ABSORPTION:
(d) Efforts made in technology absorption:
**1. RESEARCH AND DEVELOPMENT
(R & D).**
**a) Specific areas in which R & D carried
out by the Company:**

- Animal husbandry and health care facilities are being continuously provided to the farmers in nearby villages for eliminating the occurrence of disease, reducing the mortality rate, boosting the milk production, which ensure the availability of timely and better quality of raw material for the company.

**b) Benefits derived as a result of the
above R & D:**

- As a result of the above measures, the mortality rate, health, productive life, milk production and quality of meat from the animals are being continuously improved.

c) Expenditure on R & D:

	Current Year	Previous Year
i). Capital	NIL	NIL
ii). Recurring	Rs.22.83Lacs	Rs. 17.41Lacs
iii). Total	Rs.22.83Lacs	Rs. 17.41Lacs
iv). Total R & D expenditure as a Percentage of total turnover	0.032%	0.025%

**FOREIGN EXCHANGE EARNINGS AND
OUTGO:**

Total Foreign Exchange used and earned:

(Rs. In Lacs)

	Current Year	Previous Year
(i) Total Foreign Exchange earned (FOB Value)	63286.57	62087.56
(ii) Total Foreign Exchange used	339.23	390.41

On behalf of the Board**For HIND AGRO INDUSTRIES LIMITED**

Place: New Delhi **SAMAR QURESHI** **SIRAJUDDIN QURESHI**
Date : 10.08.2011 DIRECTOR MANAGING DIRECTOR

AUDITORS' REPORT

To

THE MEMBERS OF

HIND AGRO INDUSTRIES LTD.

1. We have audited the attached Balance Sheet of M/s HIND AGRO INDUSTRIES LIMITED as at 31st March, 2011 and the Profit & Loss Account and also the Cash Flow Statement of the company for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimate made by management, as well as evaluating the overall financial statements presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of Section 227 (4A) of the Companies Act, 1956, we annex hereto a statement on the matter specified in paragraphs 4 and 5 of the said order.
4. Further to our comments in the Annexure referred to in paragraph (3) above, 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 purposes of our audit;
 - (b) in our opinion, proper books of accounts as required by law have been kept by the company, so far as appears from our examination of the books;
 - (c) the Balance Sheet and Profit and Loss Account and the Cash Flow Statement

dealt with by this report are in agreement with the books of accounts;

- (d) in our opinion, the Balance Sheet and Profit and Loss Account and the Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
- (e) on the basis of the written representations received from Directors, as on March 31, 2011, and taken on record by the Board of Directors, we report that none of the Directors of the Company are disqualified as on March 31, 2011 from being appointed as a Director, in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;
- (f) in our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, 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, 2011; and
 - b) in the case of the Profit and Loss Account, of the profit of the Company for the year ended on that date.
 - c) In the case of the Cash Flow Statement, of the cash flows of the company for the year ended on that date.

**For and on behalf of
VIPIN AGGARWAL & ASSOCIATES**

Chartered Accountants
(FRN - 014454N)

PLACE : NEW DELHI
DATE : 10.08.2011

C.A. (VIPIN AGGARWAL)
Partner
(Membership No. 016544)

**ANNEXURE REFERRED TO IN
PARAGRAPH [3] OF OUR REPORT OF
EVEN DATE**

- (i) (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) As informed to us, most of the fixed assets have been physically verified by the management during the year in accordance with a phased programme of verification which, in our opinion, is reasonable having regard to the size of the Company and nature of its fixed assets. No material discrepancies were noticed on such verification as per explanation and information given to us.
- (c) In our opinion, there was no substantial disposal of fixed assets during the year, which affects the going concern status of the company.
- (ii) (a) As explained to us, the management has conducted physical verification of inventory at reasonable intervals.
- (b) The procedures of physical verification of inventory followed by management are, in our opinion reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) In our opinion, the Company is maintaining proper records of inventory and as explained to us there were no material discrepancies noticed on such physical verification.
- (iii) (a) As informed to us, the company has granted interest free advances, reflected in the head 'Advances recoverable in cash or in kind' under the schedule "Loans & Advances", to parties covered in the register maintained under section 301 of the Companies Act, 1956 and total amount outstanding is Rs. 2284.69 lacs (maximum amount outstanding during the year – Rs. 3234.04 lacs) from ten parties and the repayment terms in certain accounts have not been stipulated.
- Subject to above comments of not charging interest on the said advances and non-stipulation of repayment terms in certain accounts, the terms and conditions as regard thereto are not prima-facie prejudicial to the interest of the company as it has been explained that the said amount is outstanding from the holding company or the companies in which the Directors are interested.
- (b) As informed to us, the company has taken interest free unsecured loan amounting to Rs. 150.00 lacs from its holding company, reflected in the schedule "Unsecured Loan" and Rs. 19.97 lacs is due to other parties including holding company reflected as 'Other Liabilities' in the schedule "Current Liabilities" (maximum amount Rs. 185.56 lacs due from three parties during the year), covered under section 301 of the Companies Act, 1956. In our opinion, the terms & conditions as regard thereto are not prima-facie prejudicial to the interest of the company.
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods. During the course of our audit, no major weakness has been noticed in the internal controls in these areas.
- (v) Based on the audit procedures applied by us and according to the information and explanations provided by the management, we are of the opinion that the transactions required to be entered in the register maintained under Section 301 of the Act have been duly recorded.
- (vi) The Company has not accepted any deposits from the public within the meaning of Section 58A of the Companies Act, 1956.
- (vii) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

- (viii) To the best of our knowledge and as explained, the Central Government has not prescribed the maintenance of cost records under clause (d) of sub section (1) of Section 209 of the Companies Act, 1956 for the products of the Company.
- (ix) (a) According to the information and explanations given to us, no undisputed statutory dues in respect of Provident Fund, Employee State Insurance, Income Tax, Wealth Tax, Sales Tax, Customs Duty and Excise Duty were outstanding, at the year end for a period of more than six months from the date they became payable except Cess under section 441A of the Companies Act 1956, which is not being deposited / provided as the notification required under the provision of the Act has not yet been issued by the Central Government.
- (b) According to the information and explanations given to us, no disputed statutory dues were outstanding.
- (x) The Company does not have accumulated losses at the end of the financial year March 31, 2011. The company has not incurred any cash losses during the financial year ended March 31, 2011 and in previous year.
- (xi) Based on our audit procedures and according to the information and explanations given by the management, the company has not defaulted in repayment of dues to financial institution after the re-schedulment of term loan during the year.
- (xii) According to the information and explanations given to us, and based on the documents and records produced to us, the company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion and according to the information and explanations given to us, the nature of activities of the Company does not attract any special statute applicable to chit fund and Nidhi / mutual benefit fund/societies.
- (xiv) The Company does not deal or trade in shares, securities, debentures and other investments.
- (xv) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others.
- (xvi) Based on the information and explanations given to us by management, term loans were applied for the purposes for which the loans were obtained.
- (xvii) According to the information and explanations given to us, and on overall examination of the balance sheet of the Company, we report that no funds raised on short term basis have been used for long-term investment by the Company and vice-versa.
- (xviii) The Company has not made any preferential allotment of shares to parties or companies covered in the register maintained under section 301 of the Companies Act, 1956.
- (xix) During the year, since the company has not issued any debentures, paragraph 4 (xix) of the order is not applicable.
- (xx) The Company has not raised any money through a public issue during the year. Hence paragraph 4 (xx) of the order is not applicable.
- (xxi) Based upon the audit procedures performed and information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

For and on behalf of
VIPIN AGGARWAL & ASSOCIATES.
Chartered Accountants
(FRN - 014454N)

PLACE : NEW DELHI
DATE : 10.08.2011

C. A. (VIPIN AGGARWAL)
Partner
(Membership No. 016544)

**BALANCE SHEET AS AT MARCH 31, 2011**

PARTICULARS	SCHEDULE	AS AT 31.03.2011 (Rs.)	AS AT 31.03.2010 (Rs.)
SOURCES OF FUNDS			
1 Shareholders' Funds			
a) Share Capital	1	331500700	331500700
b) Reserves & Surplus	2	610454129	552492714
2 Loan Funds			
a) Secured	3	1834985158	1434124922
b) Unsecured	4	40500000	15000000
TOTAL		2817439987	2333118336
II. APPLICATION OF FUNDS			
1 Fixed Assets			
a) Gross Block	5	1535238250	1430850337
b) Less : Depreciation		708633000	639898698
c) Net Block		826605250	790951639
d) Capital Work In Progress		207705672	56733414
		1034310922	847685053
2 Deferred Tax Assets		56555358	71842683
3 Current Assets, Loans & Advances			
a) Inventories	6	979996616	612011157
b) Sundry Debtors	7	841385928	685406329
c) Cash and Bank Balances	8	125954048	149267931
d) Loans and Advances	9	852459766	624812396
		2799796358	2071497813
Less : Current Liabilities & Provisions			
Current Liabilities	10	1032993717	620586158
Provisions	11	40228934	37321055
		1073222651	657907213
Net Current Assets		1726573707	1413590600
TOTAL		2817439987	2333118336
Significant Accounting Policies & Notes forming part of the Accounts	19		

For and on behalf of the Board

SIRAJUDDIN QURESHI
Managing Director

SAMAR QURESHI
Director

As per our report of even date attached
for **VIPIN AGGARWAL & ASSOCIATES**
Chartered Accountants
(FRN - 014454N)

R.K. GOEL
Chief Financial Officer
& Company Secretary

MOHD. ALI SHAUKAT
General Manager
(Finance & Accounts)

PLACE : NEW DELHI
DATE : 10.08.2011

C.A. (VIPIN AGGARWAL)
Partner
(Membership No. 016544)

**PROFIT AND LOSS ACCOUNT FOR THE YEAR
ENDED MARCH 31, 2011**

PARTICULARS	SCHEDULE	Year ended 31.03.2011 (Rs.)	Year Ended 31.03.2010 (Rs.)
INCOME			
Sales	12	7013720790	6861254072
Other Income	13	45376354	57226989
TOTAL		7059097144	6918481061
EXPENDITURE			
Materials Consumed & Manufacturing Expenses	14	6120689392	6132189701
Employees Remuneration & Benefits	15	31408593	33201535
Administrative & Other Expenses	16	79028185	67426590
Marketing Expenses	17	472105632	372652451
Financial Expenses	18	194132887	153001415
Depreciation	5	68734303	66613340
TOTAL		6966098992	6825085032
PROFIT / (-) LOSS BEFORE TAXATION		92998152	93396029
Taxation :			
Current tax (including Rs. 145715/- for Wealth Tax, Previous Year Rs. 97721/-)		18685801	17350812
Deferred Tax Expenses/Income		15287325	22054337
Taxes for Earlier years		110703	1719217
		34083829	41124366
PROFIT / (-) LOSS AFTER TAXATION BUT BEFORE PRIOR PERIOD ADJUSTMENTS		58914323	52271663
Prior Period Expenses		952908	269038
PROFIT / (-) LOSS AFTER TAXATION & PRIOR PERIOD ADJUSTMENTS		57961415	52002625
Balance brought forward		552492714	500490089
PROFIT AVAILABLE FOR APPROPRIATION		610454129	552492714
Surplus Carried to Balance Sheet		610454129	552492714
Basic and Diluted Earning per Share		1.75	1.57
Significant Accounting Policies & Notes forming part of the Accounts			
	19		

For and on behalf of the Board**SIRAJUDDIN QURESHI**
Managing Director**SAMAR QURESHI**
DirectorAs per our report of even date attached
for **VIPIN AGGARWAL & ASSOCIATES**
Chartered Accountants
(FRN - 014454N)**R.K. GOEL**
Chief Financial Officer
& Company Secretary**MOHD. ALI SHAUKAT**
General Manager
(Finance & Accounts)**C. A. (VIPIN AGGARWAL)**
Partner
(Membership No. 16544)

PLACE : NEW DELHI

DATE : 10.08.2011

**SCHEDULES ANNEXED TO AND FORMING PART OF THE
BALANCE SHEET AS AT MARCH 31, 2011**

PARTICULARS	AS AT 31.03.2011 (Rs.)	AS AT 31.03.2010 (Rs.)
SCHEDULE - '1' SHARE CAPITAL :		
Authorised		
4,60,00,000 (Previous year 4,60,00,000) Equity Shares of Rs.10/- each	460000000	460000000
Issued, Subscribed & Paid - Up		
33150070 (Previous year 33150070) Equity Shares of Rs. 10/- each fully paid up	331500700	331500700
Out of the above:		
1. 2000000 (Previous year 2000000) Equity Shares allotted as fully paid up pursuant to a contract without payment being received in cash.		
2. 24250000(Previous year 24250000) Equity Shares are held by the holding Company - Hind Industries Limited.		
TOTAL	331500700	331500700
SCHEDULE - '2' RESERVES & SURPLUS		
Surplus, being balance in Profit & Loss Account	610454129	552492714
TOTAL	610454129	552492714

**SCHEDULES ANNEXED TO AND FORMING PART OF THE
BALANCE SHEET AS AT MARCH 31, 2011**

PARTICULARS	AS AT 31.03.2011 (Rs.)	AS AT 31.03.2010 (Rs.)
SCHEDULE - '3' SECURED LOANS :		
A. Rupee Term Loan		
IFCI Negotiated Loan	11640000	11640000
IDBI Negotiated Loan	0	0
IDBI Funded (interest) Loan	0	0
Interest accrued & Due IDBI	0	0
Liability under IFCI Restructuring Account	7925388	39626976
Liability under IDBI Restructuring Account	0	7254990
<p>(Secured by mortgage of land together with building constructed or to be constructed thereon and first charge on all the assets of the company both present and future in favour of FI's ranking pari passu subject to prior charges on specific movables created in favour of the Company's Bankers for securing working capital facilities. The loan is also secured by way of irrevocable and unconditional corporate guarantee of the the holding company i.e. Hind Industries Limited).</p>		
B. PNB Term Loan (For Chennai Project)	153965159	0
<p>(1st charge by way of hypothecation of the project assets i.e. Plant & Machinery and other equipments etc. which can be termed as moveable assets, including assignment of project agreements/securities/cash flow etc. of Chennai Project with written consent of Corporation of Chennai).</p>		
C. Working Capital Loans from Banks	1650406841	1278408996
<p>(Secured against hypothecation of stocks & book debts and second charge on fixed assets alongwith personal gurantees of two directors and partly by the corporate gurantee of Hind Industries Limited, also collaterally secured by way of first pari-passu charge on immovable property belonging to M/s Al Mashriq Exports Pvt. Ltd. situated at Village Karanki, Sohna, Gurgaon and also the export bill limit covered by Fixed Deposit to the extent of 5% in lieu of waiver of ECGC Policy)</p>		
D. Deferred payments credit against purchase of vehicles	11047770	19193215
<p>(Secured against hypothecation of vehicles - repayable within one year Rs.8216541) (Previous Year Rs. 11871947)</p>		
TOTAL	1834985158	1434124922
SCHEDULE - '4' UNSECURED LOANS :		
From Holding Company	15000000	15000000
Mr. Sirajuddin Qureshi	25500000	0
TOTAL	40500000	15000000

SCHEDULES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2011
SCHEDULE '5' FIXED ASSETS

(in Rupees)

Particulars	GROSS BLOCK				DEPRECIATION			NET BLOCK			
	As At 01.04.2010	Addition During The Period	Sales During The Year	Adjust- ments	Total As At 31.03.2011	Up To 31.3.2010	For The Year	Adjust- ments	Up To 31.3.2011	As At 31.03.2011	As At 31.03.2010
LAND (Freehold)	23393455	51017185	0	0	74410640	0	0	0	0	74410640	23393455
BUILDINGS	210041204	5642247	0	0	215683451	73192169	7152155	0	80344324	135339127	136849035
PLANT & MACHINERY	1114966000	39841494	0	0	1154807494	532620963	54425078	0	587046041	567761453	582345037
VEHICLES	41082593	5163194	0	0	46245787	15170167	3842706	0	19012873	27232914	25912427
TRUCKS	9158800	1012774	0	0	10171574	4431760	1079177	0	5510937	4660637	4727040
FURNITURE & FIXTURES	10577061	592101	0	0	11169162	3550817	628080	0	4178897	6990265	7026243
COMPUTERS	11915760	808064	0	0	12723824	7796329	1151052	0	8947381	3776443	4119431
OFFICE EQUIPMENTS	9715464	310854	0	0	10026318	3136493	456054	0	3592547	6433771	6578971
TOTAL	1430850337	104387913	0	0	1535238250	639898698	68734303	0	708633001	826605250	790951639
PREVIOUS YEAR	1409314794	30802415	4266872	5000000	1430850337	577820447	66613340	-4535089	639898698	790951639	831494349

**SCHEDULES ANNEXED TO AND FORMING PART OF THE
BALANCE SHEET AS AT MARCH 31, 2011**

PARTICULARS	AS AT 31.03.2011 (Rs.)	AS AT 31.03.2010 (Rs.)
SCHEDULE - '6' INVENTORIES		
(As valued and certified by the Management)		
Semi Finished Goods	963870	9095000
Finished Goods	949957412	574733887
Stores & Spares	29075334	28182270
TOTAL	979996616	612011157
SCHEDULE - '7' SUNDRY DEBTORS		
(Unsecured - Considered good)		
Over six months	4177060	6696562
Other Debtors	837208868	678709767
TOTAL	841385928	685406329
SCHEDULE - '8' CASH AND BANK BALANCES :		
Cash in hand (as certified)	795541	3784217
Cheques & DD in hand	8935437	8118037
Balance with Scheduled Banks:		
i) in Current Account	24717601	35189298
ii) in F.D.R. (Including interest accrued on FDR)	91505469	102176379
TOTAL	125954048	149267931
SCHEDULE - '9' LOANS & ADVANCES		
(Unsecured - Considered Good)		
Advances recoverable in cash or in kind or for value to be received - includes Rs.2284.69 lacs due from Companies in which the Directors of the Company are either Director or Member (Previous year Rs.422.28 lacs)	847797192	611544696
Balance with Excise Authorities	6502	8247228
Advance Tax/Tax Deducted at Source	4656072	5020472
TOTAL	852459766	624812396
SCHEDULE - '10' CURRENT LIABILITIES :		
Sundry Creditors		
a) total outstanding dues of creditors other than micro, small and medium enterprises	588579544	216230743
b) Other Liabilities (includes advance from Holding Company Rs. nil maximum amount during the year Rs.814731), Previous Year Rs.814731 maximum amount Rs. 231912606.	444373353	404151316
Interest accrued but not due	40820	204099
TOTAL	1032993717	620586158

**SCHEDULES ANNEXED TO AND FORMING PART OF THE PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2011**

PARTICULARS	For the Year Ended 31.03.2011 (Rs.)	For the Year Ended 31.03.2010 (Rs.)
SCHEDULE - '11' PROVISIONS:		
PROVISIONS:		
Provision for Taxation	22509328	19315004
Provision for Staff Benefits Scheme	17719606	18006051
TOTAL	40228934	37321055
SCHEDULE - "12" SALES		
Export Sales	6527104721	6422670789
Domestic Sale (Meat)	14795124	0
Sale of Waste & By-Products	471820945	438583283
TOTAL	7013720790	6861254072
SCHEDULE - "13" OTHER INCOME		
Misc. Income	55476	0
Interest on FDR	6364300	9184794
Profit on sale of Licence	0	2247982
Profit on sale of Fixed Assets	0	140717
IDBI Liability written back	7254990	13951908
IFCI Liability written back	31701588	31701588
TOTAL	45376354	57226989
SCHEDULE - "14" MATERIALS CONSUMED & MANUFACTURING EXPENSES		
Raw Material Consumed	5690421626	5754650666
Power and Fuel	201570396	178451342
Packing Material Consumed	132019984	107033951
Wages	25724840	21476360
Labour Welfare Expenses	2828734	2730793
Consumable Stores Consumed	25046935	27724729
Repairs & Maintenance:-		
— Plant & Machinery	22401419	22182226
— Building	2204382	1318465
Insurance	849257	592402
Inward Freights/Cartage	934329	1928391
Inspection Charges	7423570	4294115
Truck Running & Maintenance	1569601	1479248
Security Charges	2662565	2452527
Horticulture Expenses	622815	629266
Research & Development Exps.	2283839	1740851
Cess Water & UPCCB	132265	129685
Others	1992835	3374683
TOTAL	6120689392	6132189701

**SCHEDULES ANNEXED TO AND FORMING PART OF THE PROFIT
AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2011**

PARTICULARS	For the Year Ended 31.03.2011 (Rs.)	For the Year Ended 31.03.2010 (Rs.)
SCHEDULE - "15" EMPLOYEES REMUNERATION & BENEFITS		
Salaries & Other Benefits	29518999	31242617
Contribution to Provident Fund	1889594	1958918
TOTAL	31408593	33201535
SCHEDULE - "16" ADMINISTRATIVE & OTHER EXPENSES		
Rent	25659518	22479033
Vehicle Expenses	4213179	4392952
Conveyance & Travelling (Including Directors' Travelling of Rs.12712646) (Previous Year Rs.8729066)	23859850	15734810
Rates, Taxes Subscription and Fees	2285715	2885238
Electricity & Water Expenses	1664771	1777393
Security Service Charges	707974	640227
Printing & Stationery	2974871	3171311
Audit Fee	628710	628710
Legal & Professional Charges (Including paid to Directors' Rs.408000)	4042102	3795451
Repair & Maintenance Office	5496847	5447701
Insurance	3622034	3181057
Telephone , Postage & Telegram	2875869	2894696
Misc. Expenses	996745	398011
TOTAL	79028185	67426590
SCHEDULE - "17" MARKETING EXPENSES		
Freight, Clearing & Forwarding Charges	422371502	325602408
Business Promotion Expenses	18410226	17429263
Commission	31323903	29620780
TOTAL	472105632	372652451
SCHEDULE - "18" FINANCIAL EXPENSES		
Interest on Term Loans	22964878	12330087
Interest on Working Capital, other Bank Interest & Charges	171168009	140671328
TOTAL	194132887	153001415

**SCHEDULE – '19' - SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS:
COMPANY OVERVIEW**

Hind Agro Industries Ltd. is a Unit engaged in the processing of frozen and fresh meat.

(A) SIGNIFICANT ACCOUNTING POLICIES**1. 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 (Accounting Standards) Rules, 2006 and the relevant provisions of the Companies Act, 1956.

2. Fixed Assets and capital work in progress :

Fixed assets are stated at cost less accumulated depreciation. Cost includes excise duties, freight & other incidental expenses incurred in relation to acquisition and installation of the same. Direct costs including interest are capitalized until fixed assets are ready for use.

Grants for Fixed Assets are accounted for on earned basis and the amount of grant is deducted from the capital cost of the respective assets.

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.

3. Impairment of Assets :

Consideration is given at each balance sheet date to determine whether there is any indication of impairment of the carrying amount of the company's fixed assets. If any indication exists, an assets's recoverable amount is estimated. An impairment loss is recognized whenever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value based on an appropriate discount factor.

4. 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.

5. Foreign Exchange Transaction :

- a) Transactions in Foreign Currency are recorded in equivalent Rupee value at rates prevailing at the time of transaction.
- b) Monetary current assets and monetary current liabilities that are denominated in foreign currency are translated at the exchange rate prevalent at the date of the balance sheet. The resulting difference is also recorded in the profit and loss account.

6. Retirement benefit to employees :

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 provided for.

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 plan equal to a specified percentage. The company has no further obligations under the provident fund plan beyond its monthly contribution.

7. Valuation of Inventories :

- a) Raw Material, Consumables and Packing Materials are valued at cost on FIFO basis.
- b) Finished and Semi finished goods are valued at lower of cost or net realisable value. The benefits against raw material under Duty Entitlement Pass Book on Post Export (DEPB-Post Export), 2009 are reduced from the cost for purpose of valuation of closing stock.
- c) By-Products are valued at net realisable value.

8. Miscellaneous Expenditure : Preliminary expense, if any, will be amortised over the period of five years.

9. **Sales Accounting** : In case of exports, the sale of goods is recognised at the time of shipped on board and in case of by-product, the sales of goods is recognised at the point of dispatch.

Sale of waste/by-products is net of excise duty.

The duty credit scrip benefit under Duty Entitlement Pass Book on Post Export (DEPB-Post Export), 2009 has been reduced from raw material expenses under the head materials consumed and manufacturing expenses on its realisable value.

10. **Research and Development** : Research and development expenditure of capital nature has been capitalized and of revenue nature has been charged to the revenue account.

11. **Taxation** : The company has made provision for taxes for the year as per the Income Tax Act, 1961.

(B) NOTES FORMING PART OF THE ACCOUNTS

1. CONTINGENT LIABILITIES NOT PROVIDED FOR (RS. IN LACS)

	As on 31.03.11	As on 31.03.10
Outstanding guarantee & counter guarantee to various banks.	233.56	328.06

2. RELATED PARTIES DISCLOSURES

A. Particulars of Associate Companies / Firms

SR. No.	Name of the Related Party	Nature of Relationship	Nature of Transaction	Debit Rs in lacs	Credit Rs in lacs	Balance Amount on 31.03.2011 (Rs. In Lacs)
1.	Hind Industries Ltd.	Holding Company.	Loan Taken	---	NIL	Credit 150.00
2.	Hind Industries Ltd.	Company in which Directors are interested.	Business Transactions	9494.98	8009.16	Debit 1477.68
3.	Al-Mashriq Exports Pvt. Ltd.	Company in which Directors are interested.	Rent, Business Transaction	366.14	129.05	Debit 267.10
4.	Eatcco Foods Pvt. Ltd.	Company in which Directors are interested.	Business Transactions	NIL	NIL	NIL
5.	Islamuddin & Company	Firm in which M.D. is Partner.	Rent	37.31	50.47	Credit 13.16
6.	Hind Air Link Pvt Ltd.	Company in which Directors are interested.	Business Transactions	15.95	40.00	Credit 6.81
7.	Hind Air Star Pvt Ltd.	Company in which Directors are interested.	Business Transactions	78.38	0.15	Debit 78.23
8.	Hind Air Services Pvt Ltd.	Company in which Directors are interested.	Business Transactions	NIL	NIL	Debit 13.30
9.	Fast Trax Food Pvt Ltd.	Company in which Directors are interested.	Business Transactions	1190.96	1088.49	Debit 102.47
10.	Hind Biopharma-ceuticals Ltd.	Company in which Directors are interested.	Business Transactions	NIL	NIL	Debit 70.00
11.	Samar Travels & Cargo Pvt. Ltd.	Company in which Directors are interested.	Business Transactions	58.86	65.00	Debit 127.95
12.	Integrated LiveStock Village Farm P. Ltd.	Company in which Directors are interested.	Business Transactions	56.92	0.03	Debit 114.73
13.	Prime Packaging	Firm in which Directors are interested.	Supply of Packing Material.	302.57	284.09	Debit 3.50
14.	Hind Infra Engineers Ltd.	Company in which Directors are interested.	Business Transactions	247.44	347.50	Debit 29.73

B. Key Management Personnel

S.No.	NAME OF THE PERSONS	NATURE OF RELATIONSHIP
1.	Shri Sirajuddin Qureshi	Managing Director
2.	Smt. Kiran Qureshi	Director
3.	Dr. S. K. Ranjhan	Director
4.	Dr. Naseem Qureshi	President
5.	Mr. Samar Qureshi	Whole Time Director
6.	Mr. R. K. Goel	CFO / Company Secretary

C. Detail of transactions relating to persons referred to in item (B) above

	<u>Unit of Measurement</u>	<u>Value of Transaction</u>
a) Remuneration/ Consultancy	Rs. lacs	65.88
b) Rent & Security	Rs. lacs	54.00
<p>3. In the opinion of the management, the "Current Assets, Loans and Advances" have a value on realisation in the ordinary course of business, atleast equal to the amount at which they are stated in the Balance Sheet.</p>		
<p>4. Due to realignment of the value of Debtors, to make it commensurate with the closing exchange rate, Sales & Debtors have accordingly been increased by Rs. 324.05 lacs. (Previous year increase - Rs. 223.46 lacs).</p>		
<p>5. Balances appearing under the head Loans & Advances, Sundry Debtors and Sundry Creditors are subject to reconciliation and confirmation.</p>		
<p>6. The company had taken loan in the form of NCD and Term Loan from IDBI (SASF) and IFCI, which were restructured under One Time Settlement made in the earlier years. In the absence of classification into NCD and Term Loan, during the year the same have been reflected as negotiated loans under the head "Secured Loans" in the Balance Sheet, for which the company is making payments regularly and the payment of Term Loan to IDBI (SASF) has been fully repaid and No Dues Certificate has been duly obtained. However, the remaining amounts have been reflected under the head Liability Restructuring account. Further, sum of Rs. 72.55 lacs and Rs. 317.02 lacs have been shown under the heading Other Income as "IDBI Liability Written Back" and "IFCI Liability Written Back" respectively and the same are linked to the payments being made to the above financial institutions.</p>		
<p>7. Payment to auditors :</p>		

	For the year ended 31-03-2011	For the year ended 31-03-2010
Statutory Audit Fees	518410.00	518410.00
Tax Audit Fees	110300.00	110300.00
Total (Rupees)	<u>628710.00</u>	<u>628710.00</u>

8. As the company's business activity falls within a single primary business segment viz. "Meat Products", the disclosure requirements of Accounting Standard (AS-17) "Segment Reporting", issued by the Institute of Chartered Accountants of India are not applicable.
9. Cess under section 441A of the Companies Act, 1956, has not been provided / deposited in view of the fact that notification as required under the Act has not yet been issued by the Central Government.

10. ACCOUNTING FOR DEFERRED TAX (A.S.-22) ON INCOME :
(Rs. In Lacs)

Particulars	Year Ended 31 st March, 2011	Year Ended 31 st March, 2010
a) Deferred Tax Asset		
on account of timing differences:		
(i) Provision for Gratuity & Bonus	47.91	50.57
(ii) Provision for Leave Encashment	8.94	10.63
(iii) Carry Forward Losses	239.32	496.31
(iv) Depreciation on Fixed Assets	269.38	160.91
Total	565.55	718.43
b) Deferred Tax Liability		
on account of timing differences:		
(i) Depreciation on Fixed Assets	000.00	000.00
Total	000.00	000.00
Net Deferred Tax Asset (a-b)	565.55	718.43
LESS : Deferred Tax Asset	718.42	938.97
Net Deferred Tax Asset / (Liability) for the Year	(152.87)	(220.54)

11. Reserve for Redemption of NCD :

No Reserve on this account has been created considering that one time settlement has already been made with IDBI and IFCI and the NCD liability has been converted into Term Loan.

12. Bio-Methenation Plant :

The total cost of this Plant is Rs 325.00 lacs plus USD 656,000 out of which 50 % is being paid as Grant by the Government directly to the Supplier. The Company has already paid Rs. 328.19 lacs and same has been capitalized during the year under the head "Plant & Machinery".

13. The Company is entitled for adjustment of Sales Tax due for the period from 26.09.1997 to 25.06.2012 upto the limit of Rs. 7594.39 lacs. The Sales tax assessments have been completed upto March, 2008. However, the balance amount to be adjusted from 01.04.2011 to 25.06.2012 is Rs. 3999.81 lacs.

14. 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.

15. Additional information pursuant to part II of schedule VI to the Companies Act, 1956.
I) Value of Imports calculated on C.I.F. basis :

A) In respect of Capital Goods – NIL (Previous Year–Rs.5,54,518/-).

B) In respect of Spares – Rs. 13,63,733/- (Previous Year – Rs. 36,88,208/-)

II) Expenditure in foreign currency:

Travelling Expenses-Rs. 61,04,041/- (Previous Year - Rs. 66,80,917/-)

Commission - Rs. 2,64,54,879/- (Previous Year – Rs. 2,81,17,280/-)

**III) Earning in Foreign Currency :**

FOB value of goods exported Rs. 63,286.57 lacs (Previous Year- Rs. 62,087.56 lacs)

IV) Licensed and installed capacity *:

CLASS OF GOODS	LICENSED CAPACITY (M.T.,P.A.)	INSTALLED CAPACITY (M.T.,P.A.)
Boneless Veal (Buffalo)- Frozen	9000	9000
Boneless Buffalo - Frozen	102000	102000
Sheep- Fresh	9000	9000

*As certified by the management and relied upon by the Auditors being a technical matter.

V) DETAILS OF RAW MATERIAL CONSUMED

Particulars	Opening Stock	Purchase		Processed	Closing Stock	
	Qty in MT	Qty in MT	Value (Rs.)	Qty in MT	Qty in MT	Value (Rs.)
BUFFALO (Previous Year)	0.000 (0.000)	70919.769 (71814.646)	6162331068 (5750749369)	70919.769 (71814.646)	0.000 (0.000)	0.00 (0.00)
FRESH (Previous Year)	0.000 (0.000)	0.000 (5.700)	0.00 (698219)	0,000 (5.700)	0.000 (0.000)	0.00 (0.00)

VI) DETAILS OF FINISHED / SEMI FINISHED STOCK

Particulars	Opening Stock	Production	SALES		CLOSING STOCK	
	Qty in MT	Qty in MT	Qty in MT	Value (Rs.)	Qty in MT	Value (Rs.)
BUFFALO (Previous Year)	4920.635 (4847.230)	54126.729 (54929.627)	51556.025 (54856.222)	6460428841 (6294934024)	7491.339 (4920.635)	938964430 (554358739)
FRESH (Previous Year)	0.000 (0.000)	0.000 (3.800)	0.000 (3.800)	0.00 (893760)	0.000 (0.000)	0.00 (0.00)

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

The company has initiated the process and 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.

17. Previous year figures have been re-grouped, re-casted to make them comparable with those of the current year.**For and on behalf of the Board**

SIRAJUDDIN QURESHI
Managing Director

SAMAR QURESHI
Director

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

VIPIN AGGARWAL & ASSOCIATES
Chartered Accountants
(FRN - 014454N)

R. K. GOEL
Chief Financial Officer
& Company Secretary

MOHDALI SHAUKAT
General Manager
(Finance & Accounts)

C.A. VIPIN AGGARWAL
Partner
(Membership No. 16544)

PLACE : NEW DELHI
DATE : 10.08.2011

**CASH FLOW STATEMENT FOR THE YEAR ENDED
MARCH 31, 2011**

[Amount Rs. In lacs]

PARTICULARS	For the Year Ended March 31, 2011	For the Year Ended March 31, 2010
A) CASH FLOW FROM OPERATING ACTIVITIES		
Profit after Taxation as per Profit & Loss Account	920.45	931.27
ADJUSTMENTS FOR		
Depreciation	687.34	666.13
Adjustment in Depreciation for Fixed Assets sale	0	(45.35)
Fringe Benefit Tax	0	0
Deferred Tax (Income)/ Expense	0	0
F.I.'s Restructuring Account written back	(389.56)	(456.53)
Income Tax/Wealth Tax	(187.97)	(190.70)
Interest Paid	1,941.33	1,530.01
Operating Profit Before Working Capital Changes	2,971.59	2,434.83
ADJUSTMENTS FOR		
Sundry Debtors	(1,559.80)	939.81
Inventory	(3,679.85)	12.54
Trade Receivable	(2,276.47)	(1,325.81)
Trade Payable	4,153.15	(1,042.49)
NET CASH FROM OPERATING ACTIVITIES.....A	(391.38)	1,018.88
B) CASH FLOW FROM INVESTMENT ACTIVITIES		
Purchase of Fixed Assets	(1,043.88)	(308.03)
Proceeds from Sale of Fixed Assets	0	92.66
Capital work in progress	(1,509.72)	(190.08)
NET CASH USED IN INVESTING ACTIVITIES.....B	(2,553.60)	(405.45)
C) CASH FLOW FROM FINANCE ACTIVITIES		
Proceeds from issue of Share Capital	0	0
Secured Loan	678.19	(1,119.04)
Unsecured Loan	255.00	0
Proceeds from Borrowings	3,719.98	1,598.93
Interest paid	(1,941.33)	(1,530.01)
NET CASH USED IN FINANCE ACTIVITIES.....C	2,711.84	(1,050.12)
CASH FLOW DURING THE YEAR.....(A+B-C)	(233.14)	(436.69)
Cash & Cash Equivalents (Opening Balance)	1,492.68	1,929.37
Cash & Cash Equivalents (Closing Balance)	1,259.54	1,492.68

For and on behalf of the Board
SIRAJUDDIN QURESHI
 Managing Director

SAMAR QURESHI
 Director

As per our report of even date attached
for VIPIN AGGARWAL & ASSOCIATES
 Chartered Accountants
 (FRN - 014454N)

R.K. GOEL
 Chief Financial Officer
 & Company Secretary

MOHD. ALI SHAUKAT
 General Manager
 (Finance & Accounts)

C.A. (VIPIN AGGARWAL)
 Partner
 (Membership No. 16544)

PLACE : NEW DELHI
 DATE : 10.08.2011

**INFORMATION PURSUANT TO PART IV OF SCHEDULE VI OF THE COMPANIES ACT, 1956
BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE****I. REGISTRATION DETAILS**

Registration No. State Code

Balance Sheet Date

II. CAPITAL RAISED DURING THE YEAR (AMOUNT IN Rs. THOUSAND)

Public issue Right issue

Bonus issue Private Placement

III. POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS

Total Liabilities Total Assets

SOURCES OF FUNDS

Paid-up-Capital Reserves & Surplus

Secured Loans Unsecured Loans

Deferred Tax Liability

APPLICATION OF FUNDS

Net Fixed Assets Investments

Net Current Assets Misc. Expenditure

Deferred Tax Assets

IV. PERFORMANCE OF COMPANY (AMOUNT IN Rs. THOUSANDS)

Turnover Total Expenditure

Profit/(Loss) before tax Profit / (Loss) After Tax

Earning Per Share (in Rs.) Dividend Rate%

V. GENERIC NAMES OF THREE PRINCIPAL PRODUCTS/SERVICES OF THE COMPANY

Item Code (I.T.C. Code)

Product Description

The ITC codes of the products are as per publication of "Indian Trade Classification" based on harmonised commodity description and coding system by Ministry of Commerce, Directorate Intelligence and Statistics

For and on behalf of the Board**As per our report of even date attached**

SIRAJUDDIN QURESHI
Managing Director

SAMAR QURESHI
Director

FOR VIPIN AGGARWAL & ASSOCIATES

Chartered Accountants
(FRN - 014454N)

R.K. GOEL
Chief Executive Officer
& Company Secretary

MOHD. ALI SHAUKAT
General Manager
(Finance & Accounts)

C. A. (VIPIN AGGARWAL)
Partner
(Membership No. 16544)

PLACE : NEW DELHI
DATE : 10.08.2011

AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

We have examined the attached consolidated Balance Sheet as at 31st March 2011 also the consolidated Profit & Loss account of 'M/s Hind Industries Limited' along with its subsidiary 'M/s Hind Agro Industries Limited' as at March 31, 2011.

These financial statements are the responsibility of the Hind Industries Limited's management. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with generally accepted auditing standards in India. These standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are prepared, in all material respects, in accordance with an identified financial reporting framework and are free of material misstatements. An audit also includes, examining on test basis, evidence supporting the amounts and disclosure in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statements. We believe that our audit provides a reasonable basis for our opinion.

We did not audit the financial statements of its subsidiary, whose financial statements reflect total assets of Rs. 281.74 crores as at March 31, 2011 and total revenues of Rs. 705.91 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 (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.

On the basis of the information and explanations given to us and on the consolidation of the separate audit reports on the individual audited financial statements of the Holding Company and subsidiary company, we report that, :

- (a) ***Provision for Sundry Debtors and advance to suppliers in case of Holding Company is pending for adjustment.***

Subject to the above,

We are of the opinion that the said consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India;

- a) In so far it relates to consolidated Balance Sheet, of the state of affairs of the Company as at March 31, 2011;
- b) In so far as it relates to the consolidated Profit & Loss Account, of the Profit of the Company for the year ended on that date;
- c) In so far it relates to the consolidated Cash Flow Statement, of the cash flows of the company for the year ended on that date.

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

C.A. (ATUL AGGARWAL)

PLACE : NEW DELHI

DATE : 12.08.2011

Partner

(M.No-99374)

**CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2011**

PARTICULARS	SCHEDULE	AS AT 31.03.2011 (Rs.)	AS AT 31.03.2010 (Rs.)
I SOURCES OF FUNDS			
1. Shareholders' Funds			
a) Share Capital	1	89591200	89591200
b) Reserves & Surplus	2	996960880	935210958
c) Minority interest	3	252894305	237332931
		<u>1339446385</u>	<u>1262135089</u>
2. Loan Funds			
a) Secured Loans	4	2365427788	1846340252
b) Unsecured Loan		25500000	0
TOTAL		<u>3730374173</u>	<u>3108475341</u>
II APPLICATION OF FUNDS			
1. Fixed Assets			
a) Gross Block	5	2135458288	2024808489
b) Less: Depreciation		1011615854	914712399
c) Net Block		1123842434	1110096090
d) Capital Work in-Progress		212562625	58995753
		<u>1336405059</u>	<u>1169091843</u>
2. Goodwill on Consolidation	5a	11330000	11330000
3. Current Assets, Loans & Advances	6	3774345537	2732282888
Less: Current Liabilities & Provisions	7	1395149067	817465964
Net Current Assets		2379196470	1914816924
Deferred Tax Assets		3442644	13236574
TOTAL		<u>3730374173</u>	<u>3108475341</u>
Significant Accounting Policies and Notes to the accounts	15		

For and on behalf of the Board

SIRAJUDDIN QURESHI
Chairman & Managing Director

DR. NASEEM QURESHI
Director

ANIL VANJANI
Chief Executive Officer

R.K. GOEL
Chief Financial Officer

MOHD. ALI SHAUKAT
General Manager
(Finance & Accounts)

SAMAR BHATIA
Company Secretary

As per our report of even date attached

For M.K. AGGARWAL & CO.
Chartered Accountants
(FRN - 01411N)

C.A. (ATUL AGGARWAL)
Partner
(Membership No. 99374)

PLACE : NEW DELHI

DATE : 12.08.2011

**CONSOLIDATED PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED
MARCH 31, 2011**

PARTICULARS	SCHEDULE	Year ended 31.03.2011 (Rs.)	Year ended 31.03.2010 (Rs.)
INCOME			
Sales	8	8397461269	8085790463
Other Income	9	57098945	76059731
TOTAL		8454560214	8161850194
EXPENDITURE			
Operational & Other Expenses	10	7141007389	7058467301
Employees Remuneration & Benefits	11	55307058	55560822
Administrative & Other Expenses	12	97662977	86089013
Marketing Expenses	13	671113058	537868237
Financial Expenses	14	263381639	212623722
Depreciation	5	96874653	93090928
TOTAL		8325346774	8043700023
PROFIT / (-) LOSS BEFORE TAX		129213440	118150171
Prior Period Expenses		952908	269038
Less: Current Taxes			
i) Income Tax for Current Year		34827700	29889339
ii) Income Tax for Earlier Years		110703	-6624236
iii) Provision for Wealth Tax		145715	97721
iv) Deferred Taxes Income/Expenses		9793930	17720898
PROFIT / (-) LOSS AFTER TAX		83382484	76797411
i) Proposed Dividend		5181744	4318120
ii) Tax on Proposed Dividend		860636	733865
		77340104	71745426
Add: Surplus brought from previous year		673235580	601490154
PROFIT AVAILABLE FOR APPROPRIATION		750575684	673235580
Surplus/(Deficit) Carried to Balance Sheet		750575684	673235580
Significant Accounting Policies & Notes to Account forming part of the Accounts	15		

For and on behalf of the Board**SIRAJUDDIN QURESHI**
Chairman & Managing Director**ANIL VANJANI**
Chief Executive Officer**MOHD. ALI SHAUKAT**
General Manager
(Finance & Accounts)**DR. NASEEM QURESHI**
Director**R.K. GOEL**
Chief Financial Officer**SAMAR BHATIA**
Company Secretary**As per our report of even date attached****for M.K. AGGARWAL & CO.**
Chartered Accountants
(FRN - 01411N)**C.A. (ATUL AGGARWAL)**
Partner
(Membership No. 99374)

PLACE : NEW DELHI

DATE : 12.08.2011

**SCHEDULES ANNEXED TO AND FORMING PART OF THE
CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2011**

PARTICULARS	AS AT 31.03.2011 (Rs.)	AS AT 31.03.2010 (Rs.)
SCHEDULE '1'-SHARE CAPITAL		
AUTHORISED :		
16000000 (Previous year 16000000) Equity Shares of Rs. 10/- each	<u>16000000</u>	<u>16000000</u>
Issued, Subscribed & Paid up:		
8636240 (Previous year-8636240) Equity Shares of Rs. 10/- each fully paid up	86362400	86362400
Out of above:		
i) 990 (Previous Year 990)Equity Shares are allotted as fully paid pursuant to a contract without payment being received in cash.		
ii) 1070000 (Previous Year 1070000) Equity Shares of Rs. 10/- each fully paid have been allotted as Bonus Shares by capitalisation of General Reserves.		
Add: Share Forfeited 1286820 Shares (Previous Year1286820) on which Rs.3228800/- Paid up	3228800	3228800
TOTAL	<u><u>89591200</u></u>	<u><u>89591200</u></u>
SCHEDULE '2'-RESERVES AND SURPLUS		
1. REVALUATION RESERVES		
Balance as per last Balance Sheet	1584347	1613153
Less: Amortisation of land	(28806)	(28806)
	<u>1555541</u>	<u>1584347</u>
2. SECURITIES PREMIUM ACCOUNT	74272496	74272496
3. CAPITAL RESERVE	3228800	3228800
4. GENERAL RESERVES		
Balance as per last Balance Sheet	451964830	432222031
5. PROFIT & LOSS ACCOUNT		
Amount of Subsidiary Profit & Loss Account	610454130	552492716
Less : Minority interest	163893605	148332231
	<u>446560525</u>	<u>404160485</u>
Profit & (Loss) Account	19378688	19742799
	<u>465939213</u>	<u>423903284</u>
TOTAL	<u><u>996960880</u></u>	<u><u>935210958</u></u>
SCHEDULE '3'- MINORITY INTEREST		
Share in the Capital of subsidiary company	89000700	89000700
Share in Reserve & Surplus of subsidiary Company	163893605	148332231
TOTAL	<u><u>252894305</u></u>	<u><u>237332931</u></u>

**SCHEDULES ANNEXED TO AND FORMING PART OF THE
CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2011**

PARTICULARS	AS AT 31.03.2011 (Rs.)	AS AT 31.03.2010 (Rs.)
SCHEDULE '4'-SECURED LOANS		
Term Loans From Financial Institutions *	11640000	131070745
(Secured by first charge by way of hypothecation of all the movable properties (save and except book debts) including movable machinery, machinery spares, tools and accessories present and future subject to prior charges created and /or to be created in favour of the borrower's bankers on stock of raw - materials, semifinished and finished goods, consumable stores, book debts and such other movables used in the ordinary course of business) and partly secured by mortgage of land together with building constructed or to be constructed thereon.		
Liability Under IFCI Restructuring account	7925388	49198221
Liability Under IDBI Restructuring account	0	7254990
(The negotiated settlement have been made by the FI's, the classification and quantification resettled amount into NCD and Term Loan is yet to be informed by FI's. However as far as securities against the above amounts are concerned they will continue to remain the same as mentioned above).		
Bank of India Corporate Loan	120317978	163184452
(Secured against property at A-1, Phase - 1, Okhla Industrial Area, New Delhi, Personal Guarantee of Mr. Sirajuddin Qureshi, Mrs. Kiran Qureshi, Mr. Samar Qureshi, Dr. Naseem Qureshi and Guarantee of M/s Islamuddin & Co.)		
Punjab National Bank - Term Loan (For Chennai Project)	153965159	0
(1st Charge by way of hypothecation of the projects assets i.e. Plant & Machinery and other equipments etc. which can be termed as moveable assets, including assignment of project agreements/securities/ cash flow etc. of Chennai Project with written consent of Corporation of Chennai)		
Working Capital Loans from Banks	2060531493	1476438629
Secured by Stock, Book Debts, FDRs, Personal Guarantee of the Promoter Directors and second charge on the entire fixed assets (present & future) of the company.		
DEFERRED PAYMENT CREDIT	11047770	19193215
Secured by Hypothecation of Vehicles		
TOTAL	<u>2365427788</u>	<u>1846340252</u>

**Notes:*

Term Loan and interest accrued & due thereon are secured by mortgage of land together with building constructed or to be constructed thereon and first charge on all the assets of the company both present & future in favour of FI's ranking pari passu subject to prior charges on specific movables created in favour of the company's Bankers for securing working capital facility. The loan is also secured by way of irrevocable and unconditional corporate guarantee of the holding company i.e. Hind Industries Ltd..

SCHEDULES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT MARCH 31ST, 2011
SCHEDULE '5' - FIXED ASSETS (Amt. in Rs.)

Particulars	GROSSBLOCK				DEPRECIATION			NETBLOCK			
	As At 01.04.2010	Addition During The Year	Sales During The Year	Adjust- Ments	Total As At 31.03.2011	Up To 31.3.2010	For The Year	Adjust- Ments	Up To 31.3.2011	As At 31.03.2011	As At 31.03.2010
LEASEHOLD LAND	3105460	0	0	0	3105460	828122	41406	0	869528	2235932	2277338
FREEHOLD LAND	23393455	51017185	0	0	74410640	0	0	0	0	74410640	23393455
FACTORY BUILDING	273623918	7299070	0	0	280922988	103783768	9281124	0	113064892	167858096	169840150
PLANT & MACHINERY	1604873911	42690950	0	0	1647564861	754169644	77784801	0	831954445	815610416	850704267
VEHICLES	44748346	5163194	0	0	49911540	18289247	4039164	0	22328411	27583129	26459099
TRUCKS	12775085	2660492	0	0	15435577	5544016	1624103	0	7168119	8267458	7231069
FURNITURE & FIXTURES	35460175	613931	0	0	36074106	18719876	2201459	0	20921335	15152771	16740299
COMPUTERS	13364209	892517	0	0	14256726	8433826	1312590	0	9746416	4510310	4930383
OFFICE EQUIPMENTS	13445935	310854	0	0	13756789	4925905	618811	0	5544716	8212073	8520030
ELECTRICAL EQUIPMENTS	17995	0	0	0	17995	17995	0	0	17995	0	0
TOTAL	2024808489	110648193	0	0	2135456682	914712399	96903458	0	1011615857	1123840825	1110096090
PREVIOUS YEAR	1971396699	65074043	6662253	5000000	2024808489	827573547	93119734	-5980882	914712399	1110096090	1143823152

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

**SCHEDULES ANNEXED TO AND FORMING PART OF THE
CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2011**

PARTICULARS	AS AT 31.03.2011 (Rs.)	AS AT 31.03.2010 (Rs.)
SCHEDULE '5a' - COST OF CONTROL		
Book Value of investments in subsidiary company	253830000	253830000
Less: Cost of shares held in subsidiary company	242500000	242500000
Goodwill on Consolidation	<u>11330000</u>	<u>11330000</u>
SCHEDULE '6' - CURRENT ASSETS, LOANS AND ADVANCES		
A. CURRENT ASSETS		
1. INVENTORIES		
(As valued, taken & certified by the Management)		
Finished goods	1311327085	873845239
Packing Materials & Others	36422174	35854754
	<u>1347749259</u>	<u>909699993</u>
2. SUNDRY DEBTORS		
(Unsecured Considered Good)		
Over Six Months - Considered Good	39233436	23287428
Over Six Months - Considered Doubtful	4000000	4000000
Others	1086030332	907623335
	<u>1129263768</u>	<u>934910763</u>
Less: Provision For Doubtful Debts	4000000	4000000
	<u>1125263768</u>	<u>930910763</u>
3. CASH & BANK BALANCES		
Cash in hand	1292623	4031916
Cheques/DD on hand	8935437	8118037
Balance with the Banks	136686791	157699914
	<u>146914851</u>	<u>169849867</u>
TOTAL (A)	<u>2619927878</u>	<u>2010460623</u>
B. LOANS AND ADVANCES (UNSECURED- CONSIDERED GOOD)		
Advances recoverable in cash or in kind or for value to be received.	1149166524	715879347
Advance Tax (A.Y. 2010-2011)	300000	300000
Tax Deducted at Source	4951135	5642918
	<u>1154417659</u>	<u>721822265</u>
TOTAL (B)	<u>1154417659</u>	<u>721822265</u>
TOTAL (A+B)	<u>3774345537</u>	<u>2732282888</u>

**SCHEDULES ANNEXED TO AND FORMING PART OF THE
CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2011**

PARTICULARS	AS AT 31.03.2011 (Rs.)	AS AT 31.03.2010 (Rs.)
SCHEDULE '7' CURRENT LIABILITIES & PROVISIONS		
CURRENT LIABILITIES		
Sundry Creditors	691906499	456108164
Other Liabilities	625228505	290991302
Interest accrued but not due	40820	204099
	<u>1317175824</u>	<u>747303565</u>
PROVISIONS		
Provision for Staff- Welfare Schemes	37771468	36596459
Provision for Income Tax / Wealth Tax	40201775	33565941
	<u>1395149067</u>	<u>817465965</u>
SCHEDULE '8' SALES		
Export Sales	7844104113	7614350978
Domestic Sales (Meat)	14795124	0
Sales of Waste & By product	538562032	471439485
	<u>8397461269</u>	<u>8085790463</u>
SCHEDULE '9' OTHER INCOME		
IFCI Liability Written back	41272833	44463244
IDBI Liability Written back	7254990	13951908
Interest on FDR/Margin Money	7952510	10541757
Provision for Insurance Claim-Frozen	0	4674649
Excess provision of I. Tax for 2009-10	503131	0
Profit on Sale of Licence	0	2247982
Profit on Sale of Fixed Assets	0	140717
Miscellaneous Income	115481	39474
	<u>57098945</u>	<u>76059731</u>

**SCHEDULES ANNEXED TO AND FORMING PART OF THE
CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2011**

PARTICULARS	For the Year Ended March 31, 2011 (Rs.)	For the Year Ended March 31, 2010 (Rs.)
SCHEDULE '10' OPERATIONAL & OTHER EXPENSES :		
Raw Material Consumed	6588504855	6571808204
Consumable Stores	27269417	31069296
Packing Material Consumed	143333476	120506083
Power & Fuel	272211967	232829322
<i>Repairs & Maintenance:</i>		
Plant & Machinery	30690166	33255083
Building	3339196	2688522
Others	561568	650358
Wages	47107849	40843634
Worker's Welfare Expenses	4294532	4105607
Insurance (Plant)	1307191	1022468
Vehicle running & Maint.	5326224	4413787
Freight Inward	1041715	2050111
Research & Development Expenses	2283839	1740851
Security Charges (factory)	3563909	3056229
Horticulture Expenses	622815	629266
Others	9548670	7798480
	<u>7141007389</u>	<u>7058467301</u>
SCHEDULE '11' PAYMENTS TO & PROVISION FOR EMPLOYEES		
Salaries , Wages and Other Benefits	51315794	51811300
Contribution to Provident Fund & Other Funds	3991264	3749522
	<u>55307058</u>	<u>55560822</u>
SCHEDULE '12' ADMINISTRATIVE & OTHER EXPENSES		
Rent	30633118	27219033
Vehicle Running & Maintenance	5145138	5210286
Travelling & Conveyance	25977408	17000303
Electricity & Water Charges	1664771	1777393
Repair & Maintenance - Office	5496847	5447701
Rates, Taxes & Subscription	3973505	5492861
Security Service Charges	707974	640227
Printing & Stationery	4439709	4167490
Audit Fee	1235360	1235360
Certification Charges	150448	150448
Legal & Professional Expenses	5478844	5921599
Loss on Sale of Fixed Assets	0	549588
Insurance	5174964	4499227
Telephone & Postage Expenses	4799525	4438894
Misc. Expences	2785366	2338603
	<u>97662977</u>	<u>86089013</u>

**SCHEDULES ANNEXED TO AND FORMING PART OF THE
CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2011**

PARTICULARS	For the Year Ended March 31, 2011 (Rs.)	For the Year Ended March 31, 2010 (Rs.)
SCHEDULE '13' SELLING, DISTRIBUTION & OTHER EXPENSES		
Freight & Forwarding Expenses	618860634	489300462
Business Promotion Expenses	20928521	18946995
Sales Commission	31323903	29620780
	<u>671113058</u>	<u>537868237</u>
SCHEDULE '14' FINANCIAL EXPENSES		
Interest on Term Loans, Working Capital loans & NCD.	46812874	43083929
Bank Interest and Charges	216568765	169539793
	<u>263381639</u>	<u>212623722</u>

SCHEDULE ANNEXED TO AND FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2011.**SCHEDULE – 15****A. SIGNIFICANT ACCOUNTING POLICIES****A.1 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 (Accounting Standards) Rules, 2006 and the relevant provisions of the Companies Act, 1956.

A-2 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 the disclosures relating to contingent liabilities as of 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.

A.3 FIXED 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 up-gradations / enhancements are generally charged

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

- d) 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.
- e) 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 impairments 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.

A.4 INVENTORIES

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

- I) Raw material and packing material is valued at cost on FIFO method.
- II) Stores & spare parts purchased are taken as consumption during the year.
- III) The realisable costs of inventories of finished goods are arrived at Direct Costing Method, based on FIFO formula.
- IV) By Products are valued at net realizable value.

A.5 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) **Income** : Revenue is recognised only when there is reasonable certainty that the ultimate collection will be made.
- iv) **Expenditure** : The duty credit scrip benefit under Duty Entitlement Pass Book on Post Export (DEPB-Post Export), 2009 has been reduced from raw material expenses on its realisable value.

A.6 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.
- ii) Leasehold land is being amortised over the period of lease.

A.7 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.

A.8 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 provided for.
- 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 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.

A.9 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 profit and loss account 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.

A.10 TAXATION

Provision for Income Tax is made on the basis of the result of the year. In accordance with Accounting Standard – 22. Accounting for taxes on income, issued by the Institute of Chartered Accountants of India, the deferred tax for timing differences between the book and tax profits for the year is accounted for using the tax rates and laws that have been enacted or substantively enacted as of the Balance Sheet date.

Deferred tax liabilities and assets arising from temporary timing differences are recognised to the extent there is reasonable certainty that the assets can be realised in future.

Current year tax is accounted for in accordance with the provisions of the Income Tax Act, 1961.

A.11 CONTINGENT LIABILITIES & PROVISIONS

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 made as contingent liability unless the possibility of outflow is remote.

A.12 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 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.

B. NOTES TO CONSOLIDATED ACCOUNTS:

- B.1** Hind Industries Limited (hereinafter referred to as 'the Holding Company') holds 73.15% 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.
- B.2** Holding company as per the re-negotiated terms and conditions with IFCI has made full payments during the year.

B.3 The Subsidiary Company has taken loan from IDBI (SASF) and IFCI have been restructured in the earlier years and the same have been shown in the Balance Sheet as per settlement with the financial institutions. Accordingly, a sum of Rs. 389.57 lacs have been Written Back as the liability which is no longer payable.

B.4 In Holding Company, Mr. Sirajuddin Qureshi & Mrs. Kiran Qureshi, Directors of the Company have given personal guarantees to Industrial Finance Corporation of India Limited for Term Loan which has been fully repaid by the company towards year end. The confirmation of dues from IFCI has not been received as on the date of the Balance Sheet. Also the loan of Rs. 1203.18 lacs from Bank of India is secured by Personal Guarantee of Mr. Sirajuddin Qureshi, Mrs. Kiran Qureshi, Mr. Samar Qureshi, Dr. Naseem Qureshi and Guarantee of M/s Islamuddin & Co. and property at A-1, Phase -1, Okhla Industrial Area, New Delhi owned by M/s Islamuddin & Co.

B.5 The current assets, loans and advances are realisable at the value stated in the balance sheet, in the ordinary course of business.

B.6 Balance under sundry creditors, sundry debtors, Loan and advances are subject to confirmation and reconciliation and consequent adjustments thereof.

B.7 Detailed accounting policies and Notes on Accounts of the Holding and Subsidiary Company are set out in their respective financial statements.

B.8 In case of Subsidiary company, Cess under section 441A of the Companies Act, 1956, has not been provided/ deposited in view of the fact that notification as required under the Act has not yet been issued by the Central Government.

B.9 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. The project of HSRP has not resulted in any income to the company due to the inadequate orders from the State Governments. However, the management foresee no impairment of the assets of the said unit as on date.

B.10 Expenditure incurred on Energy

Project has been capitalized as Capital Work In Progress, being pre-operative in nature. However, the management is pursuing for the necessary acquisition of land.

B.11 Expenditure incurred on Salboni project has been capitalized as Capital Work In Progress, being pre-operative in nature. However, the management is pursuing for the necessary acquisition of land.

C.1 Accounting for Deferred Tax on Income of Holding Company (Accounting Standard – 22):

(Rs. In lacs)

Particulars	Year Ended 31.03.2011	Year Ended 31.03.2010
a) Deferred Tax Assets on account of timing difference :		
i) Provision for Doubtful Debts	31.89	32.63
ii) Provision for Gratuity & Bonus	60.42	55.47
iii) Provision for Leave Encashment	6.19	6.15
iv) Carry forward losses	0.00	0.00
Total	<u>98.50</u>	<u>94.25</u>
b) Deferred Tax Liability on account of timing difference :		
i) Depreciation on fixed assets	629.62	680.31
Total	<u>629.62</u>	<u>680.31</u>
Net Deferred Tax Liability (b-a)	531.12	586.06

C.2 Accounting for Deferred Tax on Income of Subsidiary Company (Accounting Standard – 22):

(Rs. In Lacs)

Particulars	Year Ended 31 st March, 2011
a) Deferred Tax Assets on account of timing differences:	
(i) Provision for Gratuity & Bonus	47.91
(ii) Provision for Leave Encashment	8.94
(iii) Carry Forward Losses	239.32
(iv) Depreciation on Fixed Assets	269.38
Total	<u>565.55</u>
b) Deferred Tax Liability on account of timing differences:	
(i) Depreciation on fixed assets	00.00
Total	<u>00.00</u>
Net Deferred Tax Asset (a-b)	565.55
LESS : Deferred Tax Asset as on 31-03-2010	718.42
Net Deferred Tax Liability as on 31-03-2011	<u>152.87</u>

C.3 RELATED PARTY DISCLOSURES

SR. NO.	NAME OF THE RELATED PARTY	NATURE OF RELATIONSHIP	NATURE OF TRANSACTION	DEBIT Rs. in Lac	CREDIT Rs. in Lac	BALANCE AMOUNT AS ON 31.03.2011 (Rs. In Lacs)
1.	Al-Mashriq Exports Pvt. Ltd.	i) Company in which KMP* are interested.	i) Business Transactions	255.00	255.00	NIL
		ii) Company in which Directors are interested.	ii) Business Transactions	366.14	129.05	Debit 267.10
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	NIL	NIL	NIL
3.	Islamuddin & Company	i) Firm in which KMP* are interested.	i) Rent	18.72	25.42	Credit 6.52
		ii) Firm in which MD is Partner.	i) Rent	37.31	50.47	Credit 13.16
4.	Hind Air Link 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	15.95	40.00	Credit 6.81
5.	Hind Air Star Pvt Ltd	i) Company in which KMP* are interested.	i) Business Transactions	NIL	NIL	NIL
		ii) Company in which Directors are interested.	i) Business Transactions	78.38	0.15	Debit 78.23
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.	i) Business Transactions	NIL	NIL	Debit 13.30
7.	Fast Trax Food Pvt Ltd	i) Company in which KMP* are interested.	i) Business Transactions	300.33	300.33	NIL
		iii) Company in which Directors are interested.	i) Business Transactions	1190.96	1088.49	Debit 102.47
8.	Prime Packaging	Firm in which Directors are interested.	Supply of Packing Material.	302.57	284.09	Debit 3.50
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.	i) Business Transactions	58.86	65.00	Debit 127.95
10.	Hind Biopharmaceuticals Ltd.	Company in which Directors are interested	Business Transactions	NIL	NIL	Debit 70.00
11.	Integrated Livestock Village Farm Pvt. Ltd.	Company in which Directors are interested	Business Transactions	56.92	0.03	Debit 114.73
12.	Aliffa Agro (India) Pvt Ltd.	Firm in which KMP* are interested.	Business Transactions	165.00	165.00	NIL
13.	Hind Infra Engineers Ltd.	Company in which Directors are interested	Business Transactions	247.44	347.50	Debit 29.73
14.	Shri Sirajuddin Qureshi	i) KMP*	i) Remuneration	33.86	33.86	NIL
		ii) KMP*	ii) Rent	21.60	21.60	NIL
15.	Mrs. Kiran Qureshi	i) Relative of KMP*	i) Rent	12.00	12.00	NIL
		ii) Relative of KMP*	ii) Rent	32.40	32.40	NIL
16.	Dr. S.K. Ranjhan	Director	Consultancy	4.08	4.08	NIL
17.	Dr. Naseem Qureshi	KMP*	Remuneration	9.10	9.10	NIL
18.	Mr. Samar Qureshi	KMP*	Remuneration	32.68	32.68	NIL
19.	Mr. Anil Vanjani	KMP*	Remuneration	39.28	39.28	NIL
20.	Mr. R. K. Goel	KMP*	Remuneration	20.13	20.13	NIL

*KMP = Key Management Personnel.

C.4 EARNING PER SHARE

Particulars	2010-2011	2009-2010
Consolidated Profit after Tax	833.82 lacs	767.97 lacs
Less : Minority Interest	155.61 lacs	139.62 lacs
Balance Profit	678.21 lacs	628.35 lacs
Weighted No. of Shares	8636240	8636240
Consolidated Basic and Diluted Earning per share	7.85	7.82

C.5 CONTINGENT LIABILITIES
1. Claims against the Company not acknowledged as Debt :

Rs.Nil. (Previous Year : NIL)

2. Guarantees and other contingencies

Particulars	2010-2011 (Rs. in lacs)	2009-2010 (Rs. in lacs)
a) Given to others	98.18	98.18
b) Given To Associate Company	10.50	—
c) Counter Guarantees executed by Bank	233.56	328.06

C.6 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 (AS-17) "Segment Reporting", issued by the Institute of Chartered Accountants of India are not applicable.

D. Additional information pursuant to the provision of paragraphs 3 & 4 of part IInd of schedule VI to the Companies Act, 1956 :
D.1 PARTICULARS OF CAPACITY USED *

PARTICULARS	ITEMS	QUANTITY (MT) AS AT 31-03-2011	QUANTITY (MT) AS AT 31-03-2010
Licensed Capacity	Fresh & Frozen Meat	145000.00	145000.00
Installed Capacity	Fresh & Frozen Meat	145000.00	145000.00
Actual Production	Fresh	2678.700	2926.075
	Frozen	59367.644	59350.576

* As certified by the management and relied upon by the Auditors being a technical matter.

D.2 DETAILS OF PURCHASES, SALES AND CLOSING STOCK FOR THE YEAR ENDED 31ST MARCH, 2011

Particulars	Opening Stock (MT)	Production (MT)	Sales (MT)	Value (Rs)	Closing Stock (MT)	Value (Rs)
Fresh	Nil	2678.700	2678.700	722795090	Nil	Nil
	(Nil)	(2926.075)	(2926.075)	(687203653)	(Nil)	(Nil)
Frozen	7380.485	59367.644	56226.025	7053889180	*10522.104	1295321499
	(7304.807)	(59350.576)	(59225.098)	(6810616027)	(7380.485)	(837656990)

*Includes Good-In-Transit of 380.434 MT.

(Previous year figures are shown in brackets)

D.3 DETAILS OF RAW MATERIAL CONSUMED

PARTICULARS	2010-2011		2009-2010	
	Qty. (M.T.)	Value (Rs.)	Qty. (MT)	Value (Rs.)
Fresh	2750.870	505225836	2968.071	470993951
Frozen	76184.133	6658971945	76259.293	6167107659

D.4 EXPENDITURE IN FOREIGN CURRENCY

PARTICULARS	2010-2011 (Rs. In Lacs)	2009-2010 (Rs. In Lacs)
Travelling	61.04	66.81
Commission	264.55	281.17

D.5 VALUE OF IMPORTS

PARTICULARS	For the Year Ended 31.03.2011 (Rs in lacs)	For the Year Ended 31.03.2010 (Rs in lacs)
Value of Imports (CIF Value)	13.64	42.43

D.6 EARNINGS IN FOREIGN CURRENCY

PARTICULARS	For the Year Ended 31.03.2011 (Rs in lacs)	For the Year Ended 31.03.2010 (Rs in lacs)
FOB Value of Export Goods	74848.06	72514.31

E. 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

SIRAJUDDIN QURESHI
Chairman & Managing Director

Dr. NASEEM QURESHI
Director

For and on behalf of

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

ANIL VANJANI
Chief Executive Officer

R.K. GOEL
Chief Financial Officer

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

MOHD. ALI SHAUKAT
General Manager
(Finance & Accounts)

SAMAR BHATIA
Company Secretary

PLACE : NEW DELHI
DATE : 12.08.2011

**CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED
MARCH 31, 2011***(Rs. in Lakhs)*

Particulars	For the Year ended March 31, 2011	For the Year ended March 31, 2010
A) CASH FLOW FROM OPERATING ACTIVITIES		
Profit before Taxation as per Profit & Loss Account	1,282.60	1,178.81
ADJUSTMENTS FOR		
Depreciation	968.74	930.91
Adjustment in Depreciation for Sale of Fixed Assets	0	(39.85)
Tax for the Year	(349.74)	(299.87)
Fringe Benefit Tax	0	0
F.I.'s Restructuring Account Written Back	(485.27)	(584.15)
Tax for Earlier Year	(1.11)	66.24
Interest Paid	2,633.82	2,126.23
Operating Profit Before Working Capital Changes	4,049.04	3,378.32
ADJUSTMENTS FOR		
Sundry Debtors	(1,943.53)	1,202.81
Inventory	(4,380.49)	(548.63)
Trade Receivable	(4,325.95)	1,167.92
Trade Payable	5,776.83	(1,622.46)
NET CASH FROM OPERATING ACTIVITIES.....A	(824.10)	3,577.96
B) CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(1,106.48)	(342.51)
Proceeds from Sale of Fixed Assets	0	96.66
Investment in Subsidiary	0	(663.30)
Capital work in progress	(1,535.68)	(195.30)
NET CASH USED IN INVESTING ACTIVITIES.....B	(2,642.16)	(1,104.45)
C) CASH FLOW FROM FINANCE ACTIVITIES		
Secured Loan	(164.78)	(1,663.84)
Unsecured Loan	255.00	0
Proceeds from Borrowings	5,840.93	964.08
Dividend Paid	(51.82)	(43.18)
Tax on Dividend	(8.61)	(7.34)
Interest paid	(2,633.82)	(2,126.23)
NET CASH USED IN FINANCE ACTIVITIES.....C	3,236.90	(2,876.51)
CASH FLOW DURING THE YEAR.....(A+B-C)	(229.36)	(403.00)
Cash & Cash Equivalents (Opening Balance)	1,698.51	2,101.50
Cash & Cash Equivalents (Closing Balance)	1,469.15	1,698.50

*For and on behalf of the Board**As per our report of even date attached
for M.K. AGGARWAL & CO.*Chartered Accountants
(FRN - 01411N)**SIRAJUDDIN QURESHI**
Chairman & Managing Director**DR. NASEEM QURESHI**
Director**C. A. (ATUL AGGARWAL)**
Partner
(Membership No. 99374)**ANIL VANJANI**
Chief Executive Officer**R.K. GOEL**
Chief Financial Officer**MOHD. ALI SHAUKAT**
General Manager
(Finance & Accounts)**SAMAR BHATIA**
Company SecretaryPLACE : NEW DELHI
DATE : 12.08.2011



Hind Industries Limited

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

ATTENDANCE SLIP

L.F. No. _____ No. of Shares Held _____
DP/CLIENT ID _____

Name(s) in full	Fathers/Husband's Name	Address as Regd. with the Company/DP
1. _____	_____	_____
2. _____	_____	_____
3. _____	_____	_____

I/We hereby record my presence at the 38th ANNUAL GENERAL MEETING of the Company held on Monday, 26th Day of September, 2011 at 9.30 AM at A-81, Bipin Chandra Pal Memorial Bhavan, Chittaranjan Park, New Delhi-110 019

SIGNATURE OF THE ATTENDING MEMBER/PROXY

THIS ATTENDANCE SLIP, DULY FILLED IN, IS TO BE HANDED OVER AT THE REGISTRATION COUNTER.

..... TEAR – HERE ✂



Hind Industries Limited

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

PROXY FORM

I/We, being a member/members of Hind Industries Limited hereby appoint.....or failing him/her.....of.....as my/our proxy to vote for me/us and my/our behalf at the 38th Annual General Meeting to be held on Monday the 26th day of September, 2011 at 9.30 A.M. at A-81, Bipin Chandra Pal Memorial Bhavan, Chittaranjan Park, New Delhi-110 019 and any adjournment thereof.

L.F. No. _____ No. of Shares Held _____
DP/CLIENT ID _____

Name(s) in full	Fathers/Husband's Name	Address as Regd. with the Company/DP
1. _____	_____	_____
2. _____	_____	_____
3. _____	_____	_____

Signature of Shareholder (s)
1. _____ 2. _____ 3. _____

Signature of Proxy (s)
1. _____ 2. _____ 3. _____

NOTE:

- The Proxies in order to be effective should be duly stamped, completed and signed and must be reached at the Registered Office of the Company at least 48 hours before the time fixed for holding the aforesaid meeting.
- Proxy need not be a member of the Company.
- Proxy can not speak at the meeting or vote on show of hands.

**Affix one
Rupee
Revenue
Stamp.**

BOOK - POST

If undelivered, please return to :



HIND INDUSTRIES LIMITED

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