

DIRECTORS' REPORT

THE MEMBERS OF HOME INSECT CONTROL ASSOCIATION ("COMPANY").

Your Executive Committee Members have pleasure in submitting the **Twenty fifth Annual Report** of the Company together with the Audited Statement of Accounts for the year ended **31st March, 2020**.

PREAMBLE:

Home Insect Control Association (hereinafter referred to as "Company") was incorporated on June 2nd, 1995 as Company governed under Section 8 of the Companies Act 2013.

The focus area of the Company is to promote and assist in the development of the household insecticides industry in the larger interest of the country, to make known the contribution of the household insecticides industry to the health and welfare of the community, to maintain and enhance the reputation of the household insecticides industry and co-operate with Government authorities, public bodies, institutions or associations and create awareness among trade, consumers.

FINANCIAL RESULTS:

Your company's financial results for financial year under review as under.

Particulars	<u>FY 2019-20</u>	<u>FY 2018-19</u>
Total Income	<u>Rs.08,68,030.00</u>	<u>Rs. 09,57,508.00</u>
Total Expenditure	<u>Rs. 8,38,899.00</u>	<u>Rs. 12,19,980.00</u>
Surplus / Deficit	<u>Rs. 29,131.00</u>	<u>Rs.(- 2,62,472 .00)</u>

The above financial statement shows marginal surplus income during the year and details are reflected in the circulated statements.

AUDITORS:

M/s. M K Varghese & Co., Chartered Accountants are the statutory auditors of the Company.

M/s. M K Varghese & Co Chartered Accountant having registration no F 118836 W, Mumbai is retiring as Statutory Auditors of HICA in forthcoming AGM. M K Varghese & Co is re-appointment statutory auditors of the company to hold office from the conclusion of the 24th Annual General Meeting for 2018-2019 till the conclusion of 29th Annual General meeting that is till 2023-2024. To consider re-appointment of M K Varghese & co, if eligible, as Statutory Auditors of HICA for such period and on remuneration/fee to be fixed by the EC.

Further as per the provisions, the appointment of Statutory Auditors needs to be ratified by the Members at every Annual General Meeting. Accordingly, the Company seeks ratification by the members of the re-appointment of the Statutory Auditors at this 25rd Annual General Meeting.

GST

During the year your company has taken registration under Goods and Sales Tax Act to ensure better compliance.

PUBLIC INTEREST CAMPAIGN AGAINST THE ILLEGAL INCENSE STICKS:

Your Company continued to focus on fight against the menace of illegal pesticide laced agarbattis / incense stick proliferated in markets across India and took up a challenge of Public awareness campaign with the initiative of certain members and produced TVC through professional teams and arranged broadcasting of TVC via electronic media like mass media, digital platforms, cinema houses , television. Such campaign generated desired result for the benefit of the consumers at large. The licensing of TVC to member has been permitted and upon grant of such license member is free to run TVC in the market of his choice at its costs.

Contributions from the members towards this special purpose activity fund have been received or receivable during current financial year.

PLASTICS

Your Company continues to follow up with various Govt. authorities for treating PET packaging used in Home insecticide products at par with exemption granted to medicine. Other State Governments have also started implementing the central Plastic Waste Management (PWM) Rules emphasizing the industry's Extended Producer Responsibility (EPR) obligations and issued directives to manage plastic waste, collect or buy back the plastics thrown in circulation so as to reduce overall impact of plastics.

Your Company has previously taken up the issue with Government of Maharashtra, other Agriculture Ministry authorities with regards to HI products through representations seeking exemption on the lines indicated to medicines/drugs.

Certain other initiatives are being kept in dialogue/progress with MOEFCC by leading industry bodies to provide options for effective implementation of plastic waste management. Members are being made aware that this PWM Rules and implementation of the EPR obligations by State Pollution Control Boards or Urban local bodies from time to time.

AMENDMENT TO ARTICLES OF ASSOCIATION

You Company's articles of association stand amended to enlarge scope and definition of insecticides to cover any drug including an Ayurvedic, Siddha, Unani or Homeopathy and such other preparation based on traditional knowledge and/or a substance in any form, deemed as a 'drug' 'ayurvedic drug' by the Central Government under the Drugs and Cosmetic Act, 1940 read with relevant Drugs and Cosmetics Rules and includes any statutory modifications, amendments, re-enactment , rules and clarifications thereof from time to time. Consequent compliance under Companies Act 2013 has been completed.

Safe to use product logo

HICA efforts are ongoing to help members and consumers to distinguish genuine home insecticides products of members of HICA distinctively. In the market spurious, mis-branded agarbattis and other insecticide products are occupied. HICA for distinguishing and differentiating the genuine CIB-RC or FDA registered products of members of HICA against non-members conceived ,approved and adopted logo of HICA as certification at last AGM with appropriate tagline, device and other element of the member product logo , the Executive committee has been empowered to freeze the logo in view of interests of HICA members and the changing external environment to safeguard, educate the consumers and protect reputation of HICA member products. The use of logo on genuine products of HICA members will be voluntary for members and will also attract license fee payable to HICA on an annual basis or fixed cost per annum or block of years under proper written agreement to regulate the use, promotion and defending such new logo of HICA. One member ,so far, has indicated interest in using such logo.

PARTICULARS OF EMPLOYEES:

There are no employees which requires disclosure under the provisions of Section 197 of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

MEETINGS OF EXECUTIVE COMMITTEE MEMBERS

The Executive Committee Members meets at regular intervals to discuss and decide on the Company's policies and strategy apart from other functional activities.

During the financial year 2019-20, the Executive Committee met 04 times on 21st June 2019, 27th August 2019,6th November 2019 and 23 January 2020 .

PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

In view of the nature of activities which are being carried on by the Company, the particulars as prescribed under Section 134(3)(m) of the Act read with Companies' (Accounts) Rules, 2014 regarding Conservation of Energy and Technology Absorption, Research and development are not applicable to the Company.

DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to the provisions contained in Section 134 of the Companies Act, 2013, your Executive Committee Members, hereby confirm that:

- a) In the preparation of the annual accounts, the applicable accounting standards have been followed and no material departures have been made from the same;
- b) They have selected appropriate accounting policies and applied them consistently and made judgments and estimates that are 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 income and expenditure of the Company for that period;

- c) They have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) They have prepared the annual accounts on a going concern basis;
- e) They have laid down internal financial controls to be followed by the Company, and such internal financial controls are adequate and operating effectively;
- f) They have devised a proper system to ensure compliance with the provisions of all applicable laws, and this system is adequate and operating effectively

COMMENTS ON AUDITORS REPORT

There are no qualifications, reservations, frauds, adverse remarks or disclaimers reported/made by Auditors in their report during the year under review.

EXTRACT OF ANNUAL RETURN

Pursuant to the requirements under Section 92(3) and Section 134(3) of the Act read with Rule 12 of Companies (Management and Administration) Rules, 2014, an extract of Annual Return in prescribed Form MGT-9 is given in this Report as Annexure I.

Website address of company is www.hica.co.in for other details.

TRANSFER TO RESERVES:

Your Executive Committee Members do not propose to transfer any sum to any reserve.

ACKNOWLEDGEMENT:

Your Executive Committee Members wish to place on record their sincere thanks for the support extended to the company by the lending institutions and bankers and its customers, dealers, suppliers, investors and other government and local authorities.

**For & On Behalf of the Executive Committee of
Home Insect Control Association**


Vivek Gambhir

**PRESIDENT & DIRECTOR-
EXECUTIVE COMMITTEE MEMBER**

**Place: Delhi-NCR
Date: 25-08-2020**