

# Himalya INTERNATIONAL LIMITED



Freedom from Adulteration !



26<sup>th</sup>  
Annual Report  
YEAR 2016-2017



# HIMALYA INTERNATIONAL LIMITED

---

## **BOARD OF DIRECTORS**

### **MAN MOHAN MALIK**

Chairman & Managing Director

### **SANGITA MALIK**

Whole time Director

### **SUNIL KHERA**

Independent Director

### **ASHISH SUCHDEVA**

Independent Director

### **AJAY KAUSHIK**

C. F. O.

### **VIJAY GARG**

Company Secretary

## **AUDITORS**

M/s Anujeet Dandona & Co.  
Chartered Accountants

## **BANKERS**

State Bank of India, *Overseas Branch,  
New Delhi*  
Corporation Bank, *Connaught Circus  
Branch, New Delhi*  
Exim Bank, *Chandigarh*  
Bank of Baroda, *Vad Nagar, Gujarat*

## **CORPORATE IDENTIFICATION NUMBER (CIN)**

L51909DL1992PLC047399

## **REGISTRAR & SHARE TRANSFER AGENT**

Beetal Financial & Computer Services (P) Ltd.  
Beetal House, 3rd Floor, 99 Madangir,  
BH-Local Shopping Complex,  
Near Dada Harsukhdas Mandir,  
New Delhi-110 062

## **SHARES LISTED AT**

Bombay Stock Exchange  
526899 (Scrip Code)

## **REGISTERED OFFICE**

E-555, 2nd Floor,  
Palam Extension, Sector-7,  
Dwarka, New Delhi-77  
Tel : 011-45108609  
[www.HimalyaInternational.com](http://www.HimalyaInternational.com)

## **HEAD OFFICE & WORKS**

Village : Shubhkhera, Paonta Sahib  
Distt. Sirmour (H.P.) 173 025  
Tel.: 01704-223494, 8894788612  
Fax: 01704-225178

## **GUJARAT PLANT**

Survey No.: 215/A/1,  
Vadnagar - Navapura - Redlaxmipura Road  
Sultanpur - 384 355  
Distt. Mehsana, Gujarat  
Phone : 72111 93505

Dear Himalya Family,

It's my privilege to share the state of affairs of your company and the way forward to achieve the potential value.

During FY ending March 2017 our turnover has been 121.29 crore compared to Rs 113.59 in FY 2016 while operating profit increased from Rs. 16.81 crore to Rs. 30.86 crore. The Company met all its statutory and financial obligations during the last FY. The main source of cash generation remained mushroom business.

However the challenge remains to consolidate the traction while taking all steps to put in operation all the other production units that are lying dormant.

In our endeavor to operationalize all closed units without requiring any additional working capital debt, we are in active talks with large QSR's and Retail chains for contract manufacturing for them. We have concluded the ground work, back-end services and training modules and will be able to kick start the three Franchisee models within this year.

The Asset reorganization process is facing head winds but that will not effect the overall business strategy and Vision 2020 shared with you earlier.

Revival & Beyond; to the orbit of great success requires more Perseverance & Patience and the Passion that has driven us through the tough times. I reassure you that your management & executive team has the requisite mettle to surmount any impediments to achieve the Goals and realize the 'Vision 2020'.

Thanking & Requesting you for your continued trust & patience and wishing you great times ahead!

Sincerely

**For Himalya International Ltd**

**Man Mohan Malik**

**Chairman**



# Himalya

INTERNATIONAL LTD

## INVITES YOU TO BE YOUR OWN BOSS!

AS A FRANCHISEE OR A DISTRIBUTOR



**QUICK SERVICE FOOD TRUCK  
INVESTMENT 12 TO 13 LAKHS**



**DISTRIBUTION HUB WITH DELIVERY TRUCK  
INVESTMENT 25 TO 30 LAKHS**

| BURGERS      |        | <p><b>BURGERS'N'FRIES</b><br/>IT'S NOT JUNK FOOD!</p> | DRINKS 'N' DESSERTS                |        |
|--------------|--------|---|------------------------------------|--------|
| VEGETARIAN   | RS. 60 |   | GINGER LIME SODA                   | RS. 35 |
| PAVLOVA      | RS. 75 |   | HOT TEA                            | RS. 35 |
| CHICK PIZA   | RS. 65 |   | HOT COFFEE                         | RS. 35 |
| MUSHROOM     | RS. 60 | COLD COFFEE   | RS. 30                             |        |
| MASALA TIKKI | RS. 50 | ICE CREAM   | RS. 30                             |        |
|              |        | CHICKEN BITES   | RS. 30                             |        |
| FRIES        |        |   | <b>DRINK SPECIAL</b>               |        |
| REGULAR      | RS. 40 | HOT COFFEE 'M'  | RS. 75                             |        |
| MASALA       | RS. 40 | CHICKEN BITES   | RS. 90                             |        |
| LEMON CHELI  | RS. 40 | COLD COFFEE 'M'                                       | RS. 90                             |        |
| GARLIC       | RS. 40 | ICE CREAM   | RS. 90                             |        |
| NUGGETS      |        |   | <b>ALL RATES<br/>INCLUDE TAXES</b> |        |
| VEGETARIAN   | RS. 40 |   |                                    |        |
| MUSHROOM     | RS. 50 |   |                                    |        |
| PAVLOVA      | RS. 50 |   |                                    |        |
| POTATO       | RS. 30 |   |                                    |        |

**MAKE IT A COMBO**  
Add FRIES AND A REGULAR DRINK  
TO ANY BURGER OR NUGGETS FOR RS. 60



**QUICK SERVICE RESTAURANT KIOSK  
INVESTMENT 6.5 TO 7.5 LAKHS**



**QUICK SERVICE RESTAURANT AND RETAIL  
INVESTMENT 12 TO 25 LAKHS**

**CONTACT:FRANCHISE@HIMALYAINTERNATIONAL.COM**  
**CALL +91 97110 93540**  
**WWW.HIMALYAINTERNATIONAL.COM**



## NOTICE

NOTICE is hereby given that the 26th Annual General Meeting of the members of the Company will be held on Friday, the 29th Day of September 2017, at 03:00 PM at Priyanka Party Hall, Adjoining Vandana Int. School, behind Dwarka Court, (Near Sec -10 Metro Station) New Delhi to transact the following business: -

### ORDINARY BUSINESS:

1. To consider and adopt the Standalone and Consolidated Audited Financial Statements of the Company for the year ended 31st March 2017 and the Reports of the Board of Directors and Auditors thereon.
2. To appoint a director in place of Mr. Sunil Kumar Khera DIN: 00263581), who retires by rotation and being eligible, offers herself for re-appointment.
3. To consider and, if thought fit, to pass the following resolutions, with or without modification as an Ordinary Resolutions :

**“RESOLVED THAT** pursuant to the provisions of Section 139, 142 & 148 (3) and all other applicable provisions of the Companies Act, 2013 (the “Act”) if any, read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, **M/s Satnam Associates, Chartered Accountants (Firm Regn. No. 09870C) Dehradun Uttarakhand** be and are hereby appointed as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting to till the conclusion of next Annual General Meeting, in place of **M/s Anujeet Dandona & Company, Chartered Accountants, Dehradun Uttarakhand** who relinquish office at the conclusion of the AGM, subject to ratification as to the said appointment at every annual general meeting on such remuneration to be fixed by the Board of Directors on the recommendation of the Audit Committee plus Service Tax/GST payable thereon and reimbursement of traveling and other incidental expenses, if any incurred by them in connection with the audit.

By order of the Board of Directors

Himalya International Limited

Sd/-

Vijay Garg

(Company Secretary)

Place: Paonta Sahib

Date: 02.09.2017

### NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON POLL ON HIS / HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.** Pursuant to Section 105 of the Companies Act, 2013, a person can act as a Proxy on behalf of not more than fifty members holding in aggregate, not more than ten percent of the total share capital of the Company. Members holding more than ten percent of the total share capital of the Company may appoint a single person as Proxy, who shall not act as a Proxy for any other Member.
2. The instrument of Proxy, in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not later than 48 hours before the commencement of the meeting. A Proxy Form is annexed to this Report. Proxies submitted on behalf of limited companies, societies, etc., must be supported by an appropriate resolution / authority, as applicable.
3. Members/Proxies should bring the enclosed attendance slip duly filled in, for attending the meeting, along with the Annual Report.
4. The Register of Members and Share Transfer Books of the Company will remain closed from 22th September 2017 to 29<sup>th</sup> September 2017, both days inclusive.
5. Shareholders who hold shares in dematerialized form are requested to bring their client ID and DP ID numbers for easy identification of attendance at the meeting. Members are requested to notify their email ID.
6. Members are requested to notify the change in their addresses and bank account details, if any.

**HIMALYA INTERNATIONAL LIMITED**

---

7. All documents referred to in the accompanying notice are open for inspection at the Registered Office of the Company during the office hours on all working days between 11 a.m. and 1.00 p.m. up to the date of this Annual General Meeting.
8. Corporate Members intending to send their authorized representatives to attend the Annual General Meeting are requested to send duly certified copy of the Board Resolution authorizing their representatives to attend and vote at the Meeting.
9. Members are requested to note that all correspondence relating to share transfer should be addressed to the Company's Share Transfer Agents. Members are requested to notify their email addresses to the company's Share Transfer Agents. Ms. Beetal Computer & Financial Services Pvt. Ltd, Beetal House, 3<sup>rd</sup> Floor, 99, Madangir, BH\_Local Shopping Centre, New Delhi-110062
10. As part of the Green Initiative in Corporate Governance, the Ministry of Corporate Affairs (MCA), Government of India, through its Circular Nos. 17/2011 and 18/2011, dated April 21 and 29, 2011 respectively, has allowed companies to send official documents to their shareholders electronically.
11. Members are requested to
  - a. Note that copies of Annual Report will not be distributed at the Annual General Meeting and they will have to bring their copies of Annual Report;
  - b. Quote the Folio/Client ID & DP ID Nos. in all correspondence;
  - c. Note that no gifts/ coupons will be distributed at the Annual General Meeting, in compliance with the Secretarial Standard on General Meetings.
12. The Annual Report of the Company is also available on the company's website [www.himalyainternational.com](http://www.himalyainternational.com)
13. In terms of the provisions of Section 108 of the Companies Act, 2013 read with relevant rules thereto, the business at General Meetings may be transacted through electronic voting (e-voting) and the company is providing e-voting facility to members.
14. Kindly note that the members can opt for only one mode of voting i.e., either e-voting or exercising the right in the meeting. Once the vote on a resolution is cast by member, he shall not be allowed to change it subsequently.
15. Members desiring to exercise their vote by e-voting are requested to carefully read the enclosed instructions which inter-alia provide the process and manner for e-voting, login ID, generating Password and time schedule, including the time period during which the votes may be cast, etc.
16. In order to scrutinize the e-voting process in a fair and transparent manner and to carry out the required activities, the Board of Directors has appointed M/s Himanshu Sharma & Associates, Company Secretaries, and New Delhi as the scrutinizer.

**VOTING THROUGH ELECTRONIC MEANS**

In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, Himalya International Limited is offering e-voting facility to its members in respect of businesses to be transacted at the 26<sup>th</sup> Annual General Meeting scheduled to be held on Friday, the 29<sup>th</sup> Day of September 2017, at 03:00 PM. The Company has engaged the services of Central Depository Services (India) Limited (CDSL) to provide E-voting facilities. The Notice of the 26<sup>th</sup> AGM and its communication is also available at the company's website at [www.himalyainternational.com](http://www.himalyainternational.com)

The Company has engaged Central Depository Services (India) Limited as the authorized agency to provide e-voting facility.

**The instructions for shareholders voting electronically are as under:**

- (i) The voting period begins on <Date and Time> and ends on <Date and Time>. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of <Record Date> may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iii) Click on Shareholders.
- (iv) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:-

|  |  |
|--|--|
| PAN  | <p><b>For Members holding shares in Demat Form and Physical Form</b></p> <p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>• Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</li> <li>• In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</li> </ul> |
| Dividend Bank Details<br><b>OR</b> Date of Birth (DOB) | <p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> <li>• If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).</li> </ul>   |

- (viii) After entering these details appropriately, click on “SUBMIT” tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (xii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.



- (xvi) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xvii) If a demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) **Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.**
- (xix) **Note for Non – Individual Shareholders and Custodians**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

Shareholders holding shares in physical form are requested to provide the requisite information as per format given below by post or e-mail to:-

**BEETAL Financial & Computer Services Pvt Ltd.**  
**BEETAL HOUSE, 3rd Floor, 99, Madangir, behind LSC, New Delhi - 110062**  
**Ph. 011-29961281-283 Fax 011-29961284**  
Email: [beetalrta@gmail.com](mailto:beetalrta@gmail.com), [cs@himalyainternational.com](mailto:cs@himalyainternational.com)

### **EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT 2013**

Item No. 3

Appointment of **M/s Satnam Associates, Chartered Accountants (Firm Regn. No. 09870C) Dehradun Uttarakhand** as Statutory Auditors for holding office from the conclusion of the ensuing AGM till the conclusion of the next AGM subject to the approval of the shareholders in the ensuing AGM, The Company has obtained written confirmations from **M/s Satnam Associates, Chartered Accountants (Firm Regn. No. 09870C) Dehradun Uttarakhand** that their appointment, if made would be in conformity with the limits specified in the said Section 139 of the Companies Act, 2013.

**By order of the Board of Directors**  
**Himalya International Limited**

Sd/-

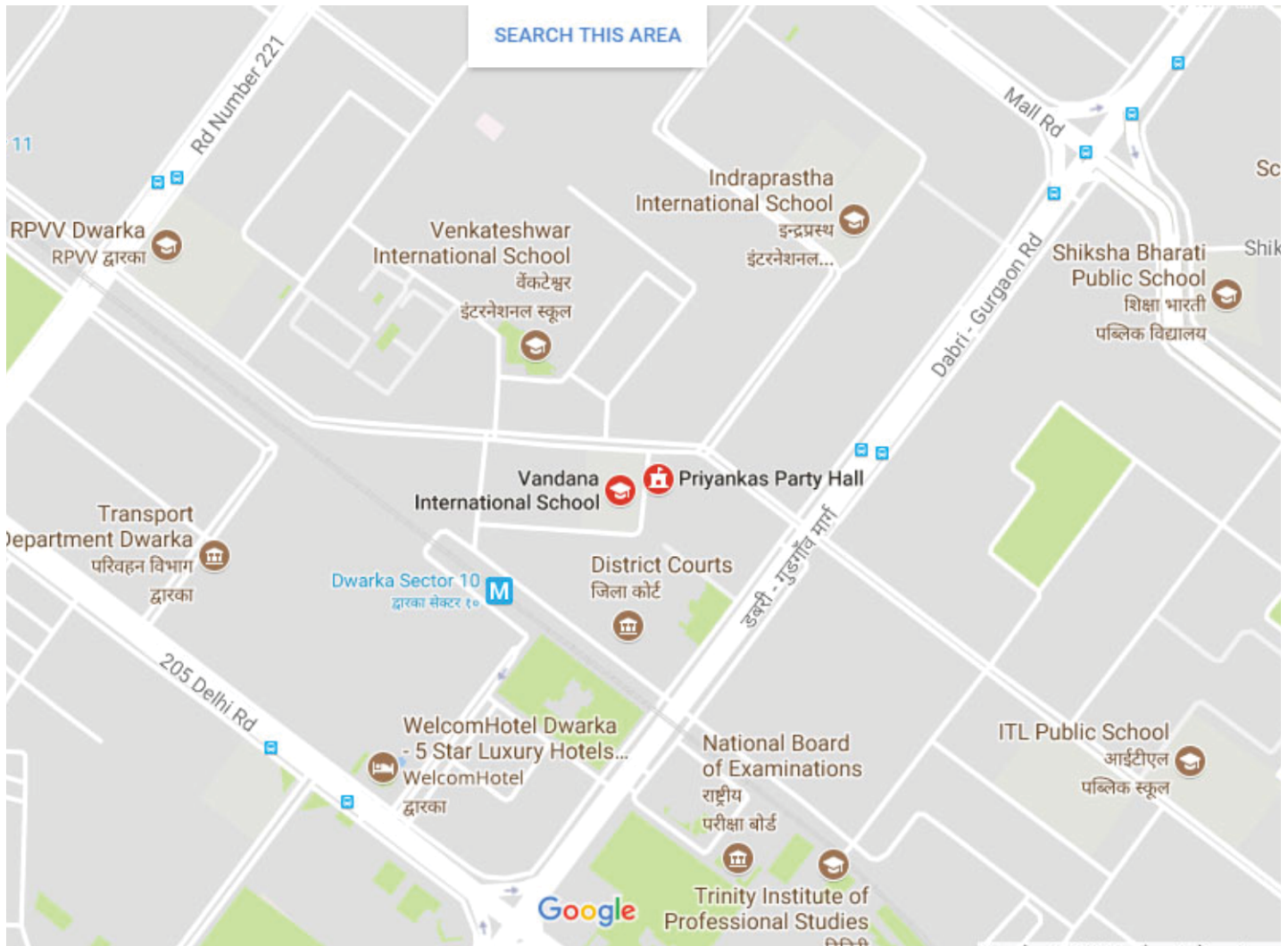
**Vijay Garg**

**(Company Secretary)**

**Place: Paonta Sahib**

**Date: 02.09.2017**

## ROUTE MAP FOR PLACE OF AGM



## DIRECTOR'S REPORT

To,  
The Members,

We are pleased to present the Twenty Sixth Annual Report of the Company together with Audited Financial Statements and Auditor's Report for the Financial Year ended as on 31<sup>st</sup> March 2017. The Financial Highlights for the year under review are given below

1. **FINANCIAL RESULT :** The Company's financial performance is given hereunder:

(Rs. in Lacs)

| Particulars   | Financial Year ended 31.03.2017 | Financial Year ended 31.03.2016 |
|---|---------------------------------|---------------------------------|
| Income from Operation                                     | 12129.45                        | 11359.98                        |
| Other Income  | 239.38                          | 412.01                          |
| <b>Profit before Finance cost, Depreciation and Taxes</b> | <b>3086.73</b>                  | <b>1704.18</b>                  |
| Finance Cost  | 1935.53                         | 2102.65                         |
| Depreciation  | 1138.36                         | 1151.61                         |
| <b>Profit/(Loss) before tax</b>                           | <b>12.84</b>                    | <b>(1550.08)</b>                |
| Less: Provision for Bad Debts                             |                                 | 189.92                          |
| Less: Provision for W/o Fire claim                        | 247.11                          | 247.11                          |
| Deferred Tax(Assets)/Liability                            | 9.82                            | 103.80                          |
| <b>Profit/(Loss) for the year</b>                         | <b>(244.09)</b>                 | <b>(2090.91)</b>                |

**Performance:** During the year under review, the total income of your Company was Rs. 12129.45 Lacs as compared to Rs. 11359.98 Lacs in the previous year. The Loss of the company for the current financial year is of Rs.244.09 Lacs as compared to loss of Rs. 2090.91 Lacs in the previous year. It is reduced from the previous year.

2. **DIVIDEND:**

Due to loss incurred by the Company during the financial year, the Board has not recommended any dividend for the year ended 31st March 2017.

3. **BUSINESS OPERATIONS OVERVIEW & FUTURE OUTLOOK:**

Company's business activities are broadly divided into Growing of mushrooms (agriculture Activity), Cheese, sweets and appetizer manufacturing and export. we are pursuing to establish Franchisee business spanning three modules as Distribution Hubs, Exclusive Stores & Quick Service food Vans. We plan to launch all product vertical Pan India within next 2/3 years. The Asset reorganization process is still under consideration with consortium of Banks and may take some more time.

4. **DEPOSITS:**

Your Company has not accepted any Public Deposits under Chapter - V of Companies Act, 2013, during the year under review.

5. **INTERNAL CONTROL SYSTEMS AND RISK MANAGEMENT:**

Your company has an adequate Internal Control System and Risk Management procedure to monitor the risks and their mitigating actions. Company has developed policies & procedures to assess the risk associated with the company and minimization thereof and periodically informed the Board of Directors for their review to ensure that the executive management controls the risk in accordance with defined policies and procedures adopted by the company.

Mr. Akhil Gupta, Cost Accountant an employee of the Company is responsible for Internal Audit of the Company for the financial year 2016-2017. He independently evaluate adequacy of internal controls and audit the transactions undertaken by the Company. The Audit Committee of the Board of Directors inter alia, reviews the adequacy and effectiveness of internal Control and monitors implementation of Internal Audit observations



**6. STATUTORY AUDITORS:**

The Statutory Auditors of the Company are **M/s Anujeet Dandona & Company, Chartered Accountants (Firm Reg. No. 006118C) Dehradun Uttarakhand**, who hold office till the conclusion of the ensuing AGM. There was no change in the statutory auditors during the year.

Pursuant to Section 139, of the Companies Act, 2013 the Board of Directors have recommended appointment of **M/s Satnam Associates, Chartered Accountants (Firm Regn. No. 09870C) Dehradun Uttarakhand** as Statutory Auditors for holding office from the conclusion of the ensuing AGM till the conclusion of the next AGM subject to the approval of the shareholders in the ensuing AGM, in place of **M/s Anujeet Dandona & Company, Chartered Accountants, Dehradun Uttarakhand** as required under the provisions of Section 139 of the Companies Act, 2013 the Company has obtained written confirmations from **M/s Satnam Associates, Chartered Accountants (Firm Regn. No. 09870C) Dehradun Uttarakhand** that their appointment, if made would be in conformity with the limits specified in the said Section.

The report given by the Auditors on the financial Statements of the company is part of the Annual Report which is self explanatory and need no comments.

**7. SECRETARIAL AUDITOR:** As per the provisions of Section 204 of Companies Act, 2013 and rules made there under, every listed company is required to annex with its Board's Report, a Secretarial Audit Report given by a Company Secretary in practice.

Secretarial Audit was carried out by M/s Himanshu Sharma & Associates, Practicing Company Secretary, New Delhi, the Secretarial Auditor of the Company for the financial year 2016-2017. The detailed report on the Secretarial Audit is appended as an Annexure to this Report which is self explanatory and needs no comments.

**8. COMMITTEES OF THE BOARD:** There are currently three Committee of the Board which are as follows:

- a) Audit Committee
- b) Nomination & Remuneration Committee
- c) Stakeholders' Relationship Committee

Details of all the Committees along with their composition, charters and meetings held during the year, are provided in the "Report on Corporate Governance", a part of this Annual Report.

**9. EXTRACT OF ANNUAL RETURN:** The extract of Annual Return in Form MGT-9 as required under Section 92(3) and Rule 12 of the Companies (Management and Administration) Rules, 2014 is appended as an Annexure to this Report. [www.Himalyainternational.com](http://www.Himalyainternational.com) of the Company.

**10. DIRECTORS:**

**A) Changes in Directors and Key Managerial Personnel**

Mr. Sanjiv Kakkar and Smt. Anita Kakkar has been resigned as the Directors from the Board of the Company during the year under review

**Change in Designation :**

None of the Directors position changed on the Board of the Company during the year under review

**B) Declaration by Independent Directors:** The Independent director have submitted their disclosure to the Board that they fulfill all the requirements as to qualify for their appointment as an Independent Director under the provisions of Section 149(6) of the Companies Act, 2013. The terms & conditions for the appointment of Independent Directors are given at the website i.e. [www.himalyainternational.com](http://www.himalyainternational.com) of the Company.

**C) Formal Annual Evaluation:**

The details of training and familiarization programmes and Annual Board Evaluation process for Directors have been provided under the Corporate Governance Report. The policy on Director's appointment and remuneration including criteria for determining qualifications, positive attributes, independence of Director, and also remuneration for Key Managerial Personnel and other employees forms part of Corporate Governance Report of this Annual Report.

**D) Board Meetings:**

The Board of Directors met 6 times during the financial year 2016-2017 on 25.04.2016, 30.05.2016, 25.07.2016, 01.10.2016, 27.10.2016 and 28.01.2017 as detailed in the Corporate Governance Report.

**11. PARTICULARS OF EMPLOYEES:**

The provision of rule 5 sub rule (2) & (3) of the companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 requiring particulars of the employees in receipt of remuneration in excess of Rs. 60 Lacs per year to be disclosed in the Report of Board of Directors of the Company are as under:

| Name of employee | Designation                    | Remuneration (in Rs.) |
|------------------|--------------------------------|-----------------------|
| Man Mohan Malik  | Chairman and Managing Director | 1,16,40,000           |

**12. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013.**

The Company has in place an Anti Sexual Harassment Policy in line with the requirement of the Sexual Harassment of Women at the workplace (Prevention, Prohibition, Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress the complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy. No complaint has been received in this regard.

**13. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186: -**

During the year under review the company has not accepted any loans or provided any guarantee or made any investments under section 186.

**14. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:-**

During the year under review the company has entered into the following contracts or arrangements with related party.

**Related Party Disclosures**

**Name of Related Parties**

Key Management Personnel and their relatives

Mr. Man Mohan Malik

Mrs. Sangita Malik

Enterprises over which key management personnel

Himalya Carbonates Pvt. Ltd.

/ shareholders and their relatives have significant influence

Doon Valley Foods Pvt. Ltd.

APJ Laboratories Ltd

Himalya Simplot Pvt Ltd.

Subsidiary Companies

Himalya Green Apartments Ltd

Appetizer and Snacks Foods Ltd

| Nature of transaction   | 2017                     |                        | 2016                     |                        |
|---|--------------------------|------------------------|--------------------------|------------------------|
| <b>(i) Managerial Remuneration</b>  |                          |                        |                          |                        |
| Mr. M.M. Malik  |                          |                        | 11,640                   | 10,200                 |
| Mrs. Sangita Malik  |                          |                        | 1,860                    | 1,918                  |
|   |                          |                        | <b>2017</b>              | <b>2016</b>            |
|   | <b>Transaction Value</b> | <b>Closing Balance</b> | <b>Transaction Value</b> | <b>Closing Balance</b> |
| <b>(ii) Loans &amp; Advances</b>  |                          |                        |                          |                        |
| APJ Laboratories Ltd  | 0                        | 56,562                 | 423                      | 56,562                 |
| Doon Vallev Foods Pvt Ltd.  | 34,550                   | 348                    | 18,414                   | 0                      |
|   |                          |                        | <b>2017</b>              | <b>2016</b>            |
| <b>(iii) Purchases Value</b>  |                          |                        |                          |                        |
| APJ Laboratories Ltd  |                          |                        | 0                        | 152                    |
| Doon Valley Foods Pvt Ltd.  |                          |                        | 21,892                   | 18,414                 |
| <b>(iv) Shares Alloted</b>  |                          |                        |                          |                        |
| Himalya Carbonates Pvt Ltd.<br>(No. of 16,00,000 Shares of Rs. 10 each at a premium of Rs. 1/-) |                          |                        | NIL                      | 16,000                 |
| <b>(v) Investment in Shares of Subsidiary Companies:</b>  |                          |                        | <b>2,017</b>             | <b>2,016</b>           |
| Himalya Green Apartments Ltd<br>(50000 shares of Rs. 10 each fully paid up)                     |                          |                        | 500                      | NIL                    |
| Appetizer and Snacks Foods Ltd<br>(50000 shares of Rs. 10 each fully paid up)                   |                          |                        | 500                      | NIL                    |

#### 15. VIGIL MECHANISM/WHISTLE BLOWER POLICY:

The Company has established a Vigil Mechanism / Whistle Blower Policy to deal with instances of fraud and mismanagement, if any. The Policy has a systematic mechanism for directors and employees to report concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct or policy. The policy is also available on the Company's website.

#### 16. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

Information pursuant to section 134(3)(m) of the Companies Act, 2013 relating to conservation of energy, technology absorption and foreign exchange earnings and outgo is as under:

- A- Energy conservation – The Company makes continuous efforts to explore new technologies and techniques to make the infrastructure more energy efficient. The operations of the Company are not energy intensive. Company use agro waste to fire boilers.
- B- Technology absorption Company uses Indian technical manpower to Operate Indian and imported infrastructure Foreign exchange earnings and out go.

| Particulars (Accrual Basis) | Amount (In Rs ,000) |
|-----------------------------|---------------------|
| Inflow foreign Exchange     | 553932              |
| Outflow foreign Exchange    | 180957              |



**17. DIRECTORS' RESPONSIBILITY STATEMENT:**

The Board hereby affirms:

- (a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) the directors had selected such 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 profit and loss of the company for that period;
- (c) the directors had 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) the directors had prepared the annual accounts on a going concern basis;
- (e) the directors had laid down internal financial controls to be followed by the company and that such internal financial control are adequate and were operating effectively; and
- (f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**18. Management Discussion and Analysis :** A detailed chapter on “Management Discussion & Analysis” (MDA) pursuant to Clause 49 of the Listing Agreement is annexed to the Annual Report and forms integral part of Directors' Report.

all our stakeholders. The Company has duly complied with revised Clause 49 - Corporate Governance Code as stipulated in the listing agreement with Stock Exchanges. A separate section on Corporate Governance along with Certificate from M/s. Anujeet Dandona & Co., Chartered Accountants, confirming level of Compliance is annexed and forms part of the Directors' Report.

**20. Acknowledgment :** Your Directors greatly appreciate the dedication and commitment of employees at all levels who have contributed towards the effective functioning of the Company. We also wish to convey gratitude to company's Bankers, Financial Institutions, Government Authorities, Clients, Vendors, and Investors for their support and encouragement during the year and look forward for their continued support in the future.

**By order of the Board of Directors  
Himalya International Limited**

**Place: Paonta Sahib  
Date: 19.05.2017**

**Sd/-  
Man Mohan Malik  
(Chairman & Managing Director)  
DIN No. 00696077**

## MANAGEMENT DISCUSSIONS AND ANALYSIS

### Industry Structure and Developments

**Company Business :** The Company's primary business is manufacture of Growing of Mushroom (agriculture Activity), vegetables, Cheese, Yogurt, Appetizers, snacks, sweets and French fries etc.

### **Discussions on Financial Performance With Respect to Operational Performance**

During the year under review, the total income of your Company was Rs. 12129.45 Lacs as compared to Rs. 11359.98 Lacs in the previous year. The net Loss of the company for the current financial year is of Rs. 244.09 Lacs as compared to loss of Rs. 2090.91 Lacs in the previous year. It is reduced from the previous year. We are pursuing to establish Franchisee business spanning three modules as Distribution Hubs, Exclusive Stores & Quick Service food Vans.

We plan to launch all product verticals Pan India within next 2/3 years.

The Asset reorganization process is still under consideration with consortium of Banks and may take some more time.

**Human Resources :** During the year 2016-17 your company's Human Resources are as under :

| Category              | As on 31.03.2017 | As on 31.03.2016 |
|-----------------------|------------------|------------------|
| Skilled employees     | 321              | 342              |
| Non-Skilled Employees | 819              | 845              |
| Total                 | 1140             | 1187             |

To get back on track and achieve the high growth trajectory asap your company is focusing on effective costing linked with production and cost cutting.

**Internal Control System and Their Adequacy:** Broadly the internal controls and systems are broken up into following areas:

1. Financial Systems and Reporting
2. Management Reporting
3. HR Systems and Reporting
4. Sales Systems and Reporting
5. Capital Asset Systems and Reporting
6. Operational Full fillment Systems and Reporting
7. General Administrative Systems and Reporting
8. Knowledge Management Systems

For the size of the business, most of the systems are considered adequate. Due to the severe resource crunch in the company, it has been unable to implement its plans of automotive systems.

**Risk and Concerns :** The Company is operating its business in the Growth Oriented environment with innovations, changes and varying levels of resources available to food processing industry.

**Cautionary Statement :** "Management Discussion and Analysis" report contains forward looking statements, which may be identified by the use of the words in that direction, or connoting the same. All the statements that address expectations or projections about the future, including but not limited to statements about the Company's strategy for growth, product development, market position, expenditure and financial results are forward looking statements.

The Company's actual results, performance or achievements could thus differ materially from those projected in such forward looking statements. The Company assumes no responsibility to public, to amend, modify or revise any forward looking statements on the basis of subsequent developments, information or events.

## REPORT OF CORPORATE GOVERNANCE

### I. COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

Corporate Governance assumes a great deal of importance in the business life of the Company. The Company's philosophy on corporate governance is based on the belief that timely disclosures, transparent accounting policies, and a strong and independent Board go a long way in preserving shareholders trust while maximizing long-term shareholders value. It has been a constant endeavour on the part of the Company to follow good Corporate Governance by following the principles of transparency, accountability and integrity in functioning, so as to constantly enhance value for all stakeholders and fulfill the social obligation entrusted upon the corporate sector.

### II. BOARD OF DIRECTORS

#### (A) Composition of Board

The Board of Directors of our Company comprises Directors consisting of Two Executive, Two Independent director.

| Sl. No. | Name                | Category                       |
|---------|---------------------|--------------------------------|
| 1.      | Mr. Man Mohan Malik | Chairman Cum Managing Director |
| 2.      | Mrs. Sangita Malik  | Whole Time Director            |
| 3.      | Mr. Sunil Khera     | Independent Director           |
| 4.      | Mr. Ashish Sachdeva | Independent Director           |

#### (B) Non Executive Director's Compensation and Disclosures

The Non Executive Directors of the Company are paid sitting fees as fixed by the Board of Directors within limits prescribed under the Companies Act, 2013. Besides sitting fee non-executive directors are not paid any remuneration.

**(C) Other provisions as to Board and Committee** The details of the other directorship of the Board and their attendance at the Board meetings held during the year, i.e. between April 01, 2016 to March 31, 2017 is given in the following table:

| Name                  | Category                     | Board Meeting attending during the year | Attendance at last AGM | No. of Directorship in other companies* | No. of committee position held chairman/member ** |
|-----------------------|------------------------------|---|------------------------|---|---|
| Mr. Man Mohan Malik   | Promoter- Executive Director | 6                                       | Yes                    | Nil                                     | 3   |
| Mrs. Sangita Malik    | Promoter-Executive Director  | 6                                       | Yes                    | Nil                                     | 3   |
| Mr. Sunil Kumar Khera | Independent Director         | 6                                       | Yes                    | Nil                                     | 3   |
| Mr. Ashish Sachdeva   | Independent Director         | 6                                       | Yes                    | Nil                                     | 3   |

\* Exclusive of the Directorship in Private Limited, Companies, Non-Corporate Institutions, foreign Companies and Section 25 Companies.

\*\* Includes only chairmanship/membership of Audit Committee, Remuneration Committee and Shareholders / Investors Grievance Committee. The Board periodically reviews Compliance reports of all laws applicable to the Company and has put in place procedure to review steps taken by the Company to rectify the instances of non-compliances, if any.



**(D) Number of Board Meetings held and dates:** During the financial year 2016-2017 the Board of Directors met 6 times. The dates of the meetings are **25.04.2016, 30.05.2016, 25.07.2016, 01.10.2016, 27.10.2016 and 28.01.2017.**

**(E) Information supplied to the Board:** The Board has complete access to all information with the Company. The information is provided to the Board and the agenda papers for the meetings are circulated in advance of each meeting. The information supplied to the Board includes:

- Business/Operating Plans, Quarterly, Half yearly and yearly results of the Company, Minutes of the Meetings of audit Committees and other Committees of the Board.
- Fixation of date of EGM and Annual General Meetings.
- Growth of expansion plans.

The Board periodically reviews compliance of all laws applicable to the Company as well as steps taken by the Company to rectify instances of non-compliances if any.

**(F) Code of conduct:** In terms of the new provisions of clause 49 of the listing agreement and contemporary practices of good corporate governance a code of conduct for all the Board members and senior management personnel has been approved by the Board of Directors vide their meeting held on 01<sup>st</sup> April 2014 and the same has been posted on the web-site of the Company. All the Board members and senior management personnel have affirmed compliance with the code of conduct.

### III. AUDIT COMMITTEE:

**(A) Qualified & Independent Audit Committee:**

Mr. Man Mohan Malik Chairman Cum Managing Director of the committee and Mrs. Sangita Malik, Mr. Sunil Khera and Mr. Ashish Sachdeva is the member of the committee. The term of reference covers all aspect stipulated by the SEBI guideline as specified in clause 49 of the listing agreement with Stock Exchange

**(B) The composition of the audit Committee consisting of following independent and excutive members:**

Chairman: Mr. Man Mohan Malik Executive Director, Mrs. Sangita Malik (Member)

Member : Mr. Sunil Khera (Independent Director) and Mr. Ashish Sachdeva (Independent Director)

© **Meetings of Audit Committee :** During the year 6 meetings were held and the Composition of the Audit Committee and number of meetings attended by the members are given below:

| Sl. No | Name of Member(s) of Audit Committee | Category | No. of Meetings |          |
|--------|--------------------------------------|----------|-----------------|----------|
|        |                                      |          | Held            | Attended |
| 1.     | Mr. Man Mohan Malik                  | Chairman | 6               | 6        |
| 2.     | Mr. Sunil Khera                      | Member   | 6               | 6        |
| 3.     | Mrs. Sangita Malik                   | Member   | 6               | 6        |
| 4.     | Mr. Ashish Sachdeva                  | Member   | 6               | 6        |

**(D) Powers of the Audit Committee :** The Audit Committee has powers including:

- 1) To investigate any activity within its terms of reference.
- 2) To seek information from any employee
- 3) To obtain outside legal or other professional advice.
- 4) To secure attendance of outsiders with relevant expertise, if it considers necessary.

**(E) Role of Audit Committee:**

- Oversight of the company's financial reporting process and disclosure of its financial information to ensure that financial statement is correct, sufficient and credible.
- Recommendation to the Board of Directors, the appointment, re-appointment and if required, the replacement or removal of the statutory auditor and fixation of audit fees.
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
- Reviewing with the management, the annual financial statements before submissions to board for approval, with particular reference to -Matters required to be included in the Directors Responsibility Statement to be included in the Board's report in terms of Clause (2AA) of section 217 of the Companies Act, 1956.
- Changes, if any, in accounting policies and practices and reasons for the same.
- Major accounting entries involving estimates based on the exercise of judgment by management. -Significant adjustments made in the financial statements arising out of audit findings. -Compliance with listing and other legal requirements relating to financial statements -Disclosure of related party transactions.
- Qualifications in draft audit report.
- Reviewing with management, the quarterly financial statements before submission to the board for approval. - Reviewing with management, performance of statutory and internal auditors, and adequacy of internal control systems.
- Reviewing the adequacy of internal audit function, if any including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of the internal audit.
- Discussion with internal auditors any significant findings and follow up thereon.
- Discussion with the statutory auditors before the audit commences, of the scope and nature of audit and as well as have post audit discussion to ascertain any area of concern.
- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders, (in case of non-payment of declared dividends) and creditors.

**Review of information by the Audit Committee**

The audit committee review the reports of the internal Auditors, meets Statutory and internal Auditors as and when required & discuss their findings, observations, suggestions, internal control system, scope of audit and other related matters.

**(A) Related Party Transaction**

- i. Statements containing transactions with related party has been submitted periodically before the Audit Committee.
- ii. There are no materially significant related party transactions with the Company's promoters, Directors, the management, the relatives, which may have potential conflict with the interest of the Company at large. Suitable disclosures as required by Accounting Standard (AS - 18) on transaction with related parties have been shown in note no. 27.3 of schedule S in notes on accounts of the Annual Accounts for the year.

**(B) Disclosure of Accounting Treatment**

During the year, there has been no change in the accounting treatment of Accounting Standard applicable to the Company.

- (C) Risk Management :** In terms of new provision of Clause 49 & contemporary practices of good corporate governance, Company has developed the policies & procedures to assess the risk associated with the Company and minimization thereof and periodically informed the Board of Directors for their review to ensure that the executive management, controls the risk in accordance with the defined policies and procedures adopted by the Company.

#### **IV Remuneration Committee/ Nomination and Remuneration Committee**

The Board of the Company has decided that the committee will also be known with the name Nomination and Remuneration Committee as required under Companies Act, 2013. The Committee recommends remunerations, promotions, increments and considers the appointment of Executives Directors as and when required:

At present the Remuneration Committee of the Company comprises of the following members who are Executive and Independent Directors of the Company:

1. Mr. Sunil Khera, Chairman
2. Mr. Ashish Sachdeva Member
3. Mr. Sangita Malik, Member
4. Mr. Man Mohan Malik, Member

During the year there are one such Remuneration Committee Meeting of the Company has been held by the Company on 28.01.2017.

#### **Non-Executive Directors**

- a. The Non-Executive Directors are entitled to sitting fee only for attending Board/Committee meetings. A sitting Fee of Rs. 2500/- per meeting is paid for attending Board/Committee meeting.
- b. There has been no pecuniary relationships or transactions of the non-executive directors vis-à-vis the Company during the year.
- c. The Company has paid sitting fee aggregating Rs. 30,000 /- to Non Executive Directors which is within the limits as prescribed under the Companies Act 2013, No other payments were made to such directors.

**Number of Shares held by Non-Executive Director 40,000/-**

#### **V Shareholders'/ Investors' Grievance Committee /Stakeholders Relationship Committee:**

The Board has decided that Shareholders'/ Investors' Grievance Committee of the Company will also be known as Stakeholder Relationship Committee as required under the Companies Act, 2013. The Board had delegated the power to consider and resolve grievance of security holders of the company to Shareholders'/ Investors' Grievance Committee /Stakeholders Relationship committee.

The Shareholders'/ Investors' Grievance Committee/ Stakeholders Relationship committee presently comprises of three Directors viz. Mr. Sunil Khera, Chairman, Mr. Ashish Sachdeva, Mr. Man Mohan Malik and Mrs. Sangita Malik.

The Company received Nil complaint from investor during the financial year 2016-2017, which were promptly and satisfactorily resolved. During the year there is no share holder committee meetings.

#### **VI. Managing Director/CEO certification**

The Managing Director (CEO) have certified to the Board of Directors of the Company that:

- (a) They have reviewed financial statement and cash flow statement for the year ended 31<sup>st</sup> March 2017 and to the best of their knowledge and belief:
  - (i) These statements do not contain any material untrue statement or omit any material fact or contain that might be misleading.
  - (ii) These statements together present a true and fair view of the Company affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) There are, to best of their knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violate the Company's code of conduct.
- © They accept responsibility for establishing and maintaining internal controls for financial reporting and that they have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and they have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal control, if any of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.

(d) They have indicated to the Auditors and Audit Committee:

- (i) significant changes in internal control over financial reporting during the year.
- (ii) significant changes in accounting policies during the year and that same has been disclosed in the notes to financial statements, and
- (iii) instances of significant fraud of which they have become aware and the involvement therein, if any of the management or an employee having a significant role in the Company's internal control system over financial reporting.

**VII. REPORT ON CORPORATE GOVERNANCE** The quarterly compliance report has been submitted to the stock exchanges where the companies' equity shares are listed in the requisite format and duly signed by the compliance officer and company secretary.

**(I) General Body Meetings:** Details of Location, Date and Time of Annual General Meetings held during last three years are given below:

| Particulars | Time    | Dated on which held | Venue  |
|-------------|---------|---------------------|--|
| 25 th AGM   | 4:00 PM | 14 September 2016   | Govindam Banquet Hall, Data Ram Marg Near Flyover Sector-7, Dwarka, New Delhi-110077 |
| 24 th AGM   | 3:30 PM | 30 September 2015   | Surya Banquet Party Hall, Sector-7, Near Ramphal Chowk, Dwarka, New Delhi-110077     |
| 23 rd AGM   | 2:00 PM | 30 September 2014   | Swagat, DDA Community Hall, Sector-7, Near Ramphal Chowk, Dwarka, New Delhi-110077   |

At the ensuing Annual General Meeting there is no special Resolution proposed to be passed through the postal ballot.-

**(ii) Means of Communications**

- Quarterly/Yearly results are published in prominent newspapers.
- Company issues press releases from time to time.
- Information of the Company are available on website of the company: [www.Himalyainternational.com](http://www.Himalyainternational.com) A detailed Management Discussion and Analysis as per requirement of Clause 49 of the Listing agreement is forming part of Annual report.

**(iii) General shareholder information Annual Annual General Meeting**

Day & Date: 29th September, 2017 Time: 03:00 P.M.

Venue: Priyanka Party Hall, Adjoining Vandana Int. School, behind Dwarka Court, (Near Sec -10 Metro Station) New Delhi

**Date of Book Closure:** From 22<sup>nd</sup> day of September, 2017 to 29<sup>th</sup> September, 2017 (both days inclusive) for the purpose of Annual General Meeting.

**Name of the Stock Exchanges on which the equity shares of the Company is listed:** Bombay Stock Exchange  
**Stock Code:** The Stock Exchange, Mumbai: 526899

**Listing Fee:** Listing fee has been paid to The Stock Exchanges upto the financial year 2016-2017 & ISIN no allotted to the depositories namely, NSDL and CDSL is INE552B01010.

**Market Price Data:** Monthly high and low of the equity shares of the Company in The Stock Exchange, Mumbai (BSE) for the F.Y. 2016-17 are stated herein below:



**Market Price Data:** Monthly high and low of the equity shares of the Company in The Stock Exchange, Mumbai (BSE) for the F.Y. 2016-17 are stated herein below:

|                | <b>Bombay Stock Exchange (BSE)</b> |                  |
|----------------|------------------------------------|------------------|
| <b>Month</b>   | <b>High (Rs.)</b>                  | <b>Low (Rs.)</b> |
| April 2016     | 8.90                               | 7.10             |
| May 2016       | 8.15                               | 7.25             |
| June 2016      | 8.69                               | 7.25             |
| July 2016      | 13.15                              | 7.95             |
| August 2016    | 13.90                              | 9.91             |
| September 2016 | 21.85                              | 11.81            |
| October 2016   | 24.55                              | 18.05            |
| November 2016  | 25.40                              | 17.20            |
| December 2016  | 18.75                              | 15.30            |
| January 2017   | 23.20                              | 18.00            |
| February 2017  | 28.05                              | 23.90            |
| March 2017     | 28.55                              | 26.10            |

**Distribution Schedule of shareholding as on 31.03.2017:**

| <b>Share Holding of Nominal Value of Rs.</b> | <b>Number of Shareholders</b> | <b>% To Total</b> | <b>No. of Shares</b> | <b>Amount in Rs</b> | <b>% To Total</b> |
|--|-------------------------------|-------------------|----------------------|---------------------|-------------------|
| Up To 5000                                   | 12242                         | 71.93             | 2577576              | 25775760            | 4.4539            |
| 5001 to 10000                                | 2139                          | 12.56             | 1880530              | 18805300            | 3.2494            |
| 10001 to 20000                               | 1110                          | 6.52              | 1826644              | 18266440            | 3.1563            |
| 20001 To 30000                               | 429                           | 2.52              | 1154544              | 11545440            | 1.9950            |
| 30000 To 40000                               | 176                           | 1.03              | 642156               | 6421560             | 1.1096            |
| 40001 To 50000                               | 272                           | 1.59              | 1320194              | 13201940            | 2.2812            |
| 50001 To 100000                              | 305                           | 1.79              | 2392614              | 23926140            | 4.1343            |
| 100001 To and Above                          | 344                           | 2.02              | 46078626             | 460786260           | 79.6204           |
| <b>Total</b>                                 | <b>17017</b>                  | <b>100.00</b>     | <b>57872884</b>      | <b>578728840</b>    | <b>100.0000</b>   |

**Registrar & Share Transfer Agents:** M/s. Beetal Computer & Financial Services Pvt. Ltd Beetal House, 3<sup>rd</sup> Floor, 99, Madangir, BH - Local Shopping Centre Near Dada Harsukhdas Mandir, New Delhi – 110 062

**System of Share Transfer/ de-materialization/ re-materialization etc.:**

The aforementioned RTA has its own infrastructure commensurate with the work undertaken and is manned by skilled and trained staff.

**De-materialization of shares and liquidity:** Company's shares are now in Compulsory Demat category. Over 90.62% of the shares have been dematerialized. The Equity Shares are listed on Bombay Stock Exchanges.

**Outstanding GDRs/ADRs, and Convertible Bonds, Conversion date and likely impact on equity: NIL**

**Plant Locations:** The Factory Premises of the company is situated at:-

1. Village Shubh Khera, Paonta Sahib, District-Sirmour, Himachal Pradesh.
2. Survey No.215/A/1, Vadnagar-Navapura-Redlaxmipura Road, Sultanpura-384355 Ta-Vadnagar, Dist: Mehsana, Gujarat

**Address for correspondence:**

**Company's Registered Office**

Company Secretary

Himalya International Limited

E 555, 2nd Floor, Palam Extension, Sector- 7,

Dwarka, New Delhi – 110 077 Tele : 011- 45108609

E-mail: [cs@himalyainternational.com](mailto:cs@himalyainternational.com)

Web-site: [www.himalyainternational.com](http://www.himalyainternational.com)

**Head Office :** Vill- Shubh Khera, Paonta Sahib, Distt. Sirmour (H.P.)

Tele : 01704-223494, Fax : 01704-225178

**Declaration:** This is to confirm that all the Directors and Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct and adopted by the Board.

**By order of the Board of Directors**

**Himalya International Limited**

**Sd/-**

**Vijay Garg**

**Company Secretary**

**Place: Paonta Sahib**

**Date: 02.09.2017**

---

**AUDITORS CERTIFICATE ON COMPLIANCE WITH THE CONDITION OF  
CORPORATE GOVERNANCE UNDER CLAUSE 49 OF THE LISTING AGREEMENTS**

To,

The Members of  
Himalya International Limited

We have examined the compliance of conditions of corporate governance by Himalya International Limited for the year ended on 31 March 2017, 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 procedures and implementation thereof, adopted by the company for ensuring the compliance 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, we certify that the company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Agreement.

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 Anujeet Dandona & Co.  
Chartered Accountant

Place: Dehradun  
Date: 19.05.2017

Sd/-  
Anujeet Singh  
Membership No. 73662

## CFO CERTIFICATE

To,

The Board of Directors  
Himalya International Limited

1. We have reviewed financial statements and the cash flow statement for the year ended 31st March, 2017 and that to the best of our knowledge and belief, certify that :
  - These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year 2016-2017 which are fraudulent, illegal or violate of the Company's code of conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
4. We have indicated to the Auditors and the Audit committee that :
  - There are no significant changes in internal control over financial reporting during the year;
  - There are no significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - There are no instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Place: Paonta Sahib  
Date: 19.05.2017

Sd/-  
Ajay Kaushik  
Chief Financial Officer



**SECRETARIAL AUDIT REPORT  
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2016**

To,  
The Members,  
**M/s HIMALYA INTERNATIONAL LIMITED**  
**E - 555, 1st & 2nd Floor**  
**Palam Extension, Sector - 7, Dwarka**  
**New Delhi-110077**

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **HIMALYA INTERNATIONAL LIMITED** having its registered office at E - 555, 1st & 2nd Floor, Palam Extension, Sector - 7, Dwarka, New Delhi-110077. Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon

Based on my verification of the Company books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial period ended on 31<sup>st</sup> March, 2017 complied with the statutory provisions listed hereunder and also that the Company has proper Board- processes and Compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by **HIMALYA INTERNATIONAL LIMITED** (“the Company”) for the financial year ended on 31<sup>st</sup> March, 2017 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
- (v) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings:-
- (vi) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulation, 2011:-
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009:-
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999:- **Not Applicable**
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008:- **Not Applicable**

- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client: -
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009:- **Not Applicable**
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998:- **Not Applicable**
- (vii) Other applicable Laws to the Company.

**I have also examined compliance with the applicable clauses of the following:**

- (i) Secretarial Standards issued by the Institute of Company Secretaries of India
  - (ii) The Listing Agreements entered into by the Company with the Bombay Stock Exchange limited.
- During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, Etc. mentioned above.

**I further report that** the Board of Directors of the Company constituted with Executive, Non- Executive Director and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

***The Board of Directors of the Company was duly constituted in terms of the Clause 49 of the Listing Agreement.***

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

**I further report that** there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**I further report that** during the audit period, there were no other events having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines etc.

**For Himanshu Sharma & Associates  
Company Secretaries**

**Himanshu Sharma  
ACS Proprietor  
CP. No.:11553**

**Date : 22.07.2017  
Place : New Delhi**

**HIMALYA INTERNATIONAL LIMITED**

FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN

As on financial year ended on 31.03.2017

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

| I. REGISTRATION & OTHER DETAILS: |  |  |
|----------------------------------|--|--|
| 1                                | CIN  | L70102DL1992PLC047399  |
| 2                                | Registration Date  | 30.01.1992   |
| 3                                | Name of the Company  | HIMALYA INTERNATIONAL LIMITED  |
| 4                                | Category/Sub-category of the Company                                       | Company Limited By Share   |
| 5                                | Address of the Registered office & contact details                         | E - 555, 1st & 2nd Floor,<br>Palam Extension, Sector - 7,<br>Dwarka, New Delhi - 110077  |
| 6                                | Whether listed company   | YES  |
| 7                                | Name, Address & contact details of the Registrar & Transfer Agent, if any. | Beetal Financial & Computer Services Pvt. Ltd,<br>Beetal House, 3rd Floor, 99,<br>Madangir, Behind LSC,<br>New Delhi - 110062<br>Ph. 011-29961281<br>E-mail: beetalrta@gmail.com |

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

(All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

| S. No. | Name and Description of main products / services  | NIC Code of the Product/service | % to total turnover of the company |
|--------|---|---------------------------------|------------------------------------|
| 1      | IQF Appetizer (Zucchini, Fries, Battered Mushroom, Meatless Balls, Veg Nuggets, Masala Fry) | 1030                            | 98%                                |
| 2      | Canned Mushroom   | 1050                            |                                    |
| 3      | IQF Sweets (Milk Cake, Kaju Katli, Motichoor Ladoo, Mawa and etc.)                          | 1071                            |                                    |

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

| SN | Name and address of the Company     | CIN/GLN               | Holding/ Subsidiary/ Associate | % of SharesHeld |
|----|-------------------------------------|-----------------------|--------------------------------|-----------------|
| 1  | Himalya Carbonates Pvt. Ltd         | U24299HP1985PTC006551 | Associate                      | NIL             |
| 2  | Doon Valley Foods Pvt. Ltd          | U15209HP1990PTC010707 | Associate                      | NIL             |
| 3  | APJ Laboratories Ltd                | U24230HP2005PLC028646 | Associate                      | NIL             |
| 4  | Appetizers And Snacks Foods Limited | U15490DL2016PLC306438 | Subsidiary                     | 100%            |
| 5  | Himalya Green Apartments Limited    | U70109DL2016PLC306441 | Subsidiary                     | 100%            |

**IV. SHARE HOLDING PATTERN**

(Equity share capital breakup as percentage of total equity)

**(i) Category-wise Share Holding**

| Category of Shareholders   | No. of Shares held at the beginning of the year<br>[As on 31-March-2016] |                   |                   |                   | No. of Shares held at the end of the year<br>[As on 31-March-2017] |                  |                   |                   | % Change during the year |
|--|--|-------------------|-------------------|-------------------|--|------------------|-------------------|-------------------|--------------------------|
|  | Demat  | Physical          | Total             | % of Total Shares | Demat  | Physical         | Total             | % of Total Shares |                          |
| <b>A. Promoters</b>  |  |                   |                   |                   |  |                  |                   |                   |                          |
| <b>(1) Indian</b>  |  |                   |                   |                   |  |                  |                   |                   |                          |
| a) Individual/ HUF   | 0  | 0                 | 0                 | 0.00%             | 0  | 0                | 0                 | 0.00%             | 0.00%                    |
| b) Central Govt  | 0  | 0                 | 0                 | 0.00%             | 0  | 0                | 0                 | 0.00%             | 0.00%                    |
| c) State Govt(s)   | 0  | 0                 | 0                 | 0.00%             | 0  | 0                | 0                 | 0.00%             | 0.00%                    |
| d) Bodies Corp.  | 3065850  | 1602300           | 4668150           | 8.07%             | 4668150  | 0                | 4668150           | 8.07%             | 0.00%                    |
| e) Banks / FI  |  |                   | 0                 | 0.00%             | 0  | 0                | 0                 | 0.00%             | 0.00%                    |
| f) Any other Director and their Relative   | 14544094   | 9000              | 14553094          | 25.15%            | 17443094   | 0                | 17443094          | 30.14%            | 4.99%                    |
| <b>Sub Total (A) (1)</b>   | <b>17609944</b>  | <b>1611300</b>    | <b>19221244</b>   | <b>33.21%</b>     | <b>22111244</b>  | <b>0</b>         | <b>22111244</b>   | <b>38.21%</b>     | <b>4.99%</b>             |
| <b>(2) Foreign</b>   |  |                   |                   |                   |  |                  |                   |                   |                          |
| a) NRI Individuals   |  |                   | -                 | 0.00%             | -  | -                | -                 | 0.00%             | 0.00%                    |
| b) Other Individuals   |  |                   | -                 | 0.00%             | -  | -                | -                 | 0.00%             | 0.00%                    |
| c) Bodies Corp.  | -  | 4,868,778         | 4,868,778         | 8.41%             | 4,868,778  | -                | 4,868,778         | 8.41%             | 0.00%                    |
| d) Any other   |  |                   | -                 | 0.00%             |  |                  | -                 | 0.00%             | 0.00%                    |
| <b>Sub Total (A) (2)</b>   | <b>-</b>   | <b>4,868,778</b>  | <b>4,868,778</b>  | <b>8.41%</b>      | <b>4,868,778</b>   | <b>-</b>         | <b>4,868,778</b>  | <b>8.41%</b>      | <b>0.00%</b>             |
| <b>TOTAL (A)</b>   | <b>17,609,944</b>  | <b>6,480,078</b>  | <b>24,090,022</b> | <b>41.63%</b>     | <b>26,980,022</b>  | <b>-</b>         | <b>26,980,022</b> | <b>46.62%</b>     | <b>4.99%</b>             |
| <b>B. Public Shareholding</b>  |  |                   |                   |                   |  |                  |                   |                   |                          |
| <b>1. Institutions</b>   |  |                   |                   |                   |  |                  |                   |                   |                          |
| a) Mutual Funds  |  |                   | -                 | 0.00%             | -  | -                | -                 | 0.00%             | 0.00%                    |
| b) Banks / FI  |  |                   | -                 | 0.00%             | -  | -                | -                 | 0.00%             | 0.00%                    |
| c) Central Govt  |  |                   | -                 | 0.00%             | -  | -                | -                 | 0.00%             | 0.00%                    |
| d) State Govt(s)   |  |                   | -                 | 0.00%             | -  | -                | -                 | 0.00%             | 0.00%                    |
| e) Venture Capital Funds   |  |                   | -                 | 0.00%             | -  | -                | -                 | 0.00%             | 0.00%                    |
| f) Insurance Companies   |  |                   | -                 | 0.00%             | -  | -                | -                 | 0.00%             | 0.00%                    |
| g) FIs   | -  | 2,400,000         | 2,400,000         | 4.15%             | -  | 2,400,000        | 2,400,000         | 4.15%             | 0.00%                    |
| h) Foreign Venture Capital Funds   |  |                   | -                 | 0.00%             |  |                  | -                 | 0.00%             | 0.00%                    |
| i) Others (specify)  |  |                   | -                 | 0.00%             |  |                  | -                 | 0.00%             | 0.00%                    |
| <b>Sub-total (B)(1):-</b>  | <b>-</b>   | <b>2,400,000</b>  | <b>2,400,000</b>  | <b>4.15%</b>      | <b>-</b>   | <b>2,400,000</b> | <b>2,400,000</b>  | <b>4.15%</b>      | <b>0.00%</b>             |
| <b>2. Non-Institutions</b>   |  |                   |                   |                   |  |                  |                   |                   |                          |
| a) Bodies Corp.  |  |                   |                   |                   |  |                  |                   |                   | 0.00%                    |
| i) Indian  |  |                   | -                 | 0.00%             | -  | -                | -                 | 0.00%             | 0.00%                    |
| ii) Overseas   |  |                   | -                 | 0.00%             | -  | -                | -                 | 0.00%             | 0.00%                    |
| b) Individuals   |  |                   |                   |                   |  |                  |                   |                   | 0.00%                    |
| i) Individual shareholders holding nominal share capital upto Rs. 2 lakh         | 10503244   | 1232479           | 11,735,723        | 20.28%            | 10862787   | 1,213,124        | 12,075,911        | 20.87%            | 0.59%                    |
| ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh | 7382111  | 63000             | 7,445,111         | 12.86%            | 8036658  | 63,000           | 8,099,658         | 14.00%            | 1.13%                    |
| c) Others (specify)  |  |                   |                   |                   |  |                  |                   |                   |                          |
| Non Resident Indians   | 646,300  | 316,700           | 963,000           | 1.66%             | 574,663  | 213,700          | 788,363           | 1.36%             | -0.30%                   |
| Overseas Corporate Bodies  | 4,608,003  | 4,424,813         | 9,032,816         | 15.61%            | 4,630,419  | 1,534,813        | 6,165,232         | 10.65%            | -4.95%                   |
| HUF  | 1,187,867  | -                 | 1,187,867         | 2.05%             | 1,353,507  | -                | 1,353,507         | 2.34%             | 0.29%                    |
| Foreign Nationals  |  |                   | -                 | 0.00%             |  |                  | -                 | 0.00%             | 0.00%                    |
| Clearing Members   | 18,145   | 0                 | 18,145            | 0.03%             | 10,191   | -                | 10,191            | 0.02%             | 0.01%                    |
| Trusts   | 1,000,200  | 0                 | 1,000,200         | 1.73%             | -  | -                | -                 | 0.00%             | 1.73%                    |
| ESOP/ESOS/ESPS   | 0  | 0                 | -                 | 0.00%             | -  | -                | -                 | 0.00%             | 0.00%                    |
| <b>Sub-total (B)(2):-</b>  | <b>25,345,870</b>  | <b>6,036,992</b>  | <b>31,382,862</b> | <b>54.23%</b>     | <b>25,468,225</b>  | <b>3,024,637</b> | <b>28,492,862</b> | <b>49.23%</b>     | <b>-4.99%</b>            |
| <b>Total Public (B)</b>  | <b>25,345,870</b>  | <b>8,436,992</b>  | <b>33,782,862</b> | <b>58.37%</b>     | <b>25,468,225</b>  | <b>5,424,637</b> | <b>30,892,862</b> | <b>53.38%</b>     | <b>-4.99%</b>            |
| <b>C. Shares held by Custodian for GDRs &amp; ADRs</b>                           | <b>-</b>   | <b>-</b>          | <b>-</b>          | <b>0.00%</b>      | <b>-</b>   | <b>-</b>         | <b>-</b>          | <b>0.00%</b>      | <b>0.00%</b>             |
| <b>Grand Total (A+B+C)</b>   | <b>42,955,814</b>  | <b>14,917,070</b> | <b>57,872,884</b> | <b>100.00%</b>    | <b>52,448,247</b>  | <b>5,424,637</b> | <b>57,872,884</b> | <b>100.00%</b>    | <b>0.00%</b>             |

**HIMALYA INTERNATIONAL LIMITED**

**(ii) Shareholding of Promoter**

| SN | Shareholder's Name         | Shareholding at the beginning of the year<br>As on 01.04.2016 |                                  |   | Shareholding at the end of the year<br>As on 31.03.2017 |                                  |  | % change in shareholding during the year |
|----|----------------------------|---|----------------------------------|---|---|----------------------------------|--|--|
|    |                            | No. of Shares   | % of total Shares of the company | % of Shares Pledged/ encumbered to total shares | No. of Shares   | % of total Shares of the company | % of Shares Pledged / encumbered to total shares |  |
| 1  | Anita Kakkar               | 1,871,193   | 3.23%                            | 3.23%   | 1,871,193   | 3.23%                            | 3.23%  | 0.00%                                    |
| 2  | Arjun Malik                | 2,103,100   | 3.63%                            | 0.00%   | 2,103,100   | 3.63%                            | 0.00%  | 0.00%                                    |
| 3  | Jyoti Malik                | 1,487,900   | 2.57%                            | 0.00%   | 1,487,900   | 2.57%                            | 0.00%  | 0.00%                                    |
| 4  | M.m. Malik                 | 1,872,842   | 3.24%                            | 2.06%   | 1,872,842   | 3.24%                            | 2.06%  | 0.00%                                    |
| 5  | Purnima Malik              | 2,315,300   | 4.00%                            | 0.00%   | 2,315,300   | 4.00%                            | 0.00%  | 0.00%                                    |
| 6  | Ananditta Kakkar           | 1,580,000   | 2.73%                            | 0.00%   | 1,580,000   | 2.73%                            | 0.00%  | 0.00%                                    |
| 7  | Sangita Malik              | 1,144,900   | 1.98%                            | 1.98%   | 1,144,900   | 1.98%                            | 1.98%  | 0.00%                                    |
| 8  | Sanjiv Kakkar              | 545,548   | 0.94%                            | 0.17%   | 3,435,548   | 5.94%                            | 0.17%  | 4.99%                                    |
| 9  | Sidarth Kakkar             | 1,632,311   | 2.82%                            | 0.00%   | 1,632,311   | 2.82%                            | 0.00%  | 0.00%                                    |
| 10 | Doon Valley Foods (p) Ltd  | 3,068,150   | 5.30%                            | 3.79%   | 3,068,150   | 5.30%                            | 3.79%  | 0.00%                                    |
| 11 | Himalya Carbonates Pvt Ltd | 1,600,000   | 2.76%                            | 0.00%   | 1,600,000   | 2.76%                            | 0.00%  | 0.00%                                    |
| 12 | Himalya International Inc. | 4,868,778   | 8.41%                            | 0.00%   | 4,868,778   | 8.41%                            | 0.00%  | 0.00%                                    |
|    | <b>Total</b>               | <b>24,090,022</b>   | <b>41.63%</b>                    | <b>11.23%</b>                                   | <b>26,980,022</b>                                       | <b>46.62%</b>                    | <b>11.23%</b>                                    | <b>4.99%</b>                             |

**(iii) Change in Promoters' Shareholding (please specify, if there is no change)**

| SN | Shareholder's Name | Shareholding at the beginning of the year |                                  | Shareholding at the end of the year |                                  | Change in no of Share | Date of Change | Reason of Change  | % change in shareholding during the year |
|----|--------------------|---|----------------------------------|-------------------------------------|----------------------------------|-----------------------|----------------|---|--|
|    |                    | No. of Shares                             | % of total Shares of the company | No. of Shares                       | % of total Shares of the company |                       |                |   |  |
| 1  | Sanjiv Kakkar      | 545,548                                   | 0.94%                            | 3,435,548                           | 5.94%                            | 2,890,000             | 20.10.2016     | Share Acquired by foreign national promoter outside India | 4.99%                                    |



(iv) Shareholding Pattern of top ten Shareholders

(Other than Directors, Promoters and Holders of GDRs and ADRs):

| SN | For each of the Top 10 shareholders | Shareholding at the beginning of the year |                   | Cumulative Shareholding during the year |                   |
|----|-------------------------------------|---|-------------------|---|-------------------|
|    |                                     | No. of shares                             | % of total shares | No. of shares                           | % of total shares |
| 1  | <b>KANCHAN TANDON</b>               |   |                   |   |                   |
|    | At the beginning of the year        | 384,000                                   | 0.66%             |   | 0.00%             |
|    | Changes during the year             |   | 0.00%             | (84,000)                                | -0.15%            |
|    | At the end of the year              |   | 0.00%             | 300,000                                 | 0.52%             |
| 2  | <b>VIJAY VOHRA</b>                  |   |                   |   |                   |
|    | At the beginning of the year        | 373,021                                   | 0.64%             |   | 0.00%             |
|    | Changes during the year             |   | 0.00%             | (189,897)                               | -0.33%            |
|    | At the end of the year              |   | 0.00%             | 183,124                                 | 0.32%             |
| 3  | <b>GIRDHARI P ROHIRA</b>            |   |                   |   |                   |
|    | At the beginning of the year        | 280,000                                   | 0.48%             |   | 0.00%             |
|    | Changes during the year             |   | 0.00%             | -                                       | 0.00%             |
|    | At the end of the year              |   | 0.00%             | 280,000                                 | 0.48%             |
| 4  | <b>GURMUKH J SUKHWANI</b>           |   |                   |   |                   |
|    | At the beginning of the year        | 250,000                                   | 0.43%             |   | 0.00%             |
|    | Changes during the year             |   | 0.00%             | (89,001)                                | -0.15%            |
|    | At the end of the year              |   | 0.00%             | 160,999                                 | 0.28%             |
| 5  | <b>NITIN TANDON</b>                 |   |                   |   |                   |
|    | At the beginning of the year        | 208,500                                   | 0.36%             |   | 0.00%             |
|    | Changes during the year             |   | 0.00%             | -                                       | 0.00%             |
|    | At the end of the year              |   | 0.00%             | 208,500                                 | 0.36%             |
| 6  | <b>GIRDHARI PARSRAM ROHIRA</b>      |   |                   |   |                   |
|    | At the beginning of the year        | 200,000                                   | 0.35%             |   | 0.00%             |
|    | Changes during the year             |   | 0.00%             | -                                       | 0.00%             |
|    | At the end of the year              |   | 0.00%             | 200,000                                 | 0.35%             |
| 7  | <b>JAGDISH AMRITLAL SHAH</b>        |   |                   |   |                   |
|    | At the beginning of the year        | 175,725                                   | 0.30%             |   | 0.00%             |
|    | Changes during the year             |   | 0.00%             | -                                       | 0.00%             |
|    | At the end of the year              |   | 0.00%             | 175,725                                 | 0.30%             |
| 8  | <b>SHER SINGH</b>                   |   |                   |   |                   |
|    | At the beginning of the year        | 78,000                                    | 0.13%             |   | 0.00%             |
|    | Changes during the year             |   | 0.00%             | 55,987                                  | 0.10%             |
|    | At the end of the year              |   | 0.00%             | 133,987                                 | 0.23%             |
| 9  | <b>USHA GURUMUKH SUKHWANI</b>       |   |                   |   |                   |
|    | At the beginning of the year        | 134,800                                   | 0.23%             |   | 0.00%             |
|    | Changes during the year             |   | 0.00%             | -                                       | 0.00%             |
|    | At the end of the year              |   | 0.00%             | 134,800                                 | 0.23%             |
| 10 | <b>ABDUL QAYOOM TANGA</b>           |   |                   |   |                   |
|    | At the beginning of the year        | 134,558                                   | 0.23%             |   | 0.00%             |
|    | Changes during the year             |   | 0.00%             | -                                       | 0.00%             |
|    | At the end of the year              |   | 0.00%             | 134,558                                 | 0.23%             |

**(v) Shareholding of Directors and Key Managerial Personnel:**

| SN | Shareholding of each Directors and each Key Managerial Personnel | Shareholding at the beginning of the year |                   | Cumulative Shareholding during the year |                   |
|----|--|---|-------------------|---|-------------------|
|    |  | No. of shares                             | % of total shares | No. of shares                           | % of total shares |
| 1  | <b>Man Mohan. Malik</b>  |   |                   |   |                   |
|    | At the beginning of the year                                     | 1,872,842                                 | 3.24%             |   | 0.00%             |
|    | Changes during the year  |   | 0.00%             | -                                       | 0.00%             |
|    | At the end of the year   |   | 0.00%             | 1,872,842                               | 3.24%             |
| 2  | <b>Sangita Malik</b>   |   |                   |   |                   |
|    | At the beginning of the year                                     | 1,144,900                                 | 1.98%             |   | 0.00%             |
|    | Changes during the year  |   | 0.00%             | -                                       | 0.00%             |
|    | At the end of the year   |   | 0.00%             | 1,144,900                               | 1.98%             |
| 3  | <b>Ajay Kaushik, CFO</b>   |   |                   |   |                   |
|    | At the beginning of the year                                     | 1,000                                     | 0.00%             |   | 0.00%             |
|    | Changes during the year  |   | 0.00%             | -                                       | 0.00%             |
|    | At the end of the year   |   | 0.00%             | 1,000                                   | 0.00%             |

Indebtedness of the Company including interest outstanding/accrued but not due for payment

The details of indebtedness with respect to secured or Unsecured Loans or Deposits during the financial year 2016-17 is as under

(Amt. Rs.,000)

|                          | 2017      | 2016      |
|--------------------------|-----------|-----------|
| Long Term Borrowing      | 1,204,882 | 1,270,162 |
| Deferred Tax Liabilities | 80,142    | 79,160    |

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

**A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

| SN. | Particulars of Remuneration   | Man Mohan Malik | Sangita Malik |
|-----|---|-----------------|---------------|
|     | Name  | Man Mohan Malik | Sangita Malik |
|     | Designation   | CMD             | WTD           |
| 1   | Gross salary  | 1,16,40,000     | 18,60,000     |
|     | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | NIL             | NIL           |
|     | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961                             | NIL             | NIL           |
|     | (c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961             | NIL             | NIL           |
| 2   | Stock Option  | NIL             | NIL           |
| 3   | Sweat Equity  | NIL             | NIL           |
|     | Commission  | NIL             | NIL           |
| 4   | - as % of profit  | NIL             | NIL           |
|     | - others, specify   | NIL             | NIL           |
| 5   | Others, please specify  | NIL             | NIL           |
|     | Total (A)   | 1,16,40,000     | 18,60,000     |
|     | Total Amount Paid to Director   | 1,35,00,000     |               |

B. Remuneration to other Directors

| SN. | Particulars of Remuneration                | Name of Directors     |                       | Total Amount<br>(Rs/Lac) |
|-----|--|-----------------------|-----------------------|--------------------------|
|     |  | Sunil Kumar Khera     | Ashish Sachdeva       |                          |
|     |  | Independent Directors | Independent Directors |                          |
| 1   | Independent Directors                      |                       |                       |                          |
|     | Fee for attending board committee meetings | 15000                 | 15000                 | 30,000.00                |
|     | Commission                                 | NIL                   | NIL                   | -                        |
|     | Others, please specify                     | NIL                   | NIL                   | -                        |
|     | Total (1)                                  | NIL                   | NIL                   | 30,000.00                |
| 2   | Other Non-Executive Directors              | NIL                   | NIL                   | -                        |
|     | Fee for attending board committee meetings | NIL                   | NIL                   | -                        |
|     | Commission                                 | NIL                   | NIL                   | -                        |
|     | Others, please specify                     | NIL                   | NIL                   | -                        |
|     | Total (2)                                  | NIL                   | NIL                   | -                        |
|     | Total (B)=(1+2)                            | NIL                   | NIL                   | 30,000.00                |
|     | Total Managerial Remuneration              |                       |                       | 30,000.00                |

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

| SN. | Particulars of Remuneration   | Name of Key Managerial Personnel |                  | Total Amount<br>(Rs/Lac) |                  |
|-----|---|----------------------------------|------------------|--------------------------|------------------|
|     |   | Name                             | Mr. Ajay Kaushik |                          | Vijay Kumar Garg |
|     |   | Designation                      | CFO              | CS                       |                  |
| 1   | Gross salary  |                                  | 645,500          | 360,000                  | 1,005,500        |
|     | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 |                                  | NIL              | NIL                      | NIL              |
|     | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961                             |                                  | NIL              | NIL                      | NIL              |
|     | (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961              |                                  | NIL              | NIL                      | NIL              |
| 2   | Stock Option  |                                  | NIL              | NIL                      | NIL              |
| 3   | Sweat Equity  |                                  | NIL              | NIL                      | NIL              |
| 4   | Commission  |                                  | NIL              | NIL                      | NIL              |
|     | - as % of profit  |                                  | NIL              | NIL                      | NIL              |
|     | - others, specify   |                                  | NIL              | NIL                      | NIL              |
| 5   | Others, please specify  |                                  | NIL              | NIL                      | NIL              |
|     | Total   |                                  | 645,500          | 360,000                  | 1,005,500        |

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

There were no penalties / punishment / compounding of offences for breach of any section of Companies Act against the Company or its Directors or other officers in default, if any, during the year

# STANDALONE FINANCIAL STATEMENT

## INDEPENDENT AUDITOR'S REPORT

To the Members of Himalya International Limited

### Report on the Financial Statements

We have audited the accompanying standalone Ind AS financial statements of Himalya International Limited ("the Company") which comprise the balance sheet as at 31 March 2017, the statement of profit and loss and the cash flow statement for the year then ended and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statements

Management is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) referred to in section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules 2014. This responsibility also includes maintenance of adequate accounting record in accordance with the provision of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities, selection and application of appropriate accounting policies, making judgements and estimates that are reasonable and prudent, and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the account records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

### Opinion

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

- (i) in the case of the balance sheet, of the state of affairs of the Company as at 31 March 2017;
- (ii) in the case of the statement of profit and loss, of the loss for the year ended on that date; and
- (iii) in the case of the cash flow statement, of the cash flows for the year ended on that date.



## **Report on Other Legal and Regulatory Requirements**

As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure "A" statement on the matters specified in the paragraph 3 & 4 of the order, to the extent applicable.

- a. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- b. In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
- c. The balance sheet, statement of profit and loss and cash flow statement dealt with by this Report are in agreement with the books of account;
- d. In our opinion, the aforesaid standalone Ind AS Financial statements comply with the Accounting Standards referred to in Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e. On the basis of written representations received from the directors as on 31 March 2017, and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2017, from being appointed as a director in terms of Section 164(2) of the Act.
- f. We are enclosing herewith a report in "Annexure B" for our opinion on adequacy of internal financial controls system in place in the company and the operating effectiveness of such controls;
- g. With respect to the other matters to be included in the Auditors Report in Accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 in our opinion and to the best of our information and according to the explanations given to us:
  - (1) The Company has disclosed the impact of pending litigations on its financial position in its financial statements as referred to in Note 27.04 to the financial statements.
  - (2) The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, and as required on long-term contracts including derivative contracts.
  - (3) There were no amounts which required to be transferred by the Company to the Investor Education and Protection Fund.
  - (4) The Company has provided requisite disclosures in the financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016. Based on audit procedures and relying on the management Representation we report that the disclosures are in accordance with books of accounts maintained by the Company and as produced to us by the Management Refer Note 27.21.

For **Anujeet Dandona & Co.**  
Firm Registration No.006118C  
Chartered Accountants

(**Anujeet Singh**)  
Proprietor, FCA.  
M No.73662

Place: Dehradun  
Dated: 19.05.2017

## ANNEXURE 'A'

### ANNEXURE 'A'

(Referred to under 'Report on Other Legal and Regulatory Requirements' of our Report of even date)

Report on Companies (Auditor's Report) Order, 2016 ('the Order') issued by the central Government in terms of Section 143(11) of the companies Act, 2013 ('the Act') of Himalya International Limited ('the Company')

I. a.) The company has generally maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

b.) According to information and explanation given to us there is a regular programme of physical verification of these fixed assets by the management which in our opinion is reasonable having regard to size of the company and nature of its assets. As informed to us no material discrepancies were noticed on such verification.

c.) As informed to us and as verified by us during the course of our audit the title deeds on immovable properties are held in name of company as at the balance sheet date.

ii. As informed to us the inventories were physical verified during the year by the management at reasonable intervals and no material discrepancies were noticed on physical verification.

iii. As informed to us the company has granted unsecured loans to companies covered in the register maintained under section 189 of the Companies Act, 2013. In respect of such loans:

(Rs '000')

| Name of the company   | Nature of loan           | Balance as on 31.03.2017 | Maximum Amount Due |
|-----------------------|--------------------------|--------------------------|--------------------|
| APJ Laboratories Ltd. | Advance against purchase | 56,562                   | 56,562             |

a.) As informed to us and as verified by us the terms and condition of grant to such loans are not prejudicial to the interest of the company.

b.) Repayment of the principle amount and payment of interest on such loans has not been stipulated, as it is in the nature of "Advance against purchases"

c.) Not Applicable

iv. According to the information and explanation given to us, the company has complied with the provision of section 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, as applicable during the year.

v. The company has not accepted any deposits during the year and does not have any unclaimed deposits as at March 31, 2017 and therefore, the provisions of clause 3(v) of the Order are not applicable to the Company.

vi. Reporting under clause 3(vi) of the order is not applicable as the company's business activities are not covered by the companies (Cost Record and Audits) Rules, 2014.

vii.a.) According to records of the company and information and explanation given to us the company has generally been regular in depositing undisputed statutory dues including provident fund, employees` state insurance, income-tax, sales-tax, service-tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities.

According to information and explanation given to us there are no outstanding statutory dues as referred above as at the last day of the financial year under audit for a period of more than six months from the date they become payable.

b.) As certified by the management on which we have relied upon the dues of income tax or sale tax or service tax or duty of custom or duty of excise or value added tax or cess which have not been deposited on account of dispute and the forum where the dispute is pending are given bellow:

**HIMALYA INTERNATIONAL LIMITED**

| Particulars of dues | Amount Rs.<br>'000' | Financial Year to which<br>amount relates | Forum where dispute is<br>pending |
|---------------------|---------------------|---|-----------------------------------|
| Excise Duty         | 378                 | 1999-2000                                 | Tribunal                          |
| Income Tax Demand   | 152853              | 2012-13                                   | CIT (Appeals)                     |

viii. Based on our audit procedure and in accordance with the information and explanation given to us by the company has not defaulted in repayment of dues to banks. The company does not have any loans or borrows from financial institutions or government and has not issued any debentures.

ix. The company has not raised any money during the year by way of initial public offer or further public offer (including debts instrument) or term loans and hence reporting under clause 3(ix) of the Order is not applicable.

x. According to the information and explanation given to us there has been no fraud noticed or reported during the year by the company or on the company by its officers or employees.

xi. In our opinion the managerial remuneration paid/provided during the year is in accordance with requisite approvals mandated by the provisions of section 197 read with Schedule V of Companies Act 2013.

xii. The company is not a nidhi company and hence reporting under clause 3(xii) of the Order is not applicable.

xiii. According to the information and explanation given to us the Company is in compliance with Section 177 and 188 of the Act, where applicable, for all transactions with the related parties and details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.

xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.

xv. As informed to us, during the year the company has not entered into any non-cash transactions with any of its directors or persons connected with the directors.

xvi. The Company is not required to get registered under section 45-IA of Reserve Bank of India Act 1934.

xvii. The Company has provided requisite disclosures in the financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016. Based on audit procedures and relying on the management representation we report that the disclosures are in accordance with books of account maintained by the Company and as produced to us by the Management – Refer Note [27.21].

For **Anujeet Dandona & Co.**  
Firm Registration No.006118C  
Chartered Accountants

Sd/-

(**Anujeet Singh**)  
Proprietor, FCA.  
M No.73662  
Place: Dehradun  
Dated: 19.05.2017

## **ANNEXURE 'B' TO THE INDEPENDENT AUDITORS' REPORT**

Referred to in paragraph 3(f) to “Report on Other legal and regulatory requirement” of the independent Auditors` Report of even date to the members of Himalya International Limited on standalone Ind AS financial statement for the year ended March 31, 2017.

### **Report on the Internal Financial Controls under clause (i) of Sub Section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

We have audited the internal financial controls over financial reporting of Himalya International Limited (“the Company”) as of March 31, 2017 in conjunction with our audit of the standalone financial statement of the Company for the year ended on that date.

#### **Management`s Responsibility for Internal Financial Controls.**

The Company`s management is responsible for establishing and maintaining internal financial controls base on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants on India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company`s Policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and Completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditors` Responsibility**

Our responsibility is to express an opinion on the Company`s internal financial controls over financial reporting base on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable on an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respect. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor`s judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error. We believe that the audit evidence I/we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company`s internal financial controls system over financial reporting.

#### **Meaning of Internal Financial Controls over Financial Reporting**

A Company`s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company`s internal financial control over financial reporting includes those policies and procedures that:

- 1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- 2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorization of management and directors of the company; and
- 3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statement.

### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the company considering the essential components of internal controls stated in Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Anujeet Dandona & Co.**  
Firm Registration No.006118C  
Chartered Accountants

(**Anujeet Singh**)  
Proprietor , FCA.  
M No.73662

Place: Dehradun  
Dated: 19.05.2017



Form A  
 (For audit report with unmodified opinion)  
 Pursuant to Regulation 33 of SEBI (listing obligation and disclosure requirements) Regulation, 2015

|                          |   |  |
|--------------------------|---|--|
| 1                        | Name of the Company                           | HIMALYA INTERNATIONAL LIMITED  |
| 2                        | Annul financial statements for the year ended | March 31,2017 (standalone Result for the quarter and year ended March 31,2017) |
| 3                        | Type of audit observation                     | Matter of Emphasis Report  |
| 4                        | Frequency of observation                      | Appeared third time  |
| <b><u>SIGNATURES</u></b> |   |  |
|                          | Chairman and Managing Director                | (Man mohan Malik)  |
|                          | Chairman of Audit Committee                   | (Man mohan Malik)  |
|                          | CFO   | (Ajay Kaushik)   |

For **Anujeet Dandona & Co.**  
 Firm Registration No.006118C  
 Chartered Accountants

Sd/-  
**(Anujeet Singh)**  
 Proprietor , FCA.  
 M No.73662

Place: Dehradun  
 Dated: 19.05.2017

HIMALYA INTERNATIONAL LIMITED

Himalya International Limited  
Balance Sheet as at March 31, 2017  
(All amounts in Rs '000 unless otherwise stated)

|                                 | Note No | As at<br>March 31, 2017 | As at<br>March 31, 2016 |
|---------------------------------|---------|-------------------------|-------------------------|
| <b>EQUITY &amp; LIABILITIES</b> |         |                         |                         |
| Shareholders' funds             |         |                         |                         |
| Share capital                   | 3       | 578,728                 | 578,728                 |
| Reserves and surplus            | 5       | 963,406                 | 987,815                 |
| <b>Total</b>                    |         | <b>1,542,134</b>        | <b>1,566,543</b>        |
| Non-current liabilities         |         |                         |                         |
| Long-term borrowings            | 6       | 1,204,882               | 1,270,162               |
| Deferred tax liabilities        |         | 80,142                  | 79,160                  |
| Other Long term liabilities     | 7       | 66                      | 302                     |
| Long-term provisions            | 8       | 34,003                  | 32,941                  |
| <b>Total</b>                    |         | <b>1,319,093</b>        | <b>1,382,565</b>        |
| Current liabilities             |         |                         |                         |
| Short-term borrowings           | 9       | 541,300                 | 523,125                 |
| Trade payables                  | 10      | 104,059                 | 70,053                  |
| Other current liabilities       | 10      | 127,099                 | 94,452                  |
| Short-term provisions           | 11      | 3,097                   | 2,712                   |
| <b>Total</b>                    |         | <b>775,555</b>          | <b>690,342</b>          |
| <b>TOTAL</b>                    |         | <b>3,636,782</b>        | <b>3,639,450</b>        |
| <b>ASSETS</b>                   |         |                         |                         |
| Non-Current assets              |         |                         |                         |
| Fixed assets                    |         |                         |                         |
| Tangible assets                 | 12      | 1,621,726               | 1,698,464               |
| Capital work-in-progress        |         | 525,271                 | 525,271                 |
| Long-term loans and advances    | 13      | 80,226                  | 74,416                  |
| Other non-current assets        | 14      | 222,337                 | 247,048                 |
| <b>Total</b>                    |         | <b>2,449,560</b>        | <b>2,545,199</b>        |
| Current assets                  |         |                         |                         |
| Inventories                     | 15      | 654,442                 | 600,779                 |
| Trade receivables               | 16      | 364,041                 | 337,121                 |
| Cash and cash equivalents       | 17      | 21,487                  | 14,148                  |
| Short-term loans and advances   | 18      | 67,933                  | 81,078                  |
| Other current assets            | 19      | 79,319                  | 61,125                  |
| <b>Total</b>                    |         | <b>1,187,222</b>        | <b>1,094,251</b>        |
| <b>TOTAL</b>                    |         | <b>3,636,782</b>        | <b>3,639,450</b>        |

Statement of Significant Accounting Policies 2

The notes referred to above and notes to accounts form an integral part of the balance sheet  
As per our report of even date

for and on behalf of the Board

For Anujeet Dandona & Co.  
Firm Registration No. 006118C  
Chartered Accountants

Man Mohan Malik  
Chairman & Managing  
DIN:00696077

Sangita malik  
Director  
DIN:02428506

(Anujeet Singh)  
Proprietor FCA

Himalya International Limited  
Statement of Profit and Loss Account for the year ended March 31, 2017  
(All amounts in '000 Rupees unless otherwise stated)

|   | Note No | For the year ended<br>March 31, 2017 | For the year ended<br>March 31, 2016 |
|---|---------|--------------------------------------|--------------------------------------|
| <b>Continuing Operations</b>  |         |                                      |                                      |
| Revenue from operations   | 20      | 1,212,945                            | 1,135,998                            |
| Other Income  | 21      | 23,938                               | 38,911                               |
| Changes in inventories of finished goods, work-in-progress and Stock-in-Trade         | 22      | 73,289                               | 8,083                                |
| <b>Total Revenue</b>  |         | <b>1,310,172</b>                     | <b>1,182,992</b>                     |
| <b>Expenses :</b>   |         |                                      |                                      |
| Manufacturing and other expenses  | 23      | 685,718                              | 651,271                              |
| Employee benefits expense   | 24      | 63,202                               | 62,574                               |
| Other expenses  | 25      | 252,579                              | 301,019                              |
| <b>Total Expenses</b>   |         | <b>1,001,499</b>                     | <b>1,014,864</b>                     |
| <b>Earning before financial expenses, depreciation and amortisation, and taxes</b>    |         | <b>308,673</b>                       | <b>168,128</b>                       |
| Finance costs   | 26      | 193,553                              | 207,975                              |
| Depreciation and amortisation expense   | 12      | 113,836                              | 115,161                              |
| <b>Profit Before extra ordinary item &amp; Tax</b>                                    |         | <b>1,284</b>                         | <b>(155,008)</b>                     |
| <b>Extra Ordinary Items:</b>  |         |                                      |                                      |
| Provision for Bad Debts   |         | -                                    | 18,992                               |
| Bad debts / claims written off  |         | 24,711                               | 24,711                               |
| <b>Loss before Tax</b>  |         | <b>(23,427)</b>                      | <b>(198,711)</b>                     |
| <b>Tax expense</b>  |         |                                      |                                      |
| - Deferred tax  |         | 982                                  | 10,380                               |
| <b>Loss for the year</b>  |         | <b>(24,409)</b>                      | <b>(209,091)</b>                     |
| Earnings per equity share [nominal value of share Rs 10/-<br>(Previous year Rs 10/-)] |         |                                      |                                      |
| - Basic   |         | (0.42)                               | <b>(3.61)</b>                        |
| - Diluted   |         | (0.42)                               | <b>(3.61)</b>                        |

**Statement of Significant Accounting Policies**

2

The notes referred to above and notes to accounts form an integral part of the balance sheet

As per our report of even date

for and on behalf of the Board

For Anujeet Dandona & Co.  
Firm Registration No. 006118C  
Chartered Accountants

(Anujeet Singh)  
Proprietor FCA  
Membership no. 73662

Man Mohan Malik  
Chairman & Managing Director  
DIN:00696077

Sangita Malik  
Director  
DIN:02428506

Place: Dehradun  
Dated: 19.05.2017

Ajay Kaushik  
CFO

Vijay Garg  
Company Secretary

**HIMALYA INTERNATIONAL LIMITED**

Himalya International Limited

(All amounts in Rs '000 unless otherwise stated)

| CASH FLOW STATEMENT<br>PURSUANT TO CLAUSE 32 OF THE LISTING AGREEMENTS | As at March<br>31, 2017 | As at March<br>31, 2016 |
|--|-------------------------|-------------------------|
| <b>CASH FLOW FROM OPERATING ACTIVITIES</b>                             |                         |                         |
| Net Profit As per P& L Account   | -24409                  | -209091                 |
| Adjustment for:  |                         |                         |
| Depreciation   | 113836                  | 115161                  |
| Add/(Less) Refund/ (Payment) of Taxes                                  | 982                     | 10380                   |
| <b>A. OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>              | <b>90409</b>            | <b>-83550</b>           |
| Adjustment for :   |                         |                         |
| (Increase)/Decrease in Loan and advances                               | (5810)                  | (2188)                  |
| Increase/(Decrease) in Borrowings                                      | (65280)                 | 67941                   |
| Increase/(Decrease) in other long term Liabilities                     | 826                     | 152                     |
| (Increase)/Decrease in Current Assets                                  | (85632)                 | (83797)                 |
| (Increase)/Decrease in Other Non Current Assets                        | 24711                   | 32148                   |
| Increase/(Decrease) in Current Liabilities                             | 85213                   | 85813                   |
| <b>NET CASH FROM OPERATIVE ACTIVITIES</b>                              | <b>44437</b>            | <b>16519</b>            |
| <b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>                          |                         |                         |
| Purchase (Sale) of / Advance for Fixed Assets                          | 37098                   | 14474                   |
| <b>NET CASH PAID FROM INVESTING ACTIVITIES</b>                         | <b>37098</b>            | <b>14474</b>            |
| <b>C. CASH FLOW FROM FINANCING ACTIVITIES :</b>                        |                         |                         |
| Forfeiture of share warrant application money                          | -                       | (6214)                  |
| <b>NET CASH RECEIVED FOR FINANCING ACTIVITIES</b>                      | <b>-</b>                | <b>(6214)</b>           |
| <b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>                       | <b>7339</b>             | <b>(4169)</b>           |
| CASH AND CASH EQUIVALENT (OPENING)                                     | 14148                   | 18317                   |
| CASH AND CASH EQUIVALENT (CLOSING)                                     | 21487                   | 14148                   |

For and on behalf of Board

Man Mohan Malik  
Chairman & Managing Director  
DIN:00696077

**AUDITORS' CERTIFICATE**

We have verified the above Cash Flow Statement of Himalya International Ltd. derived from the Audited financial statement for the year ended March 31, 2017 and found the same are drawn in accordance therewith and also with the requirements of Clause 32 of the listing Agreements with the stock exchanges

FOR ANUJEET DANDONA & CO.  
Firm Registration No.006118C  
Chartered Accountants

(ANUJEET SINGH)  
Proprietor FCA  
Membership No.73662  
Place: Dehradun  
Dated: 19.05.2017

## Himalya International Ltd.

### Notes to Accounts

(All amounts in Rupees unless otherwise stated)

**1. NATURE OF OPERATIONS :** Himalya International Ltd., incorporated in New Delhi, India with UIN L51909DL1992PLC047399, is a food processing company engaged in growing of mushrooms (which qualifies as agriculture activity), IQF ready to eat items and trading in nutritional supplement. It is exporting its products to USA and also selling them domestically.

### 2. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

**(a) Basis of preparation :** These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, the provisions of the Companies Act, 2013 ('the Act') (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

The Company has adopted all the Ind AS standards and the adoption was carried out in accordance with Ind AS 101, First-Time Adoption of Indian Accounting Standards. The transition was carried out from Indian Accounting Principles generally accepted in India as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP), which was the previous GAAP. Accounting policies have been consistently applied except where a newly-issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

**(b) Use of Estimates :** The preparation of the financial statements in conformity with Ind AS requires the Management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. The application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements have been disclosed in Note 2. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as the Management becomes aware of the changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

**(c) Changes in Accounting Policies :** There is no change in accounting policy during the year under audit vis.a.vis the previous financial year.

**(d) Fixed Assets :** Fixed assets are stated at cost (or revalued amounts, as the case may be), less accumulated depreciation and impairment losses if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Borrowing costs relating to acquisition of fixed assets, which takes substantial period of time to get ready for its intended use, are also included, to the extent they relate to the period, till such assets are ready to be put to use.

Projects under which assets are not ready for their intended use are disclosed under Capital Work-in-Progress.

**(e) Depreciation, Amortisation and Depletion :** Depreciation is provided using the Straight Line Method as per the useful lives of the assets estimated by the management, as prescribed in schedule II to the companies act 2013 .

**(f) Government grants and subsidies :** Grants and subsidies from the government are recognized when there is reasonable assurance that the grant/subsidy will be received and all attached conditions will be complied with. When the grant or subsidy relates to an expense item, it is recognized as income over the periods necessary to match them on a systematic basis to the costs, which it is intended to compensate. Where the grant or subsidy relates to an asset its value is deducted from the gross value of the asset concerned in arriving at the carrying amount of the related asset. Government grants of the nature of promoters' contribution are credited to capital reserve and treated as a part of shareholders' funds.

**(g) Investments :** Investments that are readily realisable and intended to be held for not more than a year are classified as "current investments". All other investments are classified as "long-term investments". Current investments are carried at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognise a decline other than temporary in the value of the investments



**HIMALYA INTERNATIONAL LIMITED**

**(h) Inventories :** Inventories are valued as follows:

Raw materials, components, stores and spares : Lower of cost and net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is determined on a weighted average basis.

Work-in-progress and finished goods : Lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost of finished goods includes excise duty. Cost is determined on a weighted average basis.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

**(i) Revenue recognition :** Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

**(j) Sale of Goods :** Revenue is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer.

**(k) Interest :** Revenue is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

**(l) Dividends :** Revenue is recognised when the shareholders' right to receive payment is established by the balance sheet date. Dividend from subsidiaries, if any, is recognised even if same are declared after balance sheet date but pertains to period on or before the date of balance sheet as per the requirement of the Companies Act, 2013

**(m) Royalties :** Revenue is recognized on an accrual basis in accordance with the terms of the relevant agreement.

**(n) Deferred Revenue Expenditure :** Costs incurred in raising funds are amortised equally over the period for which the funds are acquired. Where such period is not practically determinable they are amortised equally over a period of 5 years.

**(o) Foreign currency translation :**

**(i) Initial Recognition :** Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction. Expenses are recorded as per monthly average of the exchange rate.

**(ii) Conversion :** Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction; and non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that when the values were determined. Expenses in foreign currency are reported using monthly average of the rate.

**(iii) Exchange Differences :** Exchange differences arising on a monetary item that, in substance, form part of company's net investment in a non-integral foreign operation is accumulated in a foreign currency translation reserve in the financial statements until the disposal of the net investment, at which time they are recognised as income or as expenses.

Exchange differences arising on the settlement of monetary items not covered above, or on reporting such monetary items of company at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expenses in the year in which they arise.

**(iv) Forward Exchange Contracts not intended for trading or speculation purposes :** The premium or discount arising at the inception of forward exchange contracts is amortised as expense or income over the life of the contract. Exchange differences on such contracts are recognised in the statement of profit and loss in the year in which the exchange rates change.

(v) **Forward Exchange Contracts for trading or speculation purposes :** A gain or loss on such forward exchange contracts is computed by multiplying the foreign currency amount of the forward exchange contract by the difference between the forward rate available at the reporting date for the remaining maturity of the contract and the contracted forward rate (or the forward rate last used to measure a gain or loss on that contract for an earlier year). The gain or loss so computed is recognised in the statement of profit and loss for the period. The premium or discount on the forward exchange contract is not recognised separately.

(vi) **Translation of Integral and Non-integral foreign operation :** The financial statements of an integral foreign operation are translated as if the transactions of the foreign operation have been those of the company itself. In translating the financial statements of a non-integral foreign operation for incorporation in financial statements, the assets and liabilities, both monetary and non-monetary, of the non-integral foreign operation are translated at the closing rate; income and expense items of the non-integral foreign operation are translated at exchange rates at the dates of the transactions; and all resulting exchange differences are accumulated in a foreign currency translation reserve until the disposal of the net investment.

On the disposal of a non-integral foreign operation, the cumulative amount of the exchange differences which have been deferred and which relate to that operation are recognised as income or as expenses in the same period in which the gain or loss on disposal is recognised. When there is a change in the classification of a foreign operation, the translation procedures applicable to the revised classification are applied from the date of the change in the classification.

(p) **Retirement and other employee benefits :** (i) Retirement benefit in the form of Provident Fund is a defined contribution scheme and the contributions are charged to the Profit and Loss Account of the year when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the respective funds.

(ii) Gratuity liability is a defined benefit obligations and are provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year.

(iii) No provision is made for unencashable short term compensated absences.

(iv) Actuarial gains/losses are immediately taken to profit and loss account and are not deferred.

(q) **Income taxes:** Tax expense comprises of current and deferred tax.

Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India [and tax laws prevailing in the respective tax jurisdictions where the Company operates].

Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to the taxes on income levied by same governing taxation laws. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits.

At each balance sheet date the Company re-assesses unrecognised deferred tax assets. It recognises unrecognised deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be that sufficient future taxable income will be available against which such deferred tax assets can be realised. The carrying amount of deferred tax assets are reviewed at each balance sheet date. The company writes-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realised. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

MAT credit is recognised as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. In the year in which the Minimum Alternative tax (MAT) credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in guidance Note issued by the Institute of chartered accountants of India, the said asset is created by way of a credit to the profit and loss account and shown as MAT Credit Entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal Income Tax during the specified period.

**(r) Employee Stock Compensation Cost:** Measurement and disclosure of the employee share-based payment plans is done in accordance with the Guidance Note on Accounting for Employee Share-based Payments, issued by the Institute of Chartered Accountants of India. The Company measures compensation cost relating to employee stock options using the intrinsic value method. Compensation expense is amortized over the vesting period of the option on a straight line basis.

**(s) Earnings Per Share :** Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they were entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period are adjusted for events of bonus issue; bonus element in a rights issue to existing shareholders; share split; and reverse share split (consolidation of shares).

**(t) Provisions :** A provision is recognized when an enterprise has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

**(u) Derivative Instruments:** As per the ICAI Announcement, accounting for derivative contracts, other than those covered under AS-11, are marked to market on a portfolio basis, and the net loss after considering the offsetting effect on the underlying hedge item is charged to the income statement. Net gains are ignored.

**(v) Impairment :** 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 asset's net selling price and value in use. In assessing value in use, The Company has measured its 'value in use' on the basis of undiscounted cash flows of next five years projections estimated based on current prices. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

**(w) Borrowing Costs :** Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

**(x) Cash Flow Statement :** Cash flow statement has been prepared in accordance with the indirect method prescribed in Accounting Standard-3 issued under the Companies (Accounting Standard) Rules 2006 and as required by the Securities and Exchange Board of India.

**(y) Leases :** Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the Profit and Loss account on a straight-line basis over the lease term.

Himalya International Limited  
Notes to Accounts  
(All amounts in Rs '000 unless otherwise stated)

Note 3 Share Capital

| Particulars   | As at<br>March 31, 2017 | As at<br>March 31, 2016 |
|---|-------------------------|-------------------------|
| Authorised  |                         |                         |
| 7,50,00,000 (Previous year 7,50,00,000) equity shares of Rs. 10/- each  | 750,000                 | 750,000                 |
| Issued, Subscribed & Paid up  |                         |                         |
| 5,78,72,884 ( Previous year 5,78,72,884) equity shares of Rs. 10/- each | 578,728                 | 578,728                 |
| Total   | 578,728                 | 578,728                 |

(a) Nil (Previous Year 28,50,604) equity shares were allotted on conversion of share warrants

(b) Reconciliation of shares outstanding at the beginning and at the end of the year

| Particulars                        | As at March 31, 2017 |                    | As at March 31, 2016 |                    |
|------------------------------------|----------------------|--------------------|----------------------|--------------------|
|                                    | Number ('000)        | Amount in Rs. '000 | Number ('000)        | Amount in Rs. '000 |
| Equity shares                      |                      |                    |                      |                    |
| At the beginning of the year       | 57,873               | 578,728            | 55,022               | 550,222            |
| Issued during the year             | -                    | -                  | 2,851                | 28,506             |
| Outstanding at the end of the year | 57,873               | 578,728            | 57,873               | 578,728            |

(c) Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs. 10 each. No dividend has been proposed. In the event of liquidation of the Company, the holder of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts.

(d) Details of Shares held by each shareholder holding more than 5% shares

| Name of Shareholder        | As at March 31, 2017 |              | As at March 31, 2016 |              |
|----------------------------|----------------------|--------------|----------------------|--------------|
|                            | No. of Shares held   | % of Holding | No. of Shares held   | % of Holding |
| First Family Holding       | 412,613              | 0.71         | 3,302,613            | 5.71         |
| Himalaya International Inc | 4,868,778            | 8.41         | 4,868,778            | 8.41         |
| Sanjiv Kakkar              | 3,435,548            | 5.94         | 545,548              | 0.94         |

Note 5 Reserve and surplus

|   |          |           |
|---|----------|-----------|
| Capital Fund  | 104      | 104       |
| Capital Reserve   | 132,068  | 132,068   |
| Securities premium reserve                              |          |           |
| Balance as per last financial statements                | 337,784  | 334,933   |
| Add: premium received on issue of equity shares         | -        | 2,851     |
| Closing Balance   | 337,784  | 337,784   |
| Accumulated Profits in the statement of profit and loss |          |           |
| Balance as per last financial statements                | 517,859  | 726,950   |
| Loss for the year                                       | (24,409) | (209,091) |
| Accumulated Profits in the statement of profit and loss | 493,450  | 517,859   |
| Total reserves and surplus                              | 963,406  | 987,815   |

Note : Capital Reserve include Capital Subsidy given by MOFPI, NHB & Himachal Pradesh State Government.

## HIMALYA INTERNATIONAL LIMITED

Himalya International Limited  
Notes to Accounts  
(All amounts in Rs '000 unless otherwise stated)

### Note 6 Long term borrowings

| Particulars        | Non Current Portion     |                         | Current Maturities         |                         |
|--------------------|-------------------------|-------------------------|----------------------------|-------------------------|
|                    | As at<br>March 31, 2017 | As at<br>March 31, 2016 | As at<br>March<br>31, 2017 | As at<br>March 31, 2016 |
| <b>Secured</b>     |                         |                         |                            |                         |
| Term loans         |                         |                         |                            |                         |
| from banks         | 1,198,922               | 1,266,861               | 88,350                     | 62,671                  |
| from other parties | 5,960                   | 3,301                   | 4,481                      | 2,674                   |
| <b>Total</b>       | <b>1,204,882</b>        | <b>1,270,162</b>        | <b>92,831</b>              | <b>65,345</b>           |

#### Notes:

##### A. Term loans from banks:

- Term Loans are secured by First pari passu charge over the entire fixed assets of the company at Paonta sahib (H.P.) and Mehsana (Gujarat), with Joint Lending Forum comprising SBI, Corporation Bank, Bank of Baroda and Exim Bank, alongwith personal guarantees of the Directors and Promotors.
- All vehicle loans are secured against the vehicle and personal guarantee of the CMD Mr. Man Mohan Malik.
- The Company has not defaulted in repayment of either principal or interest during the year.

#### R

| Particulars                               | As at<br>March 31, 2017 | As at<br>March 31, 2016 | Rate of Interest | Date of Maturity | Repayment | Instalment due in<br>2017-18 | Instalment due in<br>2016-17 |
|---|-------------------------|-------------------------|------------------|------------------|-----------|------------------------------|------------------------------|
| State Bank of India TL -(In INR)          | 60,453                  | 62,658                  | 11.30            | 30.06.2024       | Quarterly | 4,200                        | 2,800                        |
| State Bank of India WCTL -(In INR)        | 117,818                 | 121,455                 | 11.30            | 30.06.2024       | Quarterly | 8,100                        | 5,400                        |
| State Bank of India FITL-1 (In INR)       | 64,019                  | 66,825                  | 11.30            | 30.06.2024       | Quarterly | 4,343                        | 3,700                        |
| State Bank of India WCTL -(In INR)        | 5,255                   | 5,452                   | 11.30            | 30.06.2024       | Quarterly | 400                          | 200                          |
| State Bank of India FITL-2 (In INR)       | 16,078                  | 7,497                   | 11.30            | 30.06.2024       | Quarterly | 1,257                        | 900                          |
| Corporation Bank TL -(In INR)             | 238,135                 | 245,742                 | 11.30            | 30.06.2024       | Quarterly | 16,400                       | 11,100                       |
| Corporation Bank WCTL -(In INR)           | 9,024                   | 9,288                   | 11.30            | 30.06.2024       | Quarterly | 600                          | 400                          |
| Corporation Bank WCTL -(In INR)           | 83,075                  | 85,628                  | 11.30            | 30.06.2024       | Quarterly | 5,700                        | 3,800                        |
| Corporation Bank FITL -(In INR)           | 92,029                  | 96,722                  | 11.30            | 30.06.2024       | Quarterly | 6,500                        | 5,300                        |
| Export Import Bank of India (FCNR)        | 301,598                 | 320,473                 | 5.25+Libor       | 30.06.2024       | Quarterly | 21,500                       | 14,400                       |
| Export Import Bank of India FITL-(In INR) | 24,796                  | 25,568                  | 12.00            | 30.06.2024       | Quarterly | 1,950                        | 3,200                        |
| Bank of Baroda (In INR)                   | 233,711                 | 238,568                 | 12.00            | 30.06.2024       | Quarterly | 14,500                       | 9,700                        |
| Bank of Baroda FITL (In INR)              | 41,281                  | 42,985                  | 12.00            | 30.06.2024       | Quarterly | 2,900                        | 1,100                        |
| HDFC Bank Vehicle Loan-(In INR)           | -                       | 671                     | 10.75            | 01.03.2017       | Monthly   | -                            | 671                          |
| <b>Total</b>                              | <b>1,287,272</b>        | <b>1,329,532</b>        |                  |                  |           | <b>88,350</b>                | <b>62,671</b>                |

##### B. Term loans from other parties

- All vehicle loans are secured against the vehicle and personal guarantee of the CMD, Mr. Man Mohan Malik, taken from BMW financial Services and Tata Capital Limited.
- The Company has not defaulted in repayment of either principal or interest during the year.

| Particulars                                 | As at<br>March 31, 2017 | As at<br>March 31, 2016 | Rate of Interest | Date of Maturity | Repayment | Instalment due in<br>2017-18 | Instalment due in<br>2016-17 |
|---|-------------------------|-------------------------|------------------|------------------|-----------|------------------------------|------------------------------|
| Tata Capital Limited Vehicle Loan (In INR)  | -                       | 38                      | 11.00            | 15.08.2016       | Monthly   | -                            | 38                           |
| BMW Financial Service Vehicle Loan (In INR) | 581                     | 1,552                   | 10.82            | 01.09.2017       | Monthly   | 581                          | 1,004                        |
| Mahindra Finance Vehicle loan (In INR)      | 3,134                   | 4,385                   | 11.00            | 20.06.2019       | Monthly   | 1,632                        | 1,632                        |
| Mahindra Finance Vehicle loan (In INR)      | 6,726                   | -                       | 11.00            | 15.10.2020       | Monthly   | 2,268                        | -                            |
| <b>Total</b>                                | <b>10,441</b>           | <b>5,975</b>            |                  |                  |           | <b>4,481</b>                 | <b>2,674</b>                 |

**Himalya International Limited**

**Notes to Accounts**

(All amounts in Rs '000 unless otherwise stated)

| Particulars   | As at<br>March 31, 2017 | As at<br>March 31, 2016 |
|---|-------------------------|-------------------------|
| <b>Note 7</b> Other long term liabilities   |                         |                         |
| Others  |                         |                         |
| Advances and deposits from customers<br>(Non Current)   | 66                      | 302                     |
| <b>Total</b>  | <b>66</b>               | <b>302</b>              |
| <b>Note 8</b> Long term provisions  |                         |                         |
| Provision for employee benefits   |                         |                         |
| Provision for gratuity  | 6,580                   | 5,518                   |
| Provision for tax   | 27,423                  | 27,423                  |
| <b>Total</b>  | <b>34,003</b>           | <b>32,941</b>           |
| <b>Note 9</b> Short term borrowings   |                         |                         |
| Secured   |                         |                         |
| Loans repayable on demand   |                         |                         |
| Cash Credit/Export Credit facilities  | 541,300                 | 523,125                 |
| <b>Total</b>  | <b>541,300</b>          | <b>523,125</b>          |
| Details   |                         |                         |
| Corporation Bank (Against Export Bills)   | -                       | 11,563                  |
| Corporation Bank (CC against Hyp. Of Stock & Debtors)   | 227,959                 | 215,382                 |
| Sbi 34946964752 (PCL against Stock)   | 53,553                  | 9,564                   |
| SBI (Against export Bills )   | 20,445                  | 27,981                  |
| SBI (CC against Hyp. Of Stock & Debtors)  | 177,493                 | 196,632                 |
| SBI (EPC against Stock)   | 61,850                  | 62,003                  |
| <b>Total</b>  | <b>541,300</b>          | <b>523,125</b>          |
| Notes:  |                         |                         |
| All working capital limits are secured by first pari passu charge over the entire current assets of the Company, along with personal guarantees of Promoters. |                         |                         |
| <b>Note 10</b> Other Current Liabilities  |                         |                         |
| Trade payables  | 104,059                 | 70,053                  |
| <b>Total</b>  | <b>104,059</b>          | <b>70,053</b>           |
| Other Liabilities   |                         |                         |
| Current maturities of long-term debt  | 92,831                  | 65,345                  |
| Creditors for purchase of fixed assets  | 12,465                  | 12,588                  |
| Other payables  |                         |                         |
| Expense payable   | 16,227                  | 12,119                  |
| TDS payable (tax deducted at source)  | 4,725                   | 4,046                   |
| Employees State Insurance payable   | 177                     | 77                      |
| Employees Provident Fund payable  | 674                     | 277                     |
| <b>Total</b>  | <b>127,099</b>          | <b>94,452</b>           |
| <b>Total</b>  | <b>231,158</b>          | <b>164,505</b>          |
| <b>Note 11</b> Short term provisions  |                         |                         |
| Provision for employee benefits   |                         |                         |
| Provision for leave encashment  | 1,647                   | 1,232                   |
| Other   |                         |                         |
| Provision for gratuity  | 1,450                   | 1,480                   |
| <b>Total</b>  | <b>3,097</b>            | <b>2,712</b>            |



HIMALYA INTERNATIONAL LIMITED

Himalya International Limited

Notes to Accounts

(All amounts in Rs '000 unless otherwise stated)

Note 12 Fixed assets- Tangible assets

| PARTICULARS              | GROSS BLOCK       |                                   |                                    | DEPRECIATION/AMORTISATION |                          |                                 | NET BLOCK                            |                           |                     |                     |
|--------------------------|-------------------|-----------------------------------|------------------------------------|---------------------------|--------------------------|---------------------------------|--------------------------------------|---------------------------|---------------------|---------------------|
|                          | AS ON<br>01.04.16 | ADDITIONS<br>DURING THE<br>PERIOD | SALES/ADJ.<br>DURING THE<br>PERIOD | AS ON<br>31.03.2017       | DEP. CHARGED<br>31/03/16 | DEPRECIATION<br>FOR THE<br>YEAR | ADJUSTED<br>WITH RETAINED<br>EARNING | TOTAL AS ON<br>31.03.2017 | AS ON<br>31.03.2017 | AS ON<br>31.03.2016 |
| Land                     | 156,362           | -                                 | -                                  | 156,362                   | -                        | -                               | -                                    | -                         | 156,362             | 156,362             |
| Building                 | 711,034           | 651                               | -                                  | 711,685                   | 125,700                  | 22,480                          | -                                    | 148,180                   | 563,505             | 585,334             |
| Plant & Machinery        | 1,536,991         | 28,639                            | -                                  | 1,565,630                 | 607,231                  | 84,895                          | -                                    | 692,126                   | 873,504             | 929,760             |
| Furniture and Fixture    | 13,309            | 142                               | -                                  | 13,451                    | 7,869                    | 924                             | -                                    | 8,793                     | 4,658               | 5,440               |
| Vehicles                 | 55,683            | 7,840                             | 174                                | 63,349                    | 34,115                   | 5,537                           | -                                    | 39,652                    | 23,697              | 21,568              |
| <b>TOTAL</b>             | <b>2,473,379</b>  | <b>37,272</b>                     | <b>174</b>                         | <b>2,510,477</b>          | <b>774,915</b>           | <b>113,836</b>                  | <b>-</b>                             | <b>888,751</b>            | <b>1,621,726</b>    | <b>1,698,464</b>    |
| Previous Year            | (2,460,032)       | (13,347)                          | -                                  | (2,473,379)               | (659,754)                | (115,161)                       | -                                    | (774,915)                 | (1,698,464)         | (1,800,278)         |
| Capital work-in-Progress |                   |                                   |                                    |                           |                          |                                 |                                      |                           | 525,271             | 525,271             |

Note 12.1 The Company has imported French Fry & Potato Speciality Line machinery. During the year this Machinery could not be installed, as such the amount is being shown as CWIP. The Management is of the view that value of CWIP does not require any restatement in accounts, as the value of the said imported machinery is intact.

Himalya International Limited  
Notes to Accounts  
(All amounts in Rs '000 unless otherwise stated)

| Particulars  | As at<br>March 31, 2017 | As at<br>March<br>31, 2016 |
|--|-------------------------|----------------------------|
| <b>Note 13 Long Term Investments (At cost)<br/>(Equity Shares, Fully Paid up and unquoted)</b> |                         |                            |
| <b>a Himalya Simplot Pvt Ltd. (Joint Venture Company)</b>                                      |                         |                            |
| 2279966 Shares of Rs. 10/- each  | 114,936                 | 114,936                    |
| Less: Provision for diminution in value of investments   | 114,936                 | 114,936                    |
|  | -                       | -                          |
| <b>Long Term loans and advances</b>  |                         |                            |
| <b>Capital advances</b>  |                         |                            |
| <b>Security deposits</b>   |                         |                            |
| <b>Unsecured, considered good</b>  |                         |                            |
| Deposits to others   | 3,869                   | 3,869                      |
|  | 3,869                   | 3,869                      |
| <b>Subsidy and Other Receivables</b>   |                         |                            |
| <b>Unsecured, considered good</b>  |                         |                            |
| Capital Subsidy (MOFPI)  | 3,167                   | 3,167                      |
| Capital Subsidy Cheese Plant (MOFPI)   | 3,750                   | 3,750                      |
| Capital Subsidy (Cold Chain from MOFPI Gujarat Plant)  | 25,000                  | 25,000                     |
|  | 31,917                  | 31,917                     |
| <b>Other loans and advances</b>  |                         |                            |
| <b>Unsecured, considered good</b>  |                         |                            |
| Advance tax and tax deducted at source   | 43,440                  | 38,630                     |
|  | 43,440                  | 38,630                     |
| <b>Total</b>   | <b>79,226</b>           | <b>74,416</b>              |
| <b>Note 14 Other Non Current Assets</b>  |                         |                            |
| <b>Unsecured, considered good unless stated otherwise</b>                                      |                         |                            |
| Mat Credit entitlements  | 18,522                  | 18,522                     |
| Advance to corporate   | 6,122                   | 6,122                      |
| Claim receivable   | 247,115                 | 247,115                    |
| Less : Provisions for w/o  | 49,422                  | 24,711                     |
|  | 197,693                 | 222,404                    |
| <b>Total</b>   | <b>222,337</b>          | <b>247,048</b>             |

Claim receivable of Rs. 24.71 crore is against stocks destroyed in a fire in a warehouse on September 2, 2013 in United States of America. A claim has been filed against the warehouse. This amount is shown under non-current assets, on account of possible delays in recovery from insurance company, due to investigation on causes of fire, by Federal US agencies and expected delays in settlement of the claim by the court. Besides warehouse insurance cover is not sufficient to cover the damages of all the stocks in the fire, including those belonging to third parties. Management proposes to write down the amount of the claim as it is of the opinion that the amount acceptable to insurance companies involved is going to be lower than the loss suffered by the Company. Thus, management has decided to further write off 10% of the amount in this year's financial statements.

**b** **ي و** Inventories

Inventories (at lower of cost and net realisable value)

|                  |                |                |
|------------------|----------------|----------------|
| Raw Material     | 63,303         | 60,275         |
| Goods in Process | 213,788        | 193,398        |
| Finished Goods   | 344,881        | 291,982        |
| Consumables      | 32,470         | 55,124         |
| <b>Total</b>     | <b>654,442</b> | <b>600,779</b> |

HIMALYA INTERNATIONAL LIMITED

Himalya International Limited

Notes to Accounts

(All amounts in Rs '000 unless otherwise stated)

| Particulars   | Non-Current             |                         | Current                 |                         |
|---|-------------------------|-------------------------|-------------------------|-------------------------|
|   | As at<br>March 31, 2017 | As at<br>March 31, 2016 | As at<br>March 31, 2017 | As at<br>March 31, 2016 |
| <b>Note 16 Trade Receivables</b>  |                         |                         |                         |                         |
| Outstanding for a period exceeding six months from the date they are due for payments   |                         |                         |                         |                         |
| Unsecured, considered good  | 49,138                  | 55,425                  | -                       | -                       |
|   | <u>49,138</u>           | <u>55,425</u>           | <u>-</u>                | <u>-</u>                |
| <b>Other debts</b>  |                         |                         |                         |                         |
| Unsecured, considered good  | -                       | -                       | 314,903                 | 300,688                 |
|   | -                       | -                       | <u>314,903</u>          | <u>300,688</u>          |
| <b>Provision for doubtful debts</b>   |                         |                         |                         |                         |
|   | -                       | 18,992                  | -                       | -                       |
|   | <u>-</u>                | <u>18,992</u>           | <u>314,903</u>          | <u>300,688</u>          |
| <b>Total</b>  | <b>49,138</b>           | <b>36,433</b>           | <b>314,903</b>          | <b>300,688</b>          |
| <b>Note 17 Cash and Cash Equivalents</b>  |                         |                         |                         |                         |
| Cash and cash equivalents   |                         |                         |                         |                         |
| Balances with banks:  |                         |                         |                         |                         |
| On current accounts with scheduled banks  | -                       | -                       | 9,626                   | 4,941                   |
| On current accounts with Non scheduled banks  | -                       | -                       | -                       | -                       |
| On EEFC accounts  | -                       | -                       | 30                      | 30                      |
|   | <u>-</u>                | <u>-</u>                | <u>9,656</u>            | <u>4,971</u>            |
| Cash on hand  | -                       | -                       | 131                     | 91                      |
| Other bank balances   |                         |                         |                         |                         |
| Deposits with original maturity for more than 12 months (The non current FDR's are under lien against bank guarantees issued) | 7,898                   | 7,037                   | 3,802                   | 2,049                   |
|   | <u>7,898</u>            | <u>7,037</u>            | <u>13,589</u>           | <u>7,111</u>            |
| <b>Note 18 Short term loans and advances</b>  |                         |                         |                         |                         |
| Loans and advances to related parties   |                         |                         |                         |                         |
| Unsecured, considered good  |                         |                         |                         |                         |
| Loan to related parties   |                         |                         | 56,562                  | 56,573                  |
|   |                         |                         | <u>56,562</u>           | <u>56,573</u>           |
| Others  |                         |                         |                         |                         |
| Unsecured, considered good  |                         |                         |                         |                         |
| Advances recoverable in cash or in kind or for value to be received   |                         |                         | 9,506                   | 18,506                  |
| TDS/vat receivable  |                         |                         | 1,031                   | 2,045                   |
| Pre Paid Insurance  |                         |                         | 834                     | 474                     |
| Staff advance   |                         |                         | -                       | 3,480                   |
|   |                         |                         | <u>11,371</u>           | <u>24,505</u>           |
| <b>Total</b>  |                         |                         | <b>67,933</b>           | <b>81,078</b>           |

Himalya International Limited  
Notes to Accounts  
(All amounts in Rs '000 unless otherwise stated)

| Particulars  | For the year ended<br>March 31, 2017 | For the year ended<br>March 31, 2016 |
|--|--------------------------------------|--------------------------------------|
| <b>Note 20 Revenue from Operations</b>   |                                      |                                      |
| Sale of goods  |                                      |                                      |
| Sales - Export   | 553,932                              | 710,620                              |
| <b>Sales - Domestic:</b>   |                                      |                                      |
| Sales - Fresh Mushroom (Agriculture)   | 416,687                              | 192,537                              |
| Sales - Processed Food   | 242,326                              | 232,841                              |
| <b>Total</b>   | <b>1,212,945</b>                     | <b>1,135,998</b>                     |
| <b>Note 21 Other Income</b>  |                                      |                                      |
| Minimum Guarantee against processing charges   | 1,800                                | 3,022                                |
| Export Incentives  | 22,138                               | 29,676                               |
| Share warrant application money forfeited  | -                                    | 6,213                                |
| <b>Total</b>   | <b>23,938</b>                        | <b>38,911</b>                        |
| <b>Note 22 Changes in inventories of finished goods, work-in-progress and Stock-in-Trade</b> |                                      |                                      |
| Opening Stock  |                                      |                                      |
| Goods in Process   | 193,398                              | 165,736                              |
| Finished Goods   | 291,982                              | 292,118                              |
| Finished Goods-in Transit  | -                                    | 19,443                               |
|  | <b>485,380</b>                       | <b>477,297</b>                       |
| Closing Stock  |                                      |                                      |
| Goods in Process   | 213,788                              | 193,398                              |
| Finished Goods   | 344,881                              | 291,982                              |
|  | <b>558,669</b>                       | <b>485,380</b>                       |
| Increase/(Decrease) in Stocks  | <b>73,289</b>                        | <b>8,083</b>                         |
| <b>Note 23 Manufacturing &amp; Other Exp</b>   |                                      |                                      |
| Raw Material & Consumables Consumed  | 402,820                              | 361,028                              |
| Labour & Labour welfare  | 50,500                               | 69,664                               |
| Power & Fuel   | 115,494                              | 109,222                              |
| Freight Inward   | 629                                  | 1,348                                |
| Packing Expenses   | 114,921                              | 104,796                              |
| Others   | 1,354                                | 5,213                                |
| <b>Total</b>   | <b>685,718</b>                       | <b>651,271</b>                       |
| Raw Material & Consumables Consumed  |                                      |                                      |
| Opening Stock  | 115,399                              | 133,706                              |
| Purchases  | 383,194                              | 342,721                              |
| Less : Closing Stock   | 95,773                               | 115,399                              |
| <b>Cost of Goods Consumed</b>  | <b>402,820</b>                       | <b>361,028</b>                       |

**HIMALYA INTERNATIONAL LIMITED**

Himalya International Limited  
Notes to Accounts  
(All amounts in Rs '000 unless otherwise stated)

| Particulars                                      | For the year ended<br>March 31, 2017 | For the year ended<br>March 31, 2016 |
|--|--------------------------------------|--------------------------------------|
| <b>Note 24 Employee Benefit Plans</b>            |                                      |                                      |
| Salaries, wages and bonus                        | 58,389                               | 58,379                               |
| Contribution to                                  |                                      |                                      |
| Provident fund                                   | 1,500                                | 1,601                                |
| Employees' State Incorporation Fund              | 671                                  | 686                                  |
| Gratuity expenses                                | 1,111                                | 264                                  |
| Staff welfare expenses                           | 1,531                                | 1,644                                |
| <b>Total</b>                                     | <b>63,202</b>                        | <b>62,574</b>                        |
| <br>   |                                      |                                      |
| <b>Note 25 Other Expenses</b>                    |                                      |                                      |
| Power and fuel                                   | 181                                  | 321                                  |
| Rent:  |                                      |                                      |
| - Offices and Godowns                            | 535                                  | 1,818                                |
| Rates and taxes                                  | 2,505                                | 2,650                                |
| Insurance  | 2,089                                | 1,581                                |
| Repairs and maintenance:                         |                                      |                                      |
| - Plant and machinery                            | 1,176                                | 8,285                                |
| - Building                                       | 2,169                                | 1,684                                |
| - Others   | 179                                  | 1,441                                |
| Advertisement and sales promotion                | 2,705                                | 395                                  |
| Postage and courier                              | 349                                  | 526                                  |
| Travelling and conveyance                        | 11,382                               | 7,299                                |
| Printing and stationery                          | 212                                  | 1,105                                |
| Communication                                    | 1,641                                | 1,668                                |
| Legal and professional                           | 7,796                                | 5,937                                |
| Payment to Auditors (refer note 27.02)           | 644                                  | 621                                  |
| Selling Expenses                                 | 194,332                              | 234,104                              |
| Freight Outward                                  | 16,894                               | 23,898                               |
| Miscellaneous expenses                           | 7,790                                | 7,686                                |
| <b>Total</b>                                     | <b>252,579</b>                       | <b>301,019</b>                       |
| <br>   |                                      |                                      |
| <b>Note 26 Finance Cost</b>                      |                                      |                                      |
| Interest expense                                 |                                      |                                      |
| on fixed loans                                   | 192963                               | 183561                               |
| on other loans                                   | 1071                                 | 1015                                 |
| Loss on account of foreign exchange fluctuation: |                                      |                                      |
| - Current Period                                 | (7155)                               | 20956                                |
| Other borrowing costs                            | 6674                                 | 2443                                 |
| <b>Total</b>                                     | <b>193553</b>                        | <b>207975</b>                        |

**Himalya International Limited**  
**Notes to Accounts**  
**(All amounts in Rs '000 unless otherwise stated)**

**Note 27**

**27.01 Directors' Remuneration**

(included under head salary)

|                                 | 2017   | 2016   |
|---------------------------------|--------|--------|
| Salaries to Managing Director   | 11,640 | 10,200 |
| Salaries to Whole Time Director | 1,860  | 1,918  |
| Contribution to Provident fund  | 22     | 22     |
|                                 | 13,522 | 12,140 |

Note:- As the liabilities for gratuity and leave encashment are provided on an actuarial basis for the Company as a whole, the amounts pertaining to the directors are not included above.

**27.02 Auditor's Remuneration**

(included under head administrative expenses)

|                           | 2017 | 2016 |
|---------------------------|------|------|
| Professional Fee          |      |      |
| -Audit Fees               | 500  | 500  |
| -Tax Audit Fees           | 100  | 100  |
| Reimbursement of Expenses | 44   | 21   |
|                           | 644  | 621  |

**27.03 Related Party Disclosures**

**a Name of Related Parties**

Key Management Personnel and their relatives

Mr. M.M. Malik  
Mrs. Sangita Malik

Enterprises over which key management personnel / shareholders and their relatives have significant influence

Himalya Carbonates Pvt. Ltd.  
Doon Valley Foods Pvt. Ltd.  
APJ Laboratories Ltd  
Himalya Simplot Pvt Ltd.

Subsidiary Companies

Himalya Green Apartments Ltd  
Appetizer and Snacks Foods Ltd

**b Nature of transaction**

**(i) Managerial Remuneration**

Mr. M.M. Malik

Mrs. Sangita Malik

2017

2016

11,640

10,200

1,860

1,918

**(ii) Loans & Advances**

APJ Laboratories Ltd

Doon Valley Foods Pvt Ltd.

| 2017              |                 | 2016              |                 |
|-------------------|-----------------|-------------------|-----------------|
| Transaction Value | Closing Balance | Transaction Value | Closing Balance |
|                   | 0               | 423               | 56,562          |
|                   | 34,550          | 18,414            | 0               |

**(iii) Purchases Value**

APJ Laboratories Ltd

Doon Valley Foods Pvt Ltd.

2017

2016

0

152

21,892

18,414

**(iv) Shares Alloted**

Himalya Carbonates Pvt Ltd. (No. of 16,00,000 Shares of Rs. 10 each at a premium of Rs. 1/-)

NIL

16,000

**(v) Investment in Shares of 100% Subsidiary Companies:**

**2,017**

**2,016**

Himalya Green Apartments Ltd  
(50000 shares of Rs. 10 each fully paid up)

500

NIL

Appetizer and Snacks Foods Ltd  
(50000 shares of Rs. 10 each fully paid up)

500

NIL



**Himalya International Limited**

**Notes to Accounts**

(All amounts in Rs '000 unless otherwise stated)

|   |         |         |
|---|---------|---------|
| 27.04 Contingent Liabilities not provided for   | 2,017   | 2,016   |
| Guarantees and Counter guarantees given by the Company  | 6,459   | 5620    |
| Letter of credit  | 20,802  | 7492    |
| Income Tax demand in respect of assessment years 2013-14 against which the Company had gone in appeal | 152,853 | 152,853 |
| Excise duty on Domestic Tariff Areas sales pending in Delhi Tribunal                                  | 378     | 378     |
| Total:  | 180,492 | 166,343 |

27.05 Employee Stock Option Plans

The Company has, during the year 2016-17, not granted any option under Employees Stock Option Scheme 2008.

27.06 Disclosures as required under Accounting Standard 15 (revised) is given below:

Brief Description: A general description of the defined benefit plans is given below:-

a Earned Leave Benefit (EL)

Accrual-1 leave per 20 working days

Accumulation up to 30 days allowed

EL accumulated in excess of 15 days is allowed for encashment while in service provided the EL encashed is not less than 5 days.

b Sick Leave (SL)

Accrual-7 days per year

Encashment while in service is not allowed

Encashment on retirement is permitted and entire accumulation is allowed for encashment

c Gratuity:

Gratuity liability is a defined benefit obligations and are provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year.

| Key Parameters                          | 2017 | 2016 |
|---|------|------|
| Discount rate                           | 8%   | 8%   |
| Expected rate of return on assets       | 0    | 0    |
| Healthcare cost increase rate           | 0    | 0    |
| Rate Of Increase in Compensation levels | 10%  | 10%  |

The estimates of future Salary increases, considered in actuarial valuation, takes into account the inflation, seniority, promotion and other relevant factors, such as supply and demand in employment market.

d Long Service Emblem

On completing of each milestone of service from the date of joining and also at the time of retirement, employees will be given a gift depending on the milestone of service completed.

e Post Retirement Medical Benefits

There is no post retirement medical benefit in the company

f Retirement Benefits

At the time of superannuation, employees are entitled for reimbursement of expenses towards travel, transportation of personal effects from their place of retirement to the new location up to certain limits depending on the designation of the employee at the time and one month's salary as settling allowance.

The following contributions to Defined Contributions plans are treated as expenses during the year :

| Defined Contribution Plan                           | Expenses recognised during 2015-16 | Contribution for key management personnel 2014-15 |
|---|------------------------------------|---|
| Employer's contribution to provident fund           | 1,955                              | 22  |
| (Previous year)                                     | (1947)                             | (22)  |
| Employer's Contribution to Employee State Insurance | 674                                | 0   |
| (Previous year)                                     | (696)                              | 0   |

The amount recognised in the balance sheet for post employment benefit plans are as under :

| Particulars                          | Gratuity (UnFunded) | Post Retirement Medical Benefit | Other Retirement Benefits |
|--------------------------------------|---------------------|---------------------------------|---------------------------|
| Present value of unfunded obligation | 8,030               | 0                               | 0                         |
| (Previous year)                      | (6998)              | 0                               | 0                         |

27.07 Derivative Instruments and hedged Foreign Currency Exposures

| Particulars of Derivatives                            | 2017                           |           | 2016     |           |
|---|--------------------------------|-----------|----------|-----------|
|   | Rs.(000)                       | US\$(000) | Rs.(000) | US\$(000) |
| Forward contract outstanding as at Balance Sheet date | 0                              | 0         | 389,109  | 5,880     |
| Purpose   | Hedge of expected future sales |           |          |           |

Conversion rate applied 1 USD= Rs. 64.85 (Previous rate Rs.66.175)

27.08 Particulars of Unhedged foreign Currency Exposure as at the Balance Sheet date

| Particulars              | 2017    |       | 2016    |       |
|--------------------------|---------|-------|---------|-------|
|                          | Rs.     | US\$  | Rs.     | US\$  |
| Secured loan (Exim Bank) | 301,598 | 4,650 | 320,473 | 4,843 |

Conversion rate applied 1 USD= Rs. 64.85 (Previous rate Rs.66.175)

27.09 Deferred Payment Liabilities

|  | 2017    | 2016    |
|--|---------|---------|
| Particulars  |         |         |
| Deferred Current Assets (Liabilities) as per Balance Sheet | (79161) | (68781) |
| Deferred Tax Liability                                     |         |         |
| Depreciation as per Companies Act                          | 113,836 | 115,161 |
| Depreciation as per Income Tax Act                         | 117,713 | 147,507 |
| Difference   | 3,877   | 32,346  |
| Deferred Tax Liability                                     | 1,258   | 10,495  |
| Deferred Tax Assets on 43B Items                           |         |         |
| PF (Employers Share) not deposited as on 31.03.2016        | 674     | 277     |
| ESI (Employers Share) not deposited as on 31.03.2016       | 177     | 77      |
| Total  | 851     | 354     |
| Deferred Tax Assets  | 276     | 115     |
|  | (982)   | (10380) |
| Net Deferred Tax Liability                                 | (80143) | (79161) |

27.10 Details of dues to Micro and Small Enterprises as per MSMED Act, 2006

The classification of the suppliers under MSMED Act, 2006 is made on the basis of information made available to the Company. The Company has neither paid any interest in the terms of section 16 of the above said act nor any interest remains unpaid and no payments were made beyond the "appointed date" to such enterprises during the year ended 31.03.2017. Amount outstanding to these enterprises to the year ended 31.03.2017 is Rs. Nil (previous year Rs. Nil)

b Information About the Secondary Segments

Revenue and sundry debtors as per Geographical Markets

| Particulars   | Revenue          |                  | Sundry Debtors |                |
|---------------|------------------|------------------|----------------|----------------|
|               | 2017             | 2016             | 2017           | 2016           |
| India         | 659,013          | 425,378          | 32,774         | 33,753         |
| Outside India | 553,932          | 710,620          | 331,267        | 303,368        |
| <b>Total</b>  | <b>1,212,945</b> | <b>1,135,998</b> | <b>364,041</b> | <b>337,121</b> |

The Company has common fixed assets for producing goods for domestic Market and Overseas Market. Hence, separate figures for fixed assets / additions to fixed assets cannot be furnished.

27.12 Value of imports calculated on CIF basis

|                            | 2017 | 2016 |
|----------------------------|------|------|
| Raw materials              | 0    | 0    |
| Components and spare parts | 0    | 0    |
| Capital goods              | 0    | 0    |

27.13 Imported and indigenous raw materials, components and spare parts consumed

|                                 | Percentage of total consumption |                | 2017           | 2016           |
|---------------------------------|---------------------------------|----------------|----------------|----------------|
|                                 | 2017                            | 2016           |                |                |
| <b>Raw Materials</b>            |                                 |                |                |                |
| Imported                        | 0.00%                           | 0.00%          | 0              | 0              |
| Indigenously obtained           | 100.00%                         | 100.00%        | 402,820        | 361,028        |
|                                 | <b>100.00%</b>                  | <b>100.00%</b> | <b>402,820</b> | <b>361,028</b> |
| <b>Spare Parts / Components</b> |                                 |                |                |                |
| Imported                        | 0.00%                           | 0.00%          | 0              | 0              |
| Indigenously obtained           | 100.00%                         | 100.00%        | 1,176          | 8,285          |
|                                 | <b>100.00%</b>                  | <b>100.00%</b> | <b>1,176</b>   | <b>8,285</b>   |

|  |             |             |
|--|-------------|-------------|
| h Expenditure in foreign currency (Accrual basis)              | 2017        | 2016        |
| General, Administrative and Selling expenses                   | 180,957     | 193,477     |
| Advance for capital Goods                                      | -           | 1,871       |
| i Earnings in foreign currency (Accrual basis)                 | 2017        | 2016        |
| Exports Value  | 553,932     | 710,620     |
| <b>27.14 Earning per shares (E.P.S.)</b>                       | <b>2017</b> | <b>2016</b> |
| Basic E.P.S.   | -0.42       | -3.61       |
| Diluted E.P.S.   | -0.42       | -3.61       |
| Calculation of Basic E.P.S.                                    |             |             |
| a) Net Profit for the year attributable To Equity Shareholders | (24409)     | (209091)    |
| b) Weighted Average Number of Equity Shares                    | 57872604    | 57872604    |
| c) Basic Earnings per Share (a/b)                              | -0.42       | -3.61       |
| d) Nominal Value per Share                                     | Rs. 10/-    | Rs. 10/-    |
| Calculation of Diluted shares                                  |             |             |
| Weighted Average number of equity shares                       | 57872604    | 57872604    |
| Number of shares in respect of shares warrants                 | 0           | 0           |
| Total:   | 57872604    | 57872604    |

**27.15 Assets Taken on Operating Lease**

- a The company has taken various residential, office, warehouse and plot under operating lease agreements. The lease agreements generally have an escalation clause and there are no subleases. These leases are generally not non-cancellable and are renewable by mutual consent on mutually agreed terms. There are no restriction imposed by lease agreement.
- b The aggregate lease rentals payables are charged as 'Rent, Rates and Taxes' in note 25.
- c The year wise breakup of future lease payments in respect of leased premises are as under:

|  |      |      |
|--|------|------|
| Particulars                                  | 2017 | 2016 |
| Minimum lease payments:                      |      |      |
| Not later than 1 year                        | 535  | 228  |
| Later than 1 year but not later than 5 years | 0    | 0    |
| Later than 5 years                           | 0    | 0    |

**27.16 Disclosure of the Company's interest In jointly controlled assets:**

The Company has interest in the following jointly controlled entity:

| Name Of the company          | Company's interest<br>(% of holding) | Amount of<br>Investment<br>Rs '000 | Partners and their participating interest |
|------------------------------|--------------------------------------|------------------------------------|---|
| Himalya Simplot Private Ltd. | 50                                   | 114,936                            | Simplot India LLC 50%                     |

The Company had invested in 50% shareholding of Himalya Simplot Private Limited (the "joint venture") which was managed by the JV partner, Simplot India LLC.

The Company has access to the audited accounts of the joint venture for the financial year ended 31 March 2014. Audited financial statements for subsequent years have not been made available to the Company. Based on information available with the Company that the operations of the joint venture have ceased, the Management, as a measure of abundant prudence, made a provision for diminution in the value of the investment made in the entity in the financial year ended 31 March 2014.

Consequently accounts of Jointly held entity are not consolidated with the company's accounts.

The Company as well Simplot India LLC have preferred counter claims against each other.

- a. Simplot India LLC has invoked arbitration at Singapore which the Company has challenged on grounds of jurisdiction. The Company has been legally advised that the claim of Simplot India LLC is untenable and liable to be rejected or substantially diluted, and accordingly, no provision is considered necessary.
- b. The Company has filed case against Simplot India LLC before the Hon'ble Delhi High Court, which has been directed to Delhi High Court arbitration centre.

27.17 There are no material prior year items included in the Statement of Profit and Loss, except to the extent disclosed at the appropriate place in the Notes.

27.18 Disclosure as per listing agreements with the Stock exchanges

Loans and Advances in the nature of loans given to the subsidiaries, associates and others and Investment in shares of the company, by such companies:

|   | 2017   | 2016   |
|---|--------|--------|
| (i) Loans & Advances                                    |        |        |
| APJ Laboratories Ltd                                    | 56,562 | 56,562 |
| Doon Valley Foods Pvt Ltd.                              | 348    | 0      |
| (ii) Investment in Shares of 100% Subsidiary Companies: | 2,017  | 2,016  |
| Himalya Green Apartments Ltd                            | 500    | NIL    |
| (50000 shares of Rs. 10 each fully paid up)             |        |        |
| Appetizer and Snacks Foods Ltd                          | 500    | NIL    |
| (50000 shares of Rs. 10 each fully paid up)             |        |        |

27.19 During the year there is no liability to pay MAT as there is carried forward Business Loss.

27.20 Transfer pricing

The Company is of the opinion that its domestic transactions with related parties is at arm's length and in compliance with the transfer pricing legislation. The management believes that the aforesaid legislation will not have any impact on the financial statements, particularly on its tax expense and liability.

27.21 The details of Specified Bank Notes (SBN) held and transacted during the period from 8th November, 2016 to 30th December, 2016 is provided in the Table below:-

|  | SBNs    | Other denomination notes | Total   |
|--|---------|--------------------------|---------|
| Closing cash in hand as on 08.11. 2016 | 1000000 | 33669                    | 1033669 |
| (+) Permitted receipts                 | 0       | 0                        | 0       |
| (-) Permitted payments                 | 0       | 33669                    | 33669   |
| (-) Amount deposited in Banks          | 1000000 | 0                        | 1000000 |
| Closing cash in hand as on 30.12. 2016 | 0       | 0                        | 0       |

**27.22** Himalya International Limited (“Company”) has initiated a Proposal for Composite scheme of Arrangement, for demerger of Packaged food division and real estate business of the Company into Appetizers And Snacks Foods Limited (A wholly owned subsidiary of Himalya International Limited) and Himalya Green Apartments Limited (A wholly owned subsidiary of Himalya International Limited), under the provisions of Section 391-394 of the Companies Act, 1956 and / or Sections 230-233 of the Companies Act, 2013 and other relevant provisions of the Companies Act, 2013 or Companies Act, 1956 as may be applicable. The proposal has been submitted to National Company Law Tribunal.

**27.23** As both the subsidiaries are 100% subsidiaries of the Holding company, Disclosure of Non-controlling interests which represent part of the net profit or loss and net assets of subsidiaries that are not, directly or indirectly, owned or controlled by the Company, are not applicable.

**27.24 Previous Year Comparatives**

Previous year’s figures have been regrouped / rearranged where necessary to conform to current year's presentation.

Signatures to Notes 1 to 27

As per our report of even date  
**For Anujeet Dandona & Co.**  
Firm Registration No. 006118C  
**Chartered Accountants**

For and on behalf of the Board

**(Anujeet Singh)**  
Proprietor FCA  
Membership No. 73662

**Man Mohan Malik**  
Chairman & Managing Director  
DIN:00696077

**Sangita Malik**  
Director  
DIN: 02428506

Place: Dehradun  
Dated: 19.05.2017

**Ajay Kaushik**  
CFO

**Vijay Garg**  
Company Secretary



# CONSOLIDATED FINANCIAL STATEMENT

## **Independent Auditor's Report To the Members of Himalya International Limited**

### **Report on the Consolidated Ind AS Financial Statements**

We have audited the accompanying consolidated Ind AS financial statements of Himalya International Limited ("the Holding Company) and its subsidiaries (collectively referred to as 'the Group'), which comprise the Consolidated Balance sheet as at 31 March 2017, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended and a summary of the significant accounting policies and other explanatory information (herein after referred to as the consolidated Ind. as financial statements).

### **Management's Responsibility for the Consolidated Ind AS Financial Statements**

The holding Company's Board of Directors is responsible for the preparation of these Consolidated Ind AS financial statements in term of the requirements of the companies act 2013 (herein after referred to as 'the Act') that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated cash flows and consolidated changes in equity of the Group, in accordance with the Accounting principles generally accepted in India, including the Accounting Standards prescribed under section 133 of the Act, read with relevant rules issue there under. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding the assets of the Group and for preventing and detecting fraud and other irregularities, selection and application of appropriate accounting policies, making judgements and estimates that are reasonable and prudent, and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Ind AS financial statements by the Directors of the Holding company as aforesaid.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these Consolidated Ind AS financial statements based on our audit. While conducting we have taken into account the provisions of the Act the accounting and auditing Standards and matters which are required to be included in the audit report under the provisions of the Act and the rules made thereunder.

We conducted our audit in accordance with the standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Consolidated Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Consolidated Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated Ind AS financial statement that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimated made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated Ind AS financial Statements.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the consolidated financial position of the Group, as at 31 March 2017 and its consolidated financial performance, its consolidated cash flows and the consolidated changes in equity for the year then ended.

## Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report, that
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements
  - b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books.
  - c. The consolidated Balance Sheet, the consolidated Statement of Profit and Loss, the Consolidated Statement of Cash Flows and Consolidated Statement of Changes in Equity dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements
  - d. In our opinion, the aforesaid consolidated Ind AS financial statements comply with the accounting standards specified under Section 133 of the Act, read with relevant rules issued there under.
  - e. On the basis of the written representations received from the directors of the Holding Company as on 31 March 2017 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the Directors of the Group companies incorporated in India is disqualified as on 31 March 2017 from being appointed as a Director of that company in terms of Section 164(2) of the Act.
  - f. With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in 'Annexure A'; and
  - g. With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us :
    - 1) The Company has disclosed the impact of pending litigations on its financial position in its financial statements as referred to in Note 27.04 to the financial statements.
    - (2) The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any , and as required on long-term contracts including derivative contracts.
    - (3) There were no amounts which required to be transferred by the Company to the Investor Education and Protection Fund.
    - (4) The Company has provided requisite disclosures in the financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016. Based on audit procedures and relying on the management Representation we report that the disclosures are in accordance with books of accounts maintained by the Company and as produced to us by the Management Refer Note 27.21.

For **Anujeet Dandona & Co.**  
Firm Registration No.006118C  
Chartered Accountants

(**Anujeet Singh**)  
Proprietor , FCA.  
M No.73662

Place: Dehradun  
Dated: 19.05.2017

## **ANNEXURE 'A' to the Auditors Report**

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

In conjunction with our audit of the consolidated Ind AS financial statements of the Company as of and for the year ended 31 March 2017, we have audited the internal financial controls over financial reporting of Himalya International Limited ('the Holding Company') and its subsidiary companies which are companies incorporated in India, as of that date.

### **Management's Responsibility for Internal Financial Controls.**

The respective Board of Directors of the Holding Company and its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013

### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ('the Guidance Note') issued by ICAI and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

### **Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

In our opinion, the Holding Company and its subsidiary companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

For **Anujeet Dandona & Co.**  
Firm Registration No.006118C  
Chartered Accountants

(**Anujeet Singh**)  
Proprietor , FCA.  
M No.73662

Place: Dehradun  
Dated: 19.05.2017

Form A  
(For audit report with unmodified opinion)  
Pursuant to Regulation 33 of SEBI (listing obligation and disclosure requirements) Regulation, 2015

|                          |   |  |
|--------------------------|---|--|
| 1                        | Name of the Company                           | HIMALYA INTERNATIONAL LIMITED  |
| 2                        | Annul financial statements for the year ended | March 31,2017 (consolidated Result for the quarter and year ended March 31,2017) |
| 3                        | Type of audit observation                     | Matter of Emphasis Report  |
| 4                        | Frequency of observation                      | Appeared third time  |
| <b><u>SIGNATURES</u></b> |   |  |
|                          | Chairman and Managing Director                | (Man mohan Malik)  |
|                          | Chairman of Audit Committee                   | (Man mohan Malik)  |
|                          | CFO   | (Ajay Kaushik)   |

For **Anujeet Dandona & Co.**  
Firm Registration No.006118C  
Chartered Accountants

Sd/-  
**(Anujeet Singh)**  
Proprietor , FCA.  
M No.73662

Place: Dehradun  
Dated: 19.05.2017



HIMALYA INTERNATIONAL LIMITED

Himalya International Limited  
Consolidated Balance Sheet as at March 31, 2017  
(All amounts in Rs '000 unless otherwise stated)

|                                 | Note No | As at<br>March 31, 2017 | As at<br>March 31, 2016 |
|---------------------------------|---------|-------------------------|-------------------------|
| <b>EQUITY &amp; LIABILITIES</b> |         |                         |                         |
| Shareholders' funds             |         |                         |                         |
| Share capital                   | 3       | 578,728                 | 578,728                 |
| Reserves and surplus            | 5       | 962,748                 | 987,815                 |
| <b>Total</b>                    |         | <b>1,541,476</b>        | <b>1,566,543</b>        |
| Non-current liabilities         |         |                         |                         |
| Long-term borrowings            | 6       | 1,204,882               | 1,270,162               |
| Deferred tax liabilities        |         | 80,142                  | 79,160                  |
| Other Long term liabilities     | 7       | 66                      | 302                     |
| Long-term provisions            | 8       | 34,003                  | 32,941                  |
| <b>Total</b>                    |         | <b>1,319,093</b>        | <b>1,382,565</b>        |
| Current liabilities             |         |                         |                         |
| Short-term borrowings           | 9       | 541,300                 | 523,125                 |
| Trade payables                  | 10      | 104,059                 | 70,053                  |
| Other current liabilities       | 10      | 127,099                 | 94,452                  |
| Short-term provisions           | 11      | 3,097                   | 2,712                   |
| <b>Total</b>                    |         | <b>775,555</b>          | <b>690,342</b>          |
| <b>TOTAL</b>                    |         | <b>3,636,124</b>        | <b>3,639,450</b>        |
| <b>ASSETS</b>                   |         |                         |                         |
| Non-Current assets              |         |                         |                         |
| Fixed assets                    |         |                         |                         |
| Tangible assets                 | 12      | 1,621,726               | 1,698,464               |
| Capital work-in-progress        |         | 525,271                 | 525,271                 |
| Long-term loans and advances    | 13      | 79,226                  | 74,416                  |
| Other non-current assets        | 14      | 222,337                 | 247,048                 |
| <b>Total</b>                    |         | <b>2,448,560</b>        | <b>2,545,199</b>        |
| Current assets                  |         |                         |                         |
| Inventories                     | 15      | 654,442                 | 600,779                 |
| Trade receivables               | 16      | 364,041                 | 337,121                 |
| Cash and cash equivalents       | 17      | 21,829                  | 14,148                  |
| Short-term loans and advances   | 18      | 67,933                  | 81,078                  |
| Other current assets            | 19      | 79,319                  | 61,125                  |
| <b>Total</b>                    |         | <b>1,187,564</b>        | <b>1,094,251</b>        |
| <b>TOTAL</b>                    |         | <b>3,636,124</b>        | <b>3,639,450</b>        |

Statement of Significant Accounting Policies 2

The notes referred to above and notes to accounts form an integral part of the balance sheet

As per our report of even date

for and on behalf of the Board

For Anujeet Dandona & Co.  
Firm Registration No. 006118C  
Chartered Accountants

Man Mohan Malik

Sangita malik

Himalya International Limited  
Consolidated Statement of Profit and Loss Account for the year ended March 31, 2017  
(All amounts in '000 Rupees unless otherwise stated)

|  | Note No | For the year ended<br>March 31, 2017 | For the year ended<br>March 31, 2016 |
|--|---------|--------------------------------------|--------------------------------------|
| <b>Continuing Operations</b>   |         |                                      |                                      |
| Revenue from operations  | 20      | 1,212,945                            | 1,135,998                            |
| Other Income   | 21      | 23,938                               | 38,911                               |
| Changes in inventories of finished goods, work-in-progress<br>and Stock-in-Trade       | 22      | 73,289                               | 8,083                                |
| <b>Total Revenue</b>   |         | <b>1,310,172</b>                     | <b>1,182,992</b>                     |
| <b>Expenses:</b>   |         |                                      |                                      |
| Manufacturing and other expenses   | 23      | 685,718                              | 651,271                              |
| Employee benefits expense  | 24      | 63,202                               | 62,574                               |
| Other expenses   | 25      | 253,235                              | 301,019                              |
| <b>Total Expenses</b>  |         | <b>1,002,155</b>                     | <b>1,014,864</b>                     |
| <b>Earning before financial expenses, depreciation and<br/>amortisation, and taxes</b> |         | <b>308,017</b>                       | <b>168,128</b>                       |
| <b>Finance costs</b>   | 26      | 193,555                              | 207,975                              |
| <b>Depreciation and amortisation expense</b>   | 12      | 113,836                              | 115,161                              |
| <b>Profit Before extra ordinary item &amp; Tax</b>                                     |         | <b>626</b>                           | <b>(155,008)</b>                     |
| <b>Extra Ordinary Items :</b>  |         |                                      |                                      |
| <b>Provision for Bad Debts</b>   |         | -                                    | 18,992                               |
| <b>Bad debts / claims written off</b>  |         | 24,711                               | 24,711                               |
| <b>Loss before Tax</b>   |         | <b>(24,085)</b>                      | <b>(198,711)</b>                     |
| <b>Tax expense</b>   |         |                                      |                                      |
| - Deferred tax   |         | 982                                  | 10,380                               |
| <b>Loss for the year</b>   |         | <b>(25,067)</b>                      | <b>(209,091)</b>                     |
| Earnings per equity share [nominal value of share Rs 10/-<br>(Previous year Rs 10/-)]  |         |                                      |                                      |
| - Basic  |         | (0.43)                               | (3.61)                               |
| - Diluted  |         | (0.43)                               | (3.61)                               |

**Statement of Significant Accounting Policies**

2

The notes referred to above and notes to accounts form an integral part of the balance sheet

As per our report of even date

for and on behalf of the Board

For Anujeet Dandona & Co.  
Firm Registration No. 006118C  
Chartered Accountants

(Anujeet Singh )  
Proprietor FCA  
Membership no. 73662

Place: Dehradun  
Dated: 19.05.2017

Man Mohan Malik  
Chairman & Managing Director  
DIN:00696077

Ajay Kaushik  
CFO

Sangita Malik  
Director  
DIN:02428506

Vijay Garg  
Company Secretary

**HIMALYA INTERNATIONAL LIMITED**

Himalya International Limited

(All amounts in Rs '000 unless otherwise stated)

| Consolidated Cash Flow Statement<br>Pursuant to clause 32 of the listing agreement | As at March<br>31, 2017 | As at March<br>31, 2016 |
|--|-------------------------|-------------------------|
| <b>CASH FLOW FROM OPERATING ACTIVITIES</b>   |                         |                         |
| Net Profit As per P& L Account   | -25067                  | -209091                 |
| Adjustment for:  |                         |                         |
| Depreciation   | 113836                  | 115161                  |
| Add/(Less) Refund/ (Payment) of Taxes  | 982                     | 10380                   |
| <b>A. OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>                          | <b>89751</b>            | <b>-83550</b>           |
| Adjustment for :   |                         |                         |
| (Increase)/Decrease in Loan and advances   | (4810)                  | (2188)                  |
| Increase/(Decrease) in Borrowings  | (65280)                 | 67941                   |
| Increase/(Decrease) in other long term Liabilities                                 | 826                     | 152                     |
| (Increase)/Decrease in Current Assets  | (85632)                 | (83797)                 |
| (Increase)/Decrease in Other Non Current Assets                                    | 24711                   | 32148                   |
| Increase/(Decrease) in Current Liabilities   | 85213                   | 85813                   |
| <b>NET CASH FROM OPERATIVE ACTIVITIES</b>  | <b>44779</b>            | <b>16519</b>            |
| <b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>                                      |                         |                         |
| Purchase (Sale) of / Advance for Fixed Assets                                      | 37098                   | 14474                   |
| <b>NET CASH PAID FROM INVESTING ACTIVITIES</b>                                     | <b>37098</b>            | <b>14474</b>            |
| <b>C. CASH FLOW FROM FINANCING ACTIVITIES :</b>                                    |                         |                         |
| Forfeiture of share warrant application money                                      | -                       | (6214)                  |
| <b>NET CASH RECEIVED FOR FINANCING ACTIVITIES</b>                                  | <b>-</b>                | <b>(6214)</b>           |
| <b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>                                   | <b>7681</b>             | <b>(4169)</b>           |
| CASH AND CASH EQUIVALENT (OPENING)   | 14148                   | 18317                   |
| CASH AND CASH EQUIVALENT (CLOSING)   | 21829                   | 14148                   |

For and on behalf of Board

Man Mohan Malik  
Chairman & Managing Director  
DIN:00696077

**AUDITORS' CERTIFICATE**

We have verified the above Consolidated Cash Flow Statement of Himalya International Ltd. derived from the Audited financial statement for the year ended March 31, 2017 and found the same are drawn in accordance therewith and also with the requirements of Clause 32 of the listing Agreements with the stock exchanges

FOR ANUJEET DANDONA & CO.

Firm Registration No.006118C

Chartered Accountants

(ANUJEET SINGH)

Proprietor FCA

Membership No.73662

Place: Dehradun

Dated: 19.05.2017

## Himalya International Ltd.

### Notes to Accounts

(All amounts in Rupees unless otherwise stated)

**1. NATURE OF OPERATIONS :** Himalya International Ltd., incorporated in New Delhi, India with UIN L51909DL1992PLC047399, is a food processing company engaged in growing of mushrooms (which qualifies as agriculture activity), IQF ready to eat items and trading in nutritional supplement. It is exporting its products to USA and also selling them domestically.

### 2. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

**(a) (1) Basis of preparation :** These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, the provisions of the Companies Act, 2013 ('the Act') (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

The Company has adopted all the Ind AS standards and the adoption was carried out in accordance with Ind AS 101, First-Time Adoption of Indian Accounting Standards. The transition was carried out from Indian Accounting Principles generally accepted in India as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP), which was the previous GAAP. Accounting policies have been consistently applied except where a newly-issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

**(a) (2) Basis of Consolidation** Himalya International Ltd consolidates entities which it owns or controls. The consolidated financial statements comprise the financial statements of the Company, its controlled trusts and its subsidiaries as disclosed in Note 27.03. Control exists when the parent has power over the entity, is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns by using its power over the entity. Power is demonstrated through existing rights that give the ability to direct relevant activities, those which significantly affect the entity's returns. Subsidiaries are consolidated from the date control commences until the date control ceases.

The financial statements of the Group companies are consolidated on a line-by-line basis and intra-group balances and transactions, including unrealized gain / loss from such transactions, are eliminated upon consolidation. These financial statements are prepared by applying uniform accounting policies in use at the Group. Non-controlling interests which represent part of the net profit or loss and net assets of subsidiaries that are not, directly or indirectly, owned or controlled by the Company, are excluded.

Associates are entities over which the Group has significant influence but not control. Investments in associates are accounted for using the equity method of accounting. The investment is initially recognized at cost, and the carrying amount is increased or decreased to recognize the investor's share of the profit or loss of the investee after the acquisition date. The Group's investment in associates includes goodwill identified on acquisition.

**(b) Use of Estimates :** The preparation of the financial statements in conformity with Ind AS requires the Management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. The application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements have been disclosed in Note 2. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as the Management becomes aware of the changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

**C) Changes in Accounting Policies :** There is no change in accounting policy during the year under audit vis.a.vis the previous financial year.

**(d) Fixed Assets :** Fixed assets are stated at cost (or revalued amounts, as the case may be), less accumulated depreciation and impairment losses if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Borrowing costs relating to acquisition of fixed assets, which takes substantial period of time to get ready for its intended use, are also included, to the extent they relate to the period, till such assets are ready to be put to use.

Projects under which assets are not ready for their intended use are disclosed under Capital Work-in-Progress.

**(e) Depreciation, Amortisation and Depletion :** Depreciation is provided using the Straight Line Method as per the useful lives of the assets estimated by the management, as prescribed in schedule II to the companies act 2013 .

**(f) Government grants and subsidies :** Grants and subsidies from the government are recognized when there is reasonable assurance that the grant/subsidy will be received and all attached conditions will be complied with. When the grant or subsidy relates to an expense item, it is recognized as income over the periods necessary to match them on a systematic basis to the costs, which it is intended to compensate. Where the grant or subsidy relates to an asset its value is deducted from the gross value of the asset concerned in arriving at the carrying amount of the related asset. Government grants of the nature of promoters' contribution are credited to capital reserve and treated as a part of shareholders' funds.

**(g) Investments :** Investments that are readily realisable and intended to be held for not more than a year are classified as "current investments". All other investments are classified as "long-term investments". Current investments are carried at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognise a decline other than temporary in the value of the investments

**(h) Inventories :** Inventories are valued as follows:

Raw materials, components, stores and spares : Lower of cost and net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is determined on a weighted average basis.

Work-in-progress and finished goods : Lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost of finished goods includes excise duty. Cost is determined on a weighted average basis.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

**(i) Revenue recognition :** Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

**(j) Sale of Goods :** Revenue is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer.

**(k) Interest :** Revenue is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

**(l) Dividends :** Revenue is recognised when the shareholders' right to receive payment is established by the balance sheet date. Dividend from subsidiaries, if any, is recognised even if same are declared after balance sheet date but pertains to period on or before the date of balance sheet as per the requirement of the Companies Act, 2013

**(m) Royalties :** Revenue is recognized on an accrual basis in accordance with the terms of the relevant agreement.

**(n) Deferred Revenue Expenditure :** Costs incurred in raising funds are amortised equally over the period for which the funds are acquired. Where such period is not practically determinable they are amortised equally over a period of 5 years.

**(o) Foreign currency translation :**

**(i) Initial Recognition :** Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction. Expenses are recorded as per monthly average of the exchange rate.

**(ii) Conversion :** Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction; and non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are existed reported using the exchange rates that when the values were determined. Expenses in foreign currency are reported using monthly average of the rate.

**(iii) Exchange Differences :** Exchange differences arising on a monetary item that, in substance, form part of company's net investment in a non-integral foreign operation is accumulated in a foreign currency translation reserve in the financial statements until the disposal of the net investment, at which time they are recognised as income or as expenses.

Exchange differences arising on the settlement of monetary items not covered above, or on reporting such monetary items of company at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expenses in the year in which they arise.

**(iv) Forward Exchange Contracts not intended for trading or speculation purposes :** The premium or discount arising at the inception of forward exchange contracts is amortised as expense or income over the life of the contract. Exchange differences on such contracts are recognised in the statement of profit and loss in the year in which the exchange rates change.

**(v) Forward Exchange Contracts for trading or speculation purposes :** A gain or loss on such forward exchange contracts is computed by multiplying the foreign currency amount of the forward exchange contract by the difference between the forward rate available at the reporting date for the remaining maturity of the contract and the contracted forward rate (or the forward rate last used to measure a gain or loss on that contract for an earlier year). The gain or loss so computed is recognised in the statement of profit and loss for the period. The premium or discount on the forward exchange contract is not recognised separately.

**(vi) Translation of Integral and Non-integral foreign operation :** The financial statements of an integral foreign operation are translated as if the transactions of the foreign operation have been those of the company itself. In translating the financial statements of a non-integral foreign operation for incorporation in financial statements, the assets and liabilities, both monetary and non-monetary, of the non-integral foreign operation are translated at the closing rate; income and expense items of the non-integral foreign operation are translated at exchange rates at the dates of the transactions; and all resulting exchange differences are accumulated in a foreign currency translation reserve until the disposal of the net investment.

On the disposal of a non-integral foreign operation, the cumulative amount of the exchange differences which have been deferred and which relate to that operation are recognised as income or as expenses in the same period in which the gain or loss on disposal is recognised. When there is a change in the classification of a foreign operation, the translation procedures applicable to the revised classification are applied from the date of the change in the classification.

**(p) Retirement and other employee benefits :** (i) Retirement benefit in the form of Provident Fund is a defined contribution scheme and the contributions are charged to the Profit and Loss Account of the year when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the respective funds.

(ii) Gratuity liability is a defined benefit obligations and are provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year.

(iii) No provision is made for unencashable short term compensated absences.

(iv) Actuarial gains/losses are immediately taken to profit and loss account and are not deferred.

**(q) Income taxes:** Tax expense comprises of current and deferred tax.

Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India [and tax laws prevailing in the respective tax jurisdictions where the Company operates].

Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.



**(q) Income taxes:** Tax expense comprises of current and deferred tax.

Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India [and tax laws prevailing in the respective tax jurisdictions where the Company operates].

Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to the taxes on income levied by same governing taxation laws. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits.

At each balance sheet date the Company re-assesses unrecognised deferred tax assets. It recognises unrecognised deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be that sufficient future taxable income will be available against which such deferred tax assets can be realised. The carrying amount of deferred tax assets are reviewed at each balance sheet date. The company writes-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realised. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

MAT credit is recognised as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. In the year in which the Minimum Alternative tax (MAT) credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in guidance Note issued by the Institute of chartered accountants of India, the said asset is created by way of a credit to the profit and loss account and shown as MAT Credit Entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal Income Tax during the specified period.

**(r) Employee Stock Compensation Cost:** Measurement and disclosure of the employee share-based payment plans is done in accordance with the Guidance Note on Accounting for Employee Share-based Payments, issued by the Institute of Chartered Accountants of India. The Company measures compensation cost relating to employee stock options using the intrinsic value method. Compensation expense is amortized over the vesting period of the option on a straight line basis.

**(s) Earnings Per Share :** Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they were entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period are adjusted for events of bonus issue; bonus element in a rights issue to existing shareholders; share split; and reverse share split (consolidation of shares).

**(t) Provisions :** A provision is recognized when an enterprise has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheetdate and adjusted to reflect the current best estimates.

**(u) Derivative Instruments:** As per the ICAI Announcement, accounting for derivative contracts, other than those covered under AS-11, are marked to market on a portfolio basis, and the net loss after considering the offsetting effect on the underlying hedge item is charged to the income statement. Net gains are ignored.

**(v) Impairment :** 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 asset's net selling price and value in use. In assessing value in use, The Company has measured its 'value in use' on the basis of undiscounted cash flows of next five years projections estimated based on current prices. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

**(w) Borrowing Costs :** Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

**(x) Cash Flow Statement :** Cash flow statement has been prepared in accordance with the indirect method prescribed in Accounting Standard-3 issued under the Companies (Accounting Standard) Rules 2006 and as required by the Securities and Exchange Board of India.

**(y) Leases :** Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the Profit and Loss account on a straight-line basis over the lease term.



Himalya International Limited  
Notes to Accounts  
(All amounts in Rs '000 unless otherwise stated)

Note 3 Share Capital

| Particulars   | As at<br>March 31, 2017 | As at<br>March 31, 2016 |
|---|-------------------------|-------------------------|
| Authorised<br>7,50,00,000 (Previous year 7,50,00,000) equity shares of Rs. 10/- each                    | 750,000                 | 750,000                 |
| Issued, Subscribed & Paid up<br>5,78,72,884 ( Previous year 5,78,72,884) equity shares of Rs. 10/- each | 578,728                 | 578,728                 |
| Total   | 578,728                 | 578,728                 |

(a) Nil (Previous Year 28,50,604) equity shares were allotted on conversion of share warrants

(b) Reconciliation of shares outstanding at the beginning and at the end of the year

| Particulars                        | As at March 31, 2017 |                    | As at March 31, 2016 |                   |
|------------------------------------|----------------------|--------------------|----------------------|-------------------|
|                                    | Number ('000)        | Amount in Rs. '000 | Number ('000)        | Amount in Rs.'000 |
| Equity shares                      |                      |                    |                      |                   |
| At the beginning of the year       | 57,873               | 578,728            | 55,022               | 550,222           |
| Issued during the year             | -                    | -                  | 2,851                | 28,506            |
| Outstanding at the end of the year | 57,873               | 578,728            | 57,873               | 578,728           |

(c) Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs. 10 each. No dividend has been proposed. In the event of liquidation of the Company, the holder of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts.

(d) Details of Shares held by each shareholder holding more than 5% shares

| Name of Shareholder        | As at March 31, 2017 |              | As at March 31, 2016 |              |
|----------------------------|----------------------|--------------|----------------------|--------------|
|                            | No. of Shares held   | % of Holding | No. of Shares held   | % of Holding |
| First Family Holding       | 412,613              | 0.71         | 3,302,613            | 5.71         |
| Himalaya International Inc | 4,868,778            | 8.41         | 4,868,778            | 8.41         |
| Sanjiv Kakkar              | 3,435,548            | 5.94         | 545,548              | 0.94         |

Note 5 Reserve and surplus

|   |          |           |
|---|----------|-----------|
| Capital Fund  | 104      | 104       |
| Capital Reserve   | 132,068  | 132,068   |
| Securities premium reserve                              |          |           |
| Balance as per last financial statements                | 337,784  | 334,933   |
| Add: premium received on issue of equity shares         | -        | 2,851     |
| Closing Balance   | 337,784  | 337,784   |
| Accumulated Profits in the statement of profit and loss |          |           |
| Balance as per last financial statements                | 517,859  | 726,950   |
| Loss for the year                                       | (25,067) | (209,091) |
| Accumulated Profits in the statement of profit and loss | 492,792  | 517,859   |
| Total reserves and surplus                              | 962,748  | 987,815   |

Note : Capital Reserve include Capital Subsidy given by MOFPI, NHB & Himachal Pradesh State Government.

HIMALYA INTERNATIONAL LIMITED

Himalya International Limited  
Notes to Accounts  
(All amounts in Rs '000 unless otherwise stated)

Note 6 Long term borrowings

| Particulars        | Non Current Portion     |                         | Current Maturities         |                         |
|--------------------|-------------------------|-------------------------|----------------------------|-------------------------|
|                    | As at<br>March 31, 2017 | As at<br>March 31, 2016 | As at<br>March<br>31, 2017 | As at<br>March 31, 2016 |
| <b>Secured</b>     |                         |                         |                            |                         |
| Term loans         |                         |                         |                            |                         |
| from banks         | 1,198,922               | 1,266,861               | 88,350                     | 62,671                  |
| from other parties | 5,960                   | 3,301                   | 4,481                      | 2,674                   |
| <b>Total</b>       | <b>1,204,882</b>        | <b>1,270,162</b>        | <b>92,831</b>              | <b>65,345</b>           |

Notes:

A. Term loans from banks:

- Term Loans are secured by First pari passu charge over the entire fixed assets of the company at Paonta sahib (H.P.) and Mehsana (Gujarat), with Joint Lending Forum comprising SBI, Corporation Bank, Bank of Baroda and Exim Bank, alongwith personal guarantees of the Directors and Promotors.
- All vehicle loans are secured against the vehicle and personal guarantee of the CMD Mr. Man Mohan Malik.
- The Company has not defaulted in repayment of either principal or interest during the year.

R

| Particulars                               | As at<br>March 31, 2017 | As at<br>March 31, 2016 | Rate of Interest | Date of Maturity | Repayment | Instalment due in<br>2017-18 | Instalment due in<br>2016-17 |
|---|-------------------------|-------------------------|------------------|------------------|-----------|------------------------------|------------------------------|
| State Bank of India TL -2 (In INR)        | 60,453                  | 62,658                  | 11.30            | 30.06.2024       | Quarterly | 4,200                        | 2,800                        |
| State Bank of India WCTL -(In INR)        | 117,818                 | 121,455                 | 11.30            | 30.06.2024       | Quarterly | 8,100                        | 5,400                        |
| State Bank of India FITL-1 (In INR)       | 64,019                  | 66,825                  | 11.30            | 30.06.2024       | Quarterly | 4,343                        | 3,700                        |
| State Bank of India WCTL -(In INR)        | 5,255                   | 5,452                   | 11.30            | 30.06.2024       | Quarterly | 400                          | 200                          |
| State Bank of India FITL-2 (In INR)       | 16,078                  | 7,497                   | 11.30            | 30.06.2024       | Quarterly | 1,257                        | 900                          |
| Corporation Bank TL -(In INR)             | 238,135                 | 245,742                 | 11.30            | 30.06.2024       | Quarterly | 16,400                       | 11,100                       |
| Corporation Bank WCTL -(In INR)           | 9,024                   | 9,288                   | 11.30            | 30.06.2024       | Quarterly | 600                          | 400                          |
| Corporation Bank WCTL -(In INR)           | 83,075                  | 85,628                  | 11.30            | 30.06.2024       | Quarterly | 5,700                        | 3,800                        |
| Corporation Bank FITL -(In INR)           | 92,029                  | 96,722                  | 11.30            | 30.06.2024       | Quarterly | 6,500                        | 5,300                        |
| Export Import Bank of India (FCNR)        | 301,598                 | 320,473                 | 5.25+Libor       | 30.06.2024       | Quarterly | 21,500                       | 14,400                       |
| Export Import Bank of India FITL-(In INR) | 24,796                  | 25,568                  | 12.00            | 30.06.2024       | Quarterly | 1,950                        | 3,200                        |
| Bank of Baroda (In INR)                   | 233,711                 | 238,568                 | 12.00            | 30.06.2024       | Quarterly | 14,500                       | 9,700                        |
| Bank of Baroda FITL (In INR)              | 41,281                  | 42,985                  | 12.00            | 30.06.2024       | Quarterly | 2,900                        | 1,100                        |
| HDFC Bank Vehicle Loan-(In INR)           | -                       | 671                     | 10.75            | 01.03.2017       | Monthly   | -                            | 671                          |
| <b>Total</b>                              | <b>1,287,272</b>        | <b>1,329,532</b>        |                  |                  |           | <b>88,350</b>                | <b>62,671</b>                |

B. Term loans from other parties

- All vehicle loans are secured against the vehicle and personal guarantee of the CMD, Mr. Man Mohan Malik, taken from BMW financial Services and Tata Capital Limited.
- The Company has not defaulted in repayment of either principal or interest during the year.

| Particulars                                 | As at<br>March 31, 2017 | As at<br>March 31, 2016 | Rate of Interest | Date of Maturity | Repayment | Instalment due in<br>2017-18 | Instalment due in<br>2016-17 |
|---|-------------------------|-------------------------|------------------|------------------|-----------|------------------------------|------------------------------|
| Tata Capital Limited Vehicle Loan (In INR)  | -                       | 38                      | 11.00            | 15.08.2016       | Monthly   | -                            | 38                           |
| BMW Financial Service Vehicle Loan (In INR) | 581                     | 1,552                   | 10.82            | 01.09.2017       | Monthly   | 581                          | 1,004                        |
| Mahindra Finance Vehicle loan (In INR)      | 3,134                   | 4,385                   | 11.00            | 20.06.2019       | Monthly   | 1,632                        | 1,632                        |
| Mahindra Finance Vehicle loan (In INR)      | 6,726                   | -                       | 11.00            | 15.10.2020       | Monthly   | 2,268                        | -                            |
| <b>Total</b>                                | <b>10,441</b>           | <b>5,975</b>            |                  |                  |           | <b>4,481</b>                 | <b>2,674</b>                 |

**Himalya International Limited**

**Notes to Accounts**

**(All amounts in Rs '000 unless otherwise stated)**

| Particulars   | As at          |                |
|---|----------------|----------------|
|   | March 31, 2017 | March 31, 2016 |
| <b>Note 7 Other long term liabilities</b>   |                |                |
| Others  |                |                |
| Advances and deposits from customers<br>(Non Current)   | 66             | 302            |
| <b>Total</b>  | <b>66</b>      | <b>302</b>     |
| <b>Note 8 Long term provisions</b>  |                |                |
| Provision for employee benefits   |                |                |
| Provision for gratuity  | 6,580          | 5,518          |
| Provision for tax   | 27,423         | 27,423         |
| <b>Total</b>  | <b>34,003</b>  | <b>32,941</b>  |
| <b>Note 9 Short term borrowings</b>   |                |                |
| Secured   |                |                |
| Loans repayable on demand   |                |                |
| Cash Credit/Export Credit facilities  | 541,300        | 523,125        |
| <b>Total</b>  | <b>541,300</b> | <b>523,125</b> |
| Details   |                |                |
| Corporation Bank (Against Export Bills)   | -              | 11,563         |
| Corporation Bank (CC against Hyp. Of Stock & Debtors)   | 227,959        | 215,382        |
| Sbi 34946964752 (PCL against Stock)   | 53,553         | 9,564          |
| SBI (Against export Bills )   | 20,445         | 27,981         |
| SBI (CC against Hyp. Of Stock & Debtors)  | 177,493        | 196,632        |
| SBI (EPC against Stock)   | 61,850         | 62,003         |
| <b>Total</b>  | <b>541,300</b> | <b>523,125</b> |
| Notes:  |                |                |
| All working capital limits are secured by first pari passu charge over the entire current assets of the Company, along with personal guarantees of Promoters. |                |                |
| <b>Note 10 Other Current Liabilities</b>  |                |                |
| Trade payables  | 104,059        | 70,053         |
| <b>Total</b>  | <b>104,059</b> | <b>70,053</b>  |
| Other Liabilities   |                |                |
| Current maturities of long-term debt  | 92,831         | 65,345         |
| Creditors for purchase of fixed assets  | 12,465         | 12,588         |
| Other payables  |                |                |
| Expense payable   | 16,227         | 12,119         |
| TDS payable (tax deducted at source)  | 4,725          | 4,046          |
| Employees State Insurance payable   | 177            | 77             |
| Employees Provident Fund payable  | 674            | 277            |
| <b>Total</b>  | <b>127,099</b> | <b>94,452</b>  |
| <b>Total</b>  | <b>231,158</b> | <b>164,505</b> |
| <b>Note 11 Short term provisions</b>  |                |                |
| Provision for employee benefits   |                |                |
| Provision for leave encashment  | 1,647          | 1,232          |
| Other   |                |                |
| Provision for gratuity  | 1,450          | 1,480          |
| <b>Total</b>  | <b>3,097</b>   | <b>2,712</b>   |

HIMALYA INTERNATIONAL LIMITED

Himalya International Limited

Notes to Accounts

(All amounts in Rs '000 unless otherwise stated)

Note 12 Fixed assets- Tangible assets

| PARTICULARS              | GROSS BLOCK       |                                   |                                    | DEPRECIATION/AMORTISATION |                          |                                 | NET BLOCK                            |                           |                     |                     |
|--------------------------|-------------------|-----------------------------------|------------------------------------|---------------------------|--------------------------|---------------------------------|--------------------------------------|---------------------------|---------------------|---------------------|
|                          | AS ON<br>01.04.16 | ADDITIONS<br>DURING THE<br>PERIOD | SALES/ADJ.<br>DURING THE<br>PERIOD | AS ON<br>31.03.2017       | DEP. CHARGED<br>31/03/16 | DEPRECIATION<br>FOR THE<br>YEAR | ADJUSTED<br>WITH RETAINED<br>EARNING | TOTAL AS ON<br>31.03.2017 | AS ON<br>31.03.2017 | AS ON<br>31.03.2016 |
| Land                     | 156,362           | -                                 | -                                  | 156,362                   | -                        | -                               | -                                    | -                         | 156,362             | 156,362             |
| Building                 | 711,034           | 651                               | -                                  | 711,685                   | 125,700                  | 22,480                          | -                                    | 148,180                   | 563,505             | 585,334             |
| Plant & Machinery        | 1,536,991         | 28,639                            | -                                  | 1,565,630                 | 607,231                  | 84,895                          | -                                    | 692,126                   | 873,504             | 929,760             |
| Furniture and Fixture    | 13,309            | 142                               | -                                  | 13,451                    | 7,869                    | 924                             | -                                    | 8,793                     | 4,658               | 5,440               |
| Vehicles                 | 55,683            | 7,840                             | 174                                | 63,349                    | 34,115                   | 5,537                           | -                                    | 39,652                    | 23,697              | 21,568              |
| <b>TOTAL</b>             | <b>2,473,379</b>  | <b>37,272</b>                     | <b>174</b>                         | <b>2,510,477</b>          | <b>774,913</b>           | <b>113,836</b>                  | <b>-</b>                             | <b>888,751</b>            | <b>1,621,726</b>    | <b>1,698,464</b>    |
| Previous Year            | (2,460,032)       | (13,357)                          | -                                  | (2,473,379)               | (659,754)                | (115,161)                       | -                                    | (774,915)                 | (1,698,464)         | (1,800,278)         |
| Capital work in Progress |                   |                                   |                                    |                           |                          |                                 |                                      |                           | 525,271             | 525,271             |

Note 12.1 The Company has imported French Fry & Potato Speciality Line machinery. During the year this Machinery could not be installed, as such the amount is being shown as CWIP. The Management is of the view that value of CWIP does not require any restatement in accounts, as the value of the said imported machinery is intact.

Himalya International Limited  
Notes to Accounts  
(All amounts in Rs '000 unless otherwise stated)

| Particulars  | As at          | As at          | March          |
|--|----------------|----------------|----------------|
|  | March 31, 2017 | March 31, 2016 | 31, 2016       |
| <b>Note 13</b>   |                |                |                |
| Long Term Investments (At cost)<br>(Equity Shares, Fully Paid up and unquoted) |                |                |                |
| a Himalya Simplot Pvt Ltd. (Joint Venture Company)                             |                |                |                |
| 2279966 Shares of Rs. 10/- each  | 114,936        |                | 114,936        |
| Less: Provision for diminution in value of investments                         | 114,936        |                | 114,936        |
|  | -              |                | -              |
| Long Term loans and advances   |                |                |                |
| Capital advances   |                |                |                |
| Security deposits  |                |                |                |
| Unsecured, considered good   |                |                |                |
| Deposits to others   | 3,869          |                | 3,869          |
|  | 3,869          |                | 3,869          |
| Subsidy and Other Receivables  |                |                |                |
| Unsecured, considered good   |                |                |                |
| Capital Subsidy (MOFPI)  | 3,167          |                | 3,167          |
| Capital Subsidy Cheese Plant (MOFPI)   | 3,750          |                | 3,750          |
| Capital Subsidy (Cold Chain from MOFPI Gujarat Plant)                          | 25,000         |                | 25,000         |
|  | 31,917         |                | 31,917         |
| Other loans and advances   |                |                |                |
| Unsecured, considered good   |                |                |                |
| Advance tax and tax deducted at source   | 43,440         |                | 38,630         |
|  | 43,440         |                | 38,630         |
| <b>Total</b>   | <b>79,226</b>  |                | <b>74,416</b>  |
| <b>Note 14</b>   |                |                |                |
| Other Non Current Assets   |                |                |                |
| Unsecured, considered good unless stated otherwise                             |                |                |                |
| Mat Credit entitlements  | 18,522         |                | 18,522         |
| Advance to corporate   | 6,122          |                | 6,122          |
| Claim receivable   | 247,115        |                | 247,115        |
| Less : Provisions for w/o  | 49,422         |                | 24,711         |
|  | 197,693        |                | 222,404        |
| <b>Total</b>   | <b>222,337</b> |                | <b>247,048</b> |

Claim receivable of Rs. 24.71 crore is against stocks destroyed in a fire in a warehouse on September 2, 2013 in United States of America. A claim has been filed against the warehouse. This amount is shown under non-current assets, on account of possible delays in recovery from insurance company, due to investigation on causes of fire, by Federal US agencies and expected delays in settlement of the claim by the court. Besides warehouse insurance cover is not sufficient to cover the damages of all the stocks in the fire, including those belonging to third parties. Management proposes to write down the amount of the claim as it is of the opinion that the amount acceptable to insurance companies involved is going to be lower than the loss suffered by the Company. Thus, management has decided to further write off 10% of the amount in this year's financial statements.

**Note 15 Inventories**

**Inventories (at lower of cost and net realisable value)**

|                  |                |                |
|------------------|----------------|----------------|
| Raw Material     | 63,303         | 60,275         |
| Goods in Process | 213,788        | 193,398        |
| Finished Goods   | 344,881        | 291,982        |
| Consumables      | 32,470         | 55,124         |
| <b>Total</b>     | <b>654,442</b> | <b>600,779</b> |

HIMALYA INTERNATIONAL LIMITED

Himalya International Limited

Notes to Accounts

(All amounts in Rs '000 unless otherwise stated)

| Particulars   | Non-Current             |                         | Current                 |                         |
|---|-------------------------|-------------------------|-------------------------|-------------------------|
|   | As at<br>March 31, 2017 | As at<br>March 31, 2016 | As at<br>March 31, 2017 | As at<br>March 31, 2016 |
| <b>Note 16 Trade Receivables</b>  |                         |                         |                         |                         |
| Outstanding for a period exceeding six months from the date they are due for payments   |                         |                         |                         |                         |
| Unsecured, considered good  | 49,138                  | 55,425                  | -                       | -                       |
|   | 49,138                  | 55,425                  | -                       | -                       |
| Other debts   |                         |                         |                         |                         |
| Unsecured, considered good  | -                       | -                       | 314,903                 | 300,688                 |
|   | -                       | -                       | 314,903                 | 300,688                 |
| Provision for doubtful debts  | -                       | 18,992                  | -                       | -                       |
|   | -                       | 18,992                  | 314,903                 | 300,688                 |
| <b>Total</b>  | <b>49,138</b>           | <b>36,433</b>           | <b>314,903</b>          | <b>300,688</b>          |
| <b>Note 17 Cash and Cash Equivalents</b>  |                         |                         |                         |                         |
| Cash and cash equivalents   |                         |                         |                         |                         |
| Balances with banks:  |                         |                         |                         |                         |
| On current accounts with scheduled banks  | -                       | -                       | 9,968                   | 4,941                   |
| On current accounts with Non scheduled banks  | -                       | -                       | -                       | -                       |
| On EEFC accounts  | -                       | -                       | 30                      | 30                      |
|   | -                       | -                       | 9,998                   | 4,971                   |
| Cash on hand  | -                       | -                       | 131                     | 91                      |
| Other bank balances   |                         |                         |                         |                         |
| Deposits with original maturity for more than 12 months (The non current FDR's are under lien against bank guarantees issued) | 7,898                   | 7,037                   | 3,802                   | 2,049                   |
|   | 7,898                   | 7,037                   | 13,931                  | 7,111                   |
| <b>Note 18 Short term loans and advances</b>  |                         |                         |                         |                         |
| Loans and advances to related parties   |                         |                         |                         |                         |
| Unsecured, considered good  |                         |                         |                         |                         |
| Loan to related parties   |                         |                         | 56,562                  | 56,573                  |
|   |                         |                         | 56,562                  | 56,573                  |
| Others  |                         |                         |                         |                         |
| Unsecured, considered good  |                         |                         |                         |                         |
| Advances recoverable in cash or in kind or for value to be received   |                         |                         | 9,506                   | 18,506                  |
| TDS/vat receivable  |                         |                         | 1,031                   | 2,045                   |
| Pre Paid Insurance  |                         |                         | 834                     | 474                     |
| Staff advance   |                         |                         | -                       | 3,480                   |
|   |                         |                         | 11,371                  | 24,505                  |

Himalya International Limited  
Notes to Accounts  
(All amounts in Rs '000 unless otherwise stated)

| Particulars  | For the year ended<br>March 31, 2017 | For the year ended<br>March 31, 2016 |
|--|--------------------------------------|--------------------------------------|
| <b>Note 20 Revenue from Operations</b>   |                                      |                                      |
| Sale of goods  |                                      |                                      |
| Sales- Export  | 553,932                              | 710,620                              |
| <b>Sales- Domestic:</b>  |                                      |                                      |
| Sales- Fresh Mushroom (Agriculture)  | 416,687                              | 192,537                              |
| Sales- Processed Food  | 242,326                              | 232,841                              |
| <b>Total</b>   | <b>1,212,945</b>                     | <b>1,135,998</b>                     |
| <b>Note 21 Other Income</b>  |                                      |                                      |
| Minimum Guarantee against processing charges   | 1,800                                | 3,022                                |
| Export Incentives  | 22,138                               | 29,676                               |
| Share warrant application money forfeited  | -                                    | 6,213                                |
| <b>Total</b>   | <b>23,938</b>                        | <b>38,911</b>                        |
| <b>Note 22 Changes in inventories of finished goods, work-in-progress and Stock-in-Trade</b> |                                      |                                      |
| Opening Stock  |                                      |                                      |
| Goods in Process   | 193,398                              | 165,736                              |
| Finished Goods   | 291,982                              | 292,118                              |
| Finished Goods-in Transit  | -                                    | 19,443                               |
|  | <u>485,380</u>                       | <u>477,297</u>                       |
| Closing Stock  |                                      |                                      |
| Goods in Process   | 213,788                              | 193,398                              |
| Finished Goods   | 344,881                              | 291,982                              |
|  | <u>558,669</u>                       | <u>485,380</u>                       |
| Increase/(Decrease) in Stocks  | <u>73,289</u>                        | <u>8,083</u>                         |
| <b>Note 23 Manufacturing &amp; Other Exp</b>   |                                      |                                      |
| Raw Material & Consumables Consumed  | 402,820                              | 361,028                              |
| Labour & Labour welfare  | 50,500                               | 69,664                               |
| Power & Fuel   | 115,494                              | 109,222                              |
| Freight Inward   | 629                                  | 1,348                                |
| Packing Expenses   | 114,921                              | 104,796                              |
| Others   | 1,354                                | 5,213                                |
| <b>Total</b>   | <b>685,718</b>                       | <b>651,271</b>                       |
| Raw Material & Consumables Consumed  |                                      |                                      |
| Opening Stock  | 115,399                              | 133,706                              |
| Purchases  | 383,194                              | 342,721                              |
| Less : Closing Stock   | <u>95,773</u>                        | <u>115,399</u>                       |
| Cost of Goods Consumed   | <u>402,820</u>                       | <u>361,028</u>                       |



**HIMALYA INTERNATIONAL LIMITED**

Himalya International Limited

Notes to Accounts

(All amounts in Rs '000 unless otherwise stated)

| Particulars                                      | For the year ended<br>March 31, 2017 | For the year ended<br>March 31, 2016 |
|--|--------------------------------------|--------------------------------------|
| Note 24 Employee Benefit Plans                   |                                      |                                      |
| Salaries, wages and bonus                        | 58,389                               | 58,379                               |
| Contribution to                                  |                                      |                                      |
| Provident fund                                   | 1,500                                | 1,601                                |
| Employees' State Incorporation Fund              | 671                                  | 686                                  |
| Gratuity expenses                                | 1,111                                | 264                                  |
| Staff welfare expenses                           | 1,531                                | 1,644                                |
| Total  | 63,202                               | 62,574                               |
| Note 25 Other Expenses                           |                                      |                                      |
| Power and fuel                                   | 181                                  | 321                                  |
| Rent:  |                                      |                                      |
| - Offices and Godowns                            | 535                                  | 1,818                                |
| Rates and taxes                                  | 2,505                                | 2,650                                |
| Insurance  | 2,089                                | 1,581                                |
| Repairs and maintenance:                         |                                      |                                      |
| - Plant and machinery                            | 1,176                                | 8,285                                |
| - Building                                       | 2,169                                | 1,684                                |
| - Others   | 179                                  | 1,441                                |
| Advertisement and sales promotion                | 2,705                                | 395                                  |
| Postage and courier                              | 349                                  | 526                                  |
| Travelling and conveyance                        | 11,382                               | 7,299                                |
| Printing and stationery                          | 212                                  | 1,105                                |
| Communication                                    | 1,641                                | 1,668                                |
| Legal and professional                           | 8,452                                | 5,937                                |
| Payment to Auditors (refer note 27.02)           | 644                                  | 621                                  |
| Selling Expenses                                 | 194,332                              | 234,104                              |
| Freight Outward                                  | 16,894                               | 23,898                               |
| Miscellaneous expenses                           | 7,790                                | 7,686                                |
| Total  | 253,235                              | 301,019                              |
| Note 26 Finance Cost                             |                                      |                                      |
| Interest expense                                 |                                      |                                      |
| on fixed loans                                   | 192963                               | 183561                               |
| on other loans                                   | 1071                                 | 1015                                 |
| Loss on account of foreign exchange fluctuation: |                                      |                                      |
| - Current Period                                 | (7155)                               | 20956                                |
| Other borrowing costs                            | 6676                                 | 2443                                 |
| Total  | 193555                               | 207975                               |

# HIMALYA INTERNATIONAL LIMITED

CIN: L70102DL1992PLC047399

Regd. Office: E-555, 2<sup>nd</sup> Floor, Palam Extension, Sector-7, Dwarka, New Delhi - 110077  
Phone: 91-011-45108609, 91-1704- 223494, Fax: 225178 Website: www.himalyainternational.com

## Form MGT-11

### PROXY FORM

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

|                                |
|--------------------------------|
| Name of the Member(s):         |
| Registered Address:            |
| E-mail ID:                     |
| Folio / DP ID - Client ID No.: |

I / We being the member(s) of \_\_\_\_\_ shares of Himalya International Limited hereby appoint

1 Name: \_\_\_\_\_ Address: \_\_\_\_\_

E-Mail ID: \_\_\_\_\_ Signature: \_\_\_\_\_ or failing him / her

2 Name: \_\_\_\_\_ Address: \_\_\_\_\_

E-Mail ID: \_\_\_\_\_ Signature: \_\_\_\_\_ or failing him / her

3 Name: \_\_\_\_\_ Address: \_\_\_\_\_

E-Mail ID: \_\_\_\_\_ Signature: \_\_\_\_\_ or failing him / her

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf to be held on Friday, the 29th Day of September 2017, at 03:00 PM at Priyanka Party Hall, Adjoining Vandana Int. School, behind Dwarka Court, (Near Sec -10 Metro Station) New Delhi and at any adjournment thereof in respect of such resolutions as are indicated below

| Sr. No.                    | Resolution   | For | Against |
|----------------------------|--|-----|---------|
| <b>Ordinary Resolution</b> |  |     |         |
| 1                          | Adoption of audited financial statements (standalone and consolidated) of the Company for the financial year ended 31st March, 2017, together with the Reports of the Board of Directors and Auditors' thereon |     |         |
| 2.                         | Appointment of Mr. Sunil Kumar Khera DIN: 00263581), who retires by rotation and being eligible, offers herself for re-appointment   |     |         |
| 3                          | Appointment of M/s Satnam Associates, Chartered Accountants, as Statutory Auditors of the Company for the period of 1 (One) Years.   |     |         |

Signed this ..... day of ..... 20.....

Affix  
revenue  
stamp

\_\_\_\_\_  
Signature of Shareholder

\_\_\_\_\_  
Signature of Proxy holder(s)

**Note:**

- This form of proxy in order to be effective should be duly completed and deposited at the Registered / Corporate Office of the Company, not less than 48 hours before the commencement of the Meeting.
- For the Resolutions, Explanatory Statement and Notes, please refer to the Notice of the 26<sup>th</sup> Annual General Meeting.
- It is optional to put a (v) in the appropriate column against the Resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all Resolutions, your proxy will be entitled to vote in the manner as he / she thinks appropriate.

**ATTENDANCE SLIP**

Registered Folio No. / DP ID No. / Client ID No.

Name and address of the Member(s)

Joint Holder 1

Joint Holder 2

Number of Shares held:

I certify that I am a member / proxy for the member of the Company.

I hereby record my presence at the Annual General Meeting of the Company at Priyanka Party Hall Adjoining Vandana International School Behind Dwarka Court (Near Sector - 10 Metro Station ) New Delhi - 110075 on Friday, the 29th Day of September 2017, at 03:00 PM.

\_\_\_\_\_  
Name of the member / proxy

\_\_\_\_\_  
Signature of member / proxy

**Note:**

- 1.A member or his duly appointed Proxy wishing to attend the Meeting must complete this Attendance Slip and hand it over at the entrance.
- 2.Name of the Proxy in Block letters..... (in case the Proxy attends the meeting)
- 3.Members are requested to bring their copies of the Annual Report to the Meeting.

PLEASE CUT HERE AND BRING THE ABOVE ATTENDANCE SLIP TO THE MEETING HALL

**Electronic Voting Particulars**

| <b>Electronic Voting Sequence No.</b> | <b>User ID</b> | <b>*Sequence Number</b> |
|---------------------------------------|----------------|-------------------------|
|                                       |                |                         |

\*Applicable to those members who have not updated their PAN with the Company / Depository Participant

# BOOK POST



To,

.....

.....

.....

If undelivered please return to :  
**HIMALYA INTERNATIONAL LIMITED.**  
Village : Shubhkhera,  
Paonta Sahib-173 025 (H.P.)  
Phone : 01704-223494  
Fax : 01704-225178  
[www.HimalyaInternational.com](http://www.HimalyaInternational.com)