



September 7, 2021

**BSE Limited,**  
Corporate Relations Department,  
P. J. Towers, Dalal Street,  
Mumbai - 400001

**Scrip Code: 526899**  
**Symbol: HFIL**

**Sub: Annual Report for Financial Year 2020-21 of Himalaya Food International Limited**  
**(formerly known as Himalaya International Limited) ('Company')**

Dear Sir/ Madam,

This is in furtherance to our letter dated August 31, 2021 wherein the Company had informed that the 30<sup>th</sup> Annual General Meeting ('AGM') of the Company will be held on Thursday, September 30, 2021 at 9:30 a.m. (IST) via two-way Video Conference / Other Audio-Visual Means only, in accordance with the General Circular issued by the Ministry of Corporate Affairs dated May 5, 2020 read with General Circulars dated April 8, 2020 and April 13, 2020 and SEBI Circular dated May 12, 2020.

Please find enclosed herewith the Annual Report of Himalaya Food International Limited (formerly known as Himalaya International Limited) for the Financial Year 2020-21 along with the Notice of the 30<sup>th</sup> AGM ('Annual Report'). The Annual Report is also being sent through electronic mode to those Members whose e-mail addresses are registered with the Company/Registrars and Transfer Agent/Depositories.

The Annual Report is available on the website of the Company at [himalayafoodcompany.com](http://himalayafoodcompany.com)

This is submitted pursuant to Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

This is for your information and record.

Thanking you,

Yours truly,  
For Himalaya Food International Ltd.

  
Surabhi Maheshwari  
Company Secretary & Compliance Officer



  
**Himalaya Food International Ltd.**

CIN : L70102DL1992PLC047399 Formerly known as Himalaya International Ltd.

**Contact@HimalayaFoodCompany.com**

**www.HimalayaFoodCompany.com**

Registered Office :

118, 1st Floor, 12 Gagandeep Building  
Rajendra Place New Delhi-110008  
Tel.: +91-11-45108609

Shubhkhera, Paonta Sahib,  
Himachal Pradesh - 173 025  
Tel.: +91-1704-223494, Fax:225178

Plants

Vadnagar, Mehsana  
Gujarat - 384 355  
Telefax.: +91-2761-305030



100% vegetarian

Himalaya is a socially conscientious company. We believe in nourishing the community we work within -through supporting local farms by ways of contract farming, educating farmers on better farming practices and providing them with our nitrogen-rich soil from the Mushroom Houses to fertilize their fields.



## Himalaya Food International Ltd.

### 30<sup>th</sup> Annual Report Year 2020-2021

#### A WIDE RANGE OF ALL NATURAL PRODUCTS



Kindly Share Your Email id To [CS@Himalyainternational. Com](mailto:CS@Himalyainternational.com) for Transfer of Digital Copy of Company Annual Report and All Other Communication on BSE Site

HIMACHAL PRADESH

GUJARAT

DELHI

USA



## CORPORATE INFORMATION

### BOARD OF DIRECTORS

#### MAN MOHAN MALIK

Chairman & Managing Director

#### SANGITA MALIK

Whole time Director

#### SANJIV KUMAR KAKKAR

Executive Director

#### SUNIL KUMAR KHERA

Independent Director

#### SURENDRA KUMAR KAUSHIK

Independent Director

#### NEELAM KHANNA

Independent Director

#### SHAMSHER ALI

Chief Financial Officer (CFO)

#### SURABHI MAHESHWARI

Company Secretary (CS)

### AUDITORS

Sharma Kumar & Associates

Chartered Accountants

### BANKERS

**State Bank of India**, Stressed Asset Management Branch, New Delhi

**Union Bank of India**, Stressed Asset Management Branch, Delhi

**Exim Bank**, Chandigarh

**Bank of Baroda**, Zonal Stressed Assets Recovery Branch, Ahmedabad

### CORPORATE IDENTIFICATION NUMBER (CIN)

L70102DL1992PLC047399

### REGISTRAR & SHARE TRANSFERAGENT

Beetal Financial & Computer Services (P) Ltd. Beetal House, 3rd Floor, 99 Madangir BH-Local Shopping Complex Near Dada Harsukhdas Mandir New Delhi -110062

### SHARES LISTED AT

Bombay Stock Exchange (BSE)  
526899 (Scrip Code)

### RAGISTERD OFFICE

Himalaya Food International Limited  
118, 1st Floor, 12 Gagandeep Building,  
Rajendra Place, New Delhi-110008  
[www.himalayafoodcompany.com](http://www.himalayafoodcompany.com)  
Tel.: 011-45108609

### HEAD OFFICE & PLANT

Village: Shubhkhera, paonta Sahib Distt.  
Sirmour, HP-173025,  
Tel.: 01704-223494,

### GUJARAT PLANT

215/A/1 Vadnagar-Redlaxmipura Road  
At-Sultanapura, Ta-Vadnagar  
Mehsana District, Gujarat  
India, 384355

**Dear Shareholders,**

I hope you are all well and have been able to cope with this unprecedented and daunting worldwide pandemic. Just like you, we have steadfastly held on, and proven once again our mettle and resilience.

Our first priority since last year has been the safety of all our staff and employees from Covid. We strictly adhered to the government safety protocols and had to make concessions like everyone else. We could run our operations only partially and continued some exports to North America.

However, despite these unprecedented and globally challenging times, we survived, kept our operations live and maintained our positivity to ultimately bounce back stronger than before. Our spirit and resilience are reflected in the financial reports of the lockdown period.

In some ways, the pandemic forced us to work smarter, streamline processes and make do with less than before. For instance; because of the shortage in human resources, we were forced to reduce both labor and energy costs and thus inadvertently ended up running a more efficient operation. We anticipate that moving forward; we will save 30% on these two cost factors per unit of production. The incremental effect of such cost savings become even more pronounced as we utilize our plant's full –a much higher capacity –once the pandemic has truly subsided.

Most importantly, not only did we streamline processes and cut cost during the pandemic, but we rechanneled our idle energy to aggressively innovate new and therapeutic products. We innovated ways to utilise the available but unused capacities of our operations, and achieve the true potential of our company. (See below “New Era of Health & Wellbeing - Himalaya Innovations”) Overall, the pandemic taught us many lessons, and we feel lucky to have seen silver linings.

**OTS & Payments to Banks:**

Previously, all four lenders/banks had approved an OTS for Rs. 82.90 Crores against the outstanding amount of Rs. 181.01 Crores. An amount of Rs. 20.44 Crores, about a quarter, has already been paid back. However, due to the massive disruptions caused by the Covid lockdowns, our lender banks have not yet been able to issue NOC's for the sale of the company's non-core assets. In light of this delay, we have requested the banks extend the period over which the remaining balance is due. We anticipate that Himalaya will be paying Rs. 30 Crores from the sale of these non-essential assets. The remaining Rs. 30 Crores of the OTS will be paid through the company's internal cash accruals.

**Singapore Award-JV Dispute:**

The 7 years of legal battle with American JV partner got concluded at Singapore Arbitration in March 2020 & we resumed the possession of the premises along with two potato processing lines at Vadnagar. JV partner defaulted on the Award in April last year by not returning key components & equipments within the specifically defined period of three weeks. The matter of compliance to the three point award is pending at Delhi High Court besides our appeal for damages for abandonment.

**Covid-19 & Way Forward:**

Businesses worldwide have suffered heavily due to the catastrophic consequences of Covid 19. We hope that with aggressive vaccination, a heightened awareness of health, nutrition, and welfare, and mindful precautions, we will soon eliminate this annihilating threat and move forward as a wiser civilization.

**Thoughts & Vision Post Covid:**

I am pleased to share below Himalaya's vision and thoughts for the future and the silver linings that we see on the horizon, despite the gloom and economically crippling events of the last two years. Barring any further unforeseen circumstances, we are confident to surpass our Pre-Covid March 2020 financials in the current fiscal year. We are reorganizing our mushroom operations in such a way that we continue to grow Button mushrooms at Pre-Covid levels and still divert 40% of our plants' capacity towards the very high valued medicinal mushrooms, such as Reishi, Cordyceps, Lions Mane & Turkey Tail. All these high valued mushrooms thrive on hard wood & grain based substrates requiring huge infra for super-heated steam based sterilization process. Fortunately we already have idle capacity and infrastructure that will be rechanneled to process the substrate for these mushrooms. Our newly developed “Vegan Mushroom Jerky” and “Red Reishi Super Mushroom Cookies” are further expected to add value to the company's profit margins. Overall, this restructuring of mushroom growth will provide for a big boost to the company's overall profit margins.

With our repossession of the “French-Fry” and “Specialty Potato” lines, after our legal win in the Singapore Court of Arbitration, we anticipate a sustained period of growth post Covid 19, and plan on reaching an output of around 25,000 tons of frozen french-fries and potato specialty products within the next three years.

We already have ongoing contract with Amul and we plan adding more contract processing for the already established large frozen food companies in the market.

We plan on re-entering the Indian markets; first through the food service segment and later through the retail segment. We intend on doing so in a similar fashion as our 2009-2010 launch of Himalaya products in the domestic market. While we have mandated our marketing team to start its campaign in the Food Service Sector immediately, our launch in Modern Retail Chains and the online B2C platforms is contemplated to commence in next year.

### **Pandemic Led New Era of Health & Wellbeing - Himalaya Innovations**

The unprecedented and harsh global pandemic has jolted all of humanity irrespective of income, geographic, or other identity! Covid 19 has ushered in a New ‘Game Changing’ Era and demanded that we urgently build our immune systems against not only this but any future viruses and truly start thinking of food as medicine.

“Functional Foods” the foods that are not only therapeutic but also nutrition dense, are now in vogue more than ever before. These foods can provide for a much-needed boost to our innate immune system in an increasingly toxic, unpredictable, and globally connected world. Himalaya, as a giant mushroom producer and organic food processing plant, is already equipped to participate in the super food & functional foods segment. We thus expect tremendous growth in the near future and are positioned to be part of this unprecedented boom for Functional & Immunity boosting Super Foods.

### **Medicinal Mushrooms:**

In particular, certain ancient and revered mushrooms are in the spotlight, post pandemic. The health benefits of these mushrooms, and their ability to enhance immunity and longevity, extend their appeal beyond the dinner table, and we can now find these mushrooms on most online health stores & in every supplement aisle in various forms, such as teas, powders, capsules, and tinctures.

We at Himalaya Food have now redefined our mission after 25 years of growing mushrooms. We worked incessantly through the pandemic to use our quarter century of mushroom growing experience and reinvent ourselves as the leader in growing and packaging medicinal mushrooms from India.

To accomplish this over the last year, Himalaya engaged the Directorate Mushroom Research Center (DMR-ICAR) to assist in the development of high valued functional and medicinal mushrooms using our existing infrastructure for steam sterilisation and UV protected inoculation. We have imported high quality mother cultures for Red Reishi, Lions Mane & Cordyceps Militaris Mushrooms from Penn State University, USA. After completing long trials, we are now starting commercial growing of these mushrooms that shall be dried and sold to larger players in the field of Nutritional supplements as well as for In-house extraction of their therapeutic compounds for marketing under Himalaya Mushroom Brand. The Mushrooms selected are based on their ancient reputation to prevent & cure several ailments and their innate properties to build strong immunity and Anti-Ageing.

For instance; known as the ‘Mushroom for Immortality’ and revered for more than 7,000 years in Asia, Reishi mushrooms (*Ganoderma Lucidum* aka *Lingh zhi* in China) have long been a source of healing and wellness. In Japan, Reishi mushrooms are used as a health tonic to strengthen the immune system and bring it back into balance. Himalaya is now growing Reishi mushrooms.

Lion's Mane has a taste and texture similar to lobster or crab; stringy, meaty, and delicate. Lion's mane readily takes on the flavor of spices and sauces and is called vegetarian lobster. Lion's Mane is a mainstay of traditional Chinese & Japanese medicine. It has a long history of both culinary and medicinal use, with traditional medical practitioners prescribing it for ailments including insomnia, low mood, low immune system function, and memory loss. The known benefits of regular Lion's Mane Mushroom are enhanced memory retention, improved focus and concentration, reduced stress and anxiety, better sleep, a strong immune system and improved long-term cognitive function. Lion's Mane is fast becoming one of the most popular mushroom supplements in the world, and Himalaya is at the forefront of this development.

Cordyceps became viral as an energy booster when Chinese athletes performed astoundingly to break several world records in 1993 International Games. Natural Cordyceps Sinensis; native to Himalayas has become rare due to exploitation from times immemorial and have been banned by India and several other nations to protect the fragile Himalayan ecology. These natural Himalayan mushrooms also called Himalayan Viagra are worth more than gold in international markets. Cordyceps Militaris (CM) was thus developed, to mitigate this shortage and to save the Himalayan ecology, in controlled

conditions imitating the Himalayan climate and is now cultivated in China, Japan, Malaysia and several other countries. The key benefits of CM are improved oxygen consumption, improved cardiac and respiratory health, increased vitality and endurance and better immunity and energy. Himalaya is also growing, processing and distributing CM.

### **Mushroom Functional Foods:**

Innovation has been the hallmark of our team here at Himalaya ever since our inception in 1995. The pandemic has taught us many lessons, and one of these led us to the path of super mushrooms. Also known as functional foods, these mushrooms are truly the definition of what Hippocrates was talking about: “Let food be thy medicine, and let medicine be thy food”. Below is our attempt to live and let live by this mantra.

### **Portobello Jerky:**

We have now developed a nutritionally dense ‘Portobello Vegan Jerky’ in five flavors [www.himalayajerky.com](http://www.himalayajerky.com). We developed the process infusing our portobello mushrooms with Vitamin and then marinate these delicious morsels with therapeutic ayurvedic herbs and spices. We then dry the jerky at extremely low temperatures to not only bring out the flavors and chewiness but also preserve the nutritional content of the mushrooms and herbs. The drying process shrinks the portobellos to around 15% of their raw weight, making the final product many times more nutritionally dense than the raw mushrooms.

After successful cultivation trials on Reishi mushrooms, we have innovated “Red Reishi Super Mushroom Cookies” by infusing Red Reishi bioactive compounds for a daily dose of all essential immunity boosting enzymes, vitamins and minerals against all kinds of viruses and diseases. This product is made from Vitamin D infused portobello mushrooms and Reishi mushroom extract powders with gluten free whole grains and unrefined sweetness from dates.

I thank you for your patience and trust. I am confident in assuring you that Himalaya is bound to enter its best phase of existence.



For Himalaya Food International

Sd/-  
Man Mohan Malik  
Chairman

## NOTICE

NOTICE is hereby given that the 30<sup>th</sup> Annual General Meeting of the members of the Company will be held on Thursday, the 30<sup>th</sup> Day of September 2021, at 9:30 AM through Video Conferencing ('VC') or Other Audio-Visual Means ('OAVM') to transact the following business: -

### Ordinary Business:

1. To receive, consider and adopt the Standalone and Consolidated Audited Financial Statements of the Company for the year ended 31<sup>st</sup> March 2021 and the Reports of the Board of Directors and Auditors thereon.
2. To appoint a director in place of Mrs. Sangita Malik (DIN: 02428506), who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and being eligible, offers herself for re-appointment.

### Special Business:

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

**"RESOLVED THAT** pursuant to Regulation 17 (1A) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, approval of the members be and is hereby accorded for continuation of directorship of Mr. Surendra Kumar Kaushik (DIN: 05286196) who has been a Non- Executive Independent Director of the Company since January 22, 2018, to continue to act as a Director of the Company in the category of Non-Executive Independent Director beyond 75 years of age after January 28, 2022."

4. **To consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution for transfer of assets under 100% EOU of the Company to another wholly owned subsidiary of the Company for French Fries to create additional revenue**

**"RESOLVED THAT** pursuant to the provisions of Section 180(1)(a) and all other applicable provisions of the Companies Act, 2013 (the "Act") and rules made thereunder (including any statutory modification thereof for the time being in force and as may be enacted from time to time), the Memorandum and Articles of Association of the Company, the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and subject to the approval of the Lenders and all such approvals, consents, sanctions and permissions, as may be necessary from Delhi High Court, consent of the members of the Company be and is hereby accorded to the Board of Directors (hereinafter referred to as the "Board", which term shall include any Committee constituted by the Board or any person(s) authorized by the Board to exercise the powers conferred on the Board by this Resolution), of the Company (hereinafter referred to as the "Seller"), to sell, dispose, hive-off and/or transfer "Seven Acre bounded Land under the 100% EOU", including the all appurtenances thereto together with all machinery, assets, interests, privileges, titles, resources, debts, liabilities, encumbrances/mortgages and obligations of every nature related thereto (hereinafter referred to as '100% EOU undertakings') on a going concern basis by way of a slump sale (as defined in Section 2(42C) of the Income Tax Act, 1961) for a consideration of Rs. 1500 Lakh/- (Rupees Fifteen Hundred lacs only) to Appetizers and Snacks Foods Limited (hereinafter referred to as the "Buyer"), a wholly owned subsidiary of the Company and with powers to the Board to agree to and accept such terms and conditions as may be stipulated by the lenders or any other authorities while according their consent or otherwise, as the Board of the Company may deem fit and appropriate in the interest of the Company;

**"RESOLVED FURTHER THAT** for the purpose of giving effect to the above resolution the Board of Directors of the Company or a duly authorized Committee thereof, be and is hereby authorized to take such actions and to give all such directions as may be necessary or desirable and also to settle any question or difficulty that may arise in regard to the sale/transfer of the aforementioned '100% EOU Undertaking' and to do all such acts, deeds, matters and things and to execute all such deeds, documents and writings as may be necessary, desirable or expedient in connection therewith."

5. **Issue of Equity Shares on Preferential Allotment Basis**

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

**“RESOLVED THAT** pursuant to the provisions of Section 42 and Section 62(1)(c) of the Companies Act, 2013, read with the Companies (Prospectus and Allotment of Securities) Rules, 2014 and other applicable provisions, if any (including any statutory modifications(s) or re-enactment thereof, for the time being in force), and subject to the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (“SEBI (ICDR) Regulations”), Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended up to date (“Listing Regulations”), the Securities and Exchange Board of India (Substantial Acquisitions of Shares and Takeovers) Regulations, 2011, as amended (the “Takeover Regulations”) as in force and subject to other applicable rules, regulations and guidelines of Securities and Exchange Board of India (“SEBI”) and/or the stock exchanges where the shares of the Company are listed and enabling provisions of the memorandum and articles of association of the Company and subject to requisite approvals, consents, permissions and/ or sanctions of regulatory and other appropriate authorities, as may be required and subject to such conditions as may be prescribed by any of them while granting any such approvals, consents, permissions, and/ or sanctions (including but not limited to approval from the Competition Commission of India) and which may be agreed to, by the board of directors of the Company (“Board”, which term shall be deemed to include any committee constituted by the Board to exercise its powers including the powers conferred hereunder or any person authorised by the Board or its committee for such purpose), and subject to any other alterations, modifications, corrections, changes and variations that may be decided by the Board in its absolute discretion, the consent and approval of the members of the Company be and is hereby granted to Board to create, offer, issue and allot at an appropriate time, in one or more tranches on a preferential basis, 46,64,621 (Forty Six Lacs Sixty Forty Thousand Six Hundred Twenty One) equity shares of face value Rs. 10/- each (“Equity Shares”) at a price of Rs. 16.25/- per share at a premium of Rs. 6.25/- per share aggregating to Rs. 7,58,00,091/- (Rupees Seven Crore Fifty Eight Lacs Ninety One only) to, Promoter and to the operational creditors & other non-secured lenders, (“Proposed Allottee”), in lieu of overdues as on 31<sup>st</sup> March 2021 & duly verified & certified by the statutory Auditors provided that the minimum price of equity shares so issued shall not be less than the price arrived at, in accordance with Chapter V of the SEBI (ICDR) Regulations for preferential issue on such terms and conditions, as are stipulated in the explanatory statement attached and as Board may deem fit in its absolute discretion.”

**“RESOLVED FURTHER THAT** The “Relevant Date” pursuant to Regulation 161 of the SEBI (ICDR) Regulations in relation to the above mentioned Preferential Issue of Equity Shares, is 31<sup>st</sup> August 2021, is a date 30 days prior to the date of Annual General Meeting.”

**“RESOLVED FURTHER THAT** the Board be and is hereby authorised to decide and approve other terms and conditions of the issue of the equity shares and shall also be entitled to vary, modify or alter any of the terms and conditions, as it may deem fit, subject however to the compliance with the applicable guidelines, notifications, rules and regulations.

**“RESOLVED FURTHER THAT** the Board be and is hereby authorised to accept the terms, conditions, modifications and stipulations as the GOI, SEBI or Stock Exchanges or any other regulatory authority may stipulate while granting approval to the Company for issue of the equity shares as aforesaid.”

**“RESOLVED FURTHER THAT** the Board is hereby authorised to take necessary steps for listing of the equity shares allotted on the Stock Exchanges, where the Company’s shares are listed, as per the terms and conditions of the Listing Agreement, and in accordance with such other guidelines, rules and regulations as may be applicable with regard to such listing.”

**“RESOLVED FURTHER THAT** the Equity Shares so issued shall upon allotment have the same rights of voting as the existing equity shares and be treated for all other purposes pari-passu with the existing equity shares of the Company and that the equity shares so allotted during the financial year shall be entitled to the dividend, if any, declared including other corporate benefits, if any, for the financial year in which the allotment has been made and subsequent years.”

**“RESOLVED FURTHER THAT** the Board, be and is hereby, authorized in its entire discretion to decide and proceed with the issue of the equity shares, including the size and relative component of the same, and for the purpose of giving effect to this issue of equity shares, to issue proposed Preferential offer letter to the proposed allottees and take such steps and to do all such acts, deeds, matters and things as the Board may, in its absolute discretion, deem necessary, expedient, usual, proper, incidental or desirable and to settle any question, difficulties or doubts that may arise in this regard and in regard to the issue, allotment of the equity shares and utilization of the issue proceeds, to prescribe the forms of applications, enter and execute all such deeds, documents, agreements or other instruments, and to take such actions/directions as they may consider as being necessary or desirable and to obtain any approval, permissions, sanctions which may be necessary or desirable as they may deem fit, without being required to seek any further consent or approval of the shareholders.”



**“RESOLVED FURTHER THAT** the Board be and is hereby authorized on behalf of the Company to do all such acts, deeds, matters and things as it may at its discretion deem necessary or desirable for such purpose, including without limitation, appointment of consultants, solicitors, merchant bankers, or any other agency/agencies, to agree and accept all such condition(s), modification(s) and alteration(s) as may be stipulated by any relevant authorities while according approval or consent to the issue as may be considered necessary, proper or expedient and give effect to such modification(s) and to resolve and settle all questions, difficulties or doubts that may arise in this regard to such issue and allotment and to do all acts, deeds and things in connection therewith and incidental thereto without being required to seek any further consent or approval of the members of the Company to the intent that the members shall be deemed to have given their approval thereto expressly by the authority of this resolution.”

#### **6. Issue of Warrants, Convertible into Equity Shares to Promoters of the Company on Preferential Basis:**

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

**“RESOLVED THAT** pursuant to Sections 42, 62 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Prospectus and Allotment of Securities) Rules, 2014 and the Companies (Share Capital and Debentures) Rules, 2014, each as amended, the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the “SEBI (ICDR) Regulations”), Securities & Exchange Board of India (Substantial Acquisition of Shares & Takeovers) Regulations, 2011 (“SEBI Takeover Regulations”), Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the “Listing Regulations”) and any other applicable laws, rules and regulations, circulars, notifications, clarifications, guidelines issued by the Government of India, the Securities and Exchange Board of India (“SEBI”) and the stock exchanges where the shares of the Company are listed (“Stock Exchanges”), or any other authority / body and enabling provisions in the Memorandum and Articles of Association of the Company, and subject to necessary approvals, sanctions, permissions of appropriate statutory / regulatory and / or other authorities and persons, if applicable and subject to such conditions and modifications as may be prescribed by any of them while granting such approvals / sanctions / permissions and / or consents, if any, and which may be agreed by the board of directors of the Company (hereinafter referred to as “Board” which term shall be deemed to include any committee(s), which the Board has constituted or may constitute to exercise its powers, including the powers conferred on the Board by this resolution), consent of the members of the Company be and is hereby accorded to the Board, to create, issue, offer and allot, from time to time, in one or more tranches, upto 18,46,154 (Eighteen Lacs Forty Sixty Thousand One Hundred Fifty Four) Equity warrants (“Warrants”) at a price of Rs. 16.25/- per warrant with a right to the warrant holders to apply for and be allotted 1 (One) Equity Share of the face value of Rs. 10/- each of the Company (“Equity Shares”) at a premium of Rs. 6.25/- per share for each Warrant within a period of 18 (Eighteen) months from the date of allotment of the Warrants, aggregating up to Rs. 3,00,00,002/- (Rupees Three Crores and Two only) to Doon Valley Foods Pvt Ltd, Promoter of the Company (“proposed allottee”) in lieu of overdues as on 31<sup>st</sup> March 2021 & duly verified & certified by the statutory Auditors provided that the minimum price of warrants convertible to equity shares so issued shall not be less than the price arrived at, in accordance with Chapter V of the SEBI (ICDR) Regulations for preferential issue on such terms and conditions, as are stipulated in the explanatory statement attached and as Board may deemed fit in its absolute discretion.” in such form and manner and in accordance with the provisions of SEBI (ICDR) Regulations and SEBI Takeover Regulations or other applicable laws and on such terms and conditions as the Board may, in its absolute discretion think fit and without requiring any further approval or consent from the Members.”

**“RESOLVED FURTHER THAT** in accordance with the provision of Chapter V of the SEBI (ICDR) Regulations the “Relevant Date” for the purpose of calculating the floor price for the issue of equity shares be and is hereby fixed as Tuesday, August 31, 2021 being the weekday 30 days prior to the date of Annual General Meeting i.e. Thursday, September 30, 2021.”

**“RESOLVED FURTHER THAT** without prejudice to the generality of the above, the issue of Warrants shall be subject to the following terms and conditions:

- (i) The Warrant holders shall, subject to the SEBI (ICDR) Regulations and other applicable rules, regulations and laws, be entitled to exercise the Warrants in one or more tranches within a period of 18 (Eighteen) months from the date of allotment of the Warrants by issuing a written notice to the Company specifying the number of Warrants proposed to be exercised. The Company shall accordingly issue and allot the corresponding number of Equity Shares of face value of Rs. 10/- each to the Warrant holders.

(ii) Minimum amount equivalent to 25% of the Warrant Issue Price shall be adjusted from the outstanding overdue credit at the time of subscription and allotment of each Warrant and the balance 75% shall be adjusted from the outstanding overdue credit by the Warrant holder(s) on the exercise of the Warrant(s).

(iii) In the event that, a Warrant holder does not exercise the Warrants within a period of 18 (Eighteen) months from the date of allotment of such Warrants, the unexercised Warrants shall lapse and the amount paid by the Warrant holders on such Warrants shall stand forfeited by Company.

(iv) The price determined above and the number of Equity Shares to be allotted on exercise of the Warrants shall be subject to appropriate adjustments as permitted under the rules, regulations and laws, as applicable from time to time.

(v) Apart from the said right of adjustment mentioned in (iv) above, the Warrants by themselves, until exercise of the conversion option and allotment of Equity Shares, do not give the Warrant holder thereof any rights akin to that of shareholder(s) of the Company.

(vi) The Company shall procure the listing and trading approvals for the Equity Shares to be issued and allotted to the Warrant holders upon exercise of the Warrants from the relevant Stock Exchanges in accordance with the Listing Regulations and all other applicable laws, rules and regulations.

(vii) The Equity Shares so allotted on exercise of the Warrants shall be in dematerialized form and shall be subject to the provisions of the Memorandum and Articles of Association of the Company and shall rank paripassu in all respects including dividend, with the then existing Equity Shares of the Company.

(viii) The Warrants and Equity Shares issued pursuant to the exercise of the Warrants shall be locked-in as prescribed under the SEBI (ICDR) Regulations from time to time.

**“RESOLVED FURTHER THAT** the Board be and is hereby authorized to, do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary or desirable to give effect to the above resolutions, including without limitation to issue and allot Equity Shares upon exercise of the Warrants, to issue certificates/ clarifications on the issue and allotment of Warrants and thereafter allotment of Equity Shares further to exercise of the Warrants, effecting any modifications to the foregoing (including to determine, vary, modify or alter any of the terms and conditions of the Warrants including deciding the size and timing of any tranche of the Warrants), entering into contracts, arrangements, agreements, memoranda, documents to give effect to the resolutions above (including for appointment of agencies, consultants, intermediaries and advisors for managing issuance of Warrants and listing and trading of Equity Shares issued on exercise of Warrants), including making applications to Stock Exchanges for obtaining of in-principle approval, filing of requisite documents with the Registrar of Companies, National Securities Depository Limited (NSDL), Central Depository Services (India) Limited (CDSL) and/ or such other authorities as may be necessary for the purpose, seeking approvals from lenders (where applicable), to take all such steps as may be necessary for the admission of the Warrants and Equity Shares (to be issued on exercise of the Warrants) with the depositories, viz. NSDL and CDSL and for the credit of such Warrants / Shares to the respective dematerialized securities account of the proposed allottees, and to delegate all or any of the powers conferred by the aforesaid resolutions on it to any committee of directors or any director(s) or officer(s) of the Company and to revoke and substitute such delegation from time to time, as deemed fit by the Board, to give effect to the above resolutions and also to initiate all necessary actions for and to settle all questions, difficulties, disputes or doubts whatsoever that may arise, including without limitation in connection with the issue and utilization of proceeds thereof, and take all steps and decisions in this regard.”

Place: Delhi  
Date: 14.08.2021

By order of the Board of Directors  
Himalaya Food International Limited  
Sd/-  
Man Mohan Malik  
Managing Director

**NOTES:**

1. **In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and pursuant to the General Circular No. 20/2020 dated May 05, 2020 read with General Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020, General Circular No. 02/2021 dated January 13, 2021 issued by the Ministry of Corporate Affairs ('MCA Circulars') and Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May, 2020 and Circular No. SEBI/HO/CFD/CMD2/ CIR/P/2021/11 dated 15th January 2021 issued by the Securities and Exchange Board of India ("SEBI Circular") and in compliance with the provisions of the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), physical attendance of the Members to the AGM venue is not permitted and AGM be convened through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC only.**
2. **In accordance with the said circulars of MCA, SEBI and applicable provisions of the Companies Act, 2013 (Act) and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), the 30th AGM of the Company is being conducted through VC. Central Depository Services (India) Limited (CDSL) will be providing facility for voting through remote e-voting, for participation in the AGM through VC and e-voting during the AGM. The procedure for voting through remote e-voting, e-voting during AGM and participating in AGM through VC is explained at Notes below and is also available on the website of the Company at [www.himalayafoodcompany.com](http://www.himalayafoodcompany.com).**
3. The deemed venue for the 30<sup>th</sup> AGM shall be the Registered Office of the Company.
4. Statement pursuant to Section 102 of the Companies Act 2013 (Act), setting out the material facts concerning special businesses set out above is enclosed along with the details under Regulations 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and clause 1.2.5 of the Secretarial Standard -2] in respect of directors proposed to be appointed / re-appointed at the Annual General Meeting is annexed hereto.
5. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e- voting. Hence the Proxy Form and Attendance Slip are not annexed to this Notice.
6. Pursuant to the provisions of Section 91 of the Companies Act 2013, the register of members and share transfer books of the Company will remain closed from Friday, September 24, 2021 to Thursday, September 30, 2021 (both days inclusive).
7. Corporate members may refer to "Note for Non – Individual Shareholders and Custodians" appearing at the end of this notice and follow the instructions mentioned for voting and participation at the AGM.
8. The Register of Directors and Key Managerial Personnel and their Shareholding maintained under Section 170 of the Act, the Register of Contracts or Arrangements in which Directors are interested under Section 189 of the Act shall be electronically available for inspection by the Members during the AGM upon login at CDSL e-voting system at [www.evotingindia.com](http://www.evotingindia.com).
9. Dispatch of Annual Report and Notice of AGM through electronic mode:  
  
In accordance with, the above referred circulars, owing to the difficulties involved in dispatching of physical copies of the Annual Report comprising Financial Statements, Board's Report, Auditor's Reports and other documents required to be attached therewith, the Annual Report for 2020- 21 and the Notice of this AGM are being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company or the Depository Participant(s).
10. In case of joint holders attending the Meeting, only such joint holders who are higher in the order of the names will be entitled to vote.
11. The attendance of the Members attending the 30<sup>th</sup> AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.

12. Relevant documents referred in the accompanying Notice and Director's Report will be available for electronic inspection, without any fee by the Members from the date of Circulation of this Notice up to the date of AGM i.e 30th September 2021. Members seeking to inspect such documents can send an email to [cs@himalayafoodcompany.com](mailto:cs@himalayafoodcompany.com).
13. Members whose e-mail address are not registered are requested to register their e-mail address for receipt of Notice of 30th AGM, Annual Report and login details for joining the 30th AGM through VC facility including e-voting, by providing Name, folio number/ DPID & Client ID (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), client master or copy of consolidated Account statement (in case of demat holding) or copy of share certificate (in case of physical holding), self-attested scanned copy of Aadhar Card or any other document as proof of address to Company: [cs@himalayafoodcompany.com](mailto:cs@himalayafoodcompany.com) or to/RTA at: [beetalrta@gmail.com](mailto:beetalrta@gmail.com).
14. The Notice of AGM and Annual Report for the financial year 2020-21, is available on the website of the Company at [www.himalayafoodcompany.com](http://www.himalayafoodcompany.com) and also on the websites of the Stock Exchanges: at [www.bseindia.com](http://www.bseindia.com). Notice of AGM is also available on the website of CDSL at [www.evotingindia.com](http://www.evotingindia.com).
15. As per Regulation 40 of the SEBI Listing Regulations, as amended, securities of listed entities can be transferred only in dematerialized form with effect from April 1, 2019, except in case of transmission or transposition of securities. In view of this, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact BEETAL Financial & Computer Services Pvt Ltd., Registrar and Share Transfer Agents of the Company ("**BEETAL**") or the Company for any assistance in this regard.
16. Members are requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone/mobile numbers, Permanent Account Number, mandates, nominations, power of attorney, bank details viz., name of the bank, branch details, bank account number, MICR Code, IFSC Code etc., to their Depository Participants ("DPs") in case the shares are held in electronic form and BEETAL in case the shares are held in physical form.
17. In compliance with the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the SEBI Listing Regulations, the Company has provided a facility to its members to cast their vote electronically, through the e-voting services provided by Central Depository Services (India) Limited ("CDSL") on all the resolutions set forth in this Notice. Members who have cast their votes by remote e-voting prior to the AGM may also participate in the AGM through VC but shall not be entitled to cast their vote on such resolutions again. The manner and process of e-voting remotely by members is provided in the instructions for e-voting which forms part of this Notice.
18. Any person who becomes a member of the Company after sending the Notice and holding shares as on the cut-off date may obtain the login ID and password by sending a request at [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com). However, if a member is already registered with CDSL for remote e-voting then he/she can use his/her existing User ID and password for casting the vote.
19. The Board of Directors has appointed Mr. Rahul Sharma (ACS No. 49967, CP No. 18610), Company Secretary in Practice as the Scrutinizer to scrutinize the remote e-voting process and voting during the AGM, in a fair and transparent manner.
20. The Scrutinizer shall immediately, after the conclusion of e-voting at the AGM, first count the votes cast during the AGM, thereafter, unblock the votes cast through remote e-voting and make, not later than 48 hours of conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same.
21. The results declared along with the Scrutinizer's Report shall be placed on the website of the Company [www.himalayafoodcompany.com](http://www.himalayafoodcompany.com) and on the website of CDSL [www.evotingindia.com](http://www.evotingindia.com) immediately. The results will also be communicated to National Stock Exchange of India Limited and BSE Limited, where the shares of the Company are listed.
22. The Members can join the EGM/AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the EGM/AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the EGM/AGM without restriction on account of first come first served basis.

**THE INTRUCTIONS OF SHAREHOLDERS FOR REMOTE E-VOTING ARE AS UNDER:**

- i) The remote e-voting period will commence on Monday, September 27, 2021 (IST 09:00 a.m.) and will end on Wednesday, September 29, 2021 (IST 05:00 p.m.). During this period, members of the Company, holding shares either in physical form or in dematerialized form, as on the cutoff date i.e., Thursday, September 23, 2021, may cast their vote by remote e-voting electronically. The remote e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently. The voting rights of members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date i.e., Thursday, September 23, 2021.
- ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- iii) In terms of **SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020** on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to abovesaid SEBI Circular, Login method for e-Voting and joining virtual meetings **for Individual shareholders holding securities in Demat mode** is given below:

<b>Type of shareholders</b>	<b>Login Method</b>
Individual Shareholders holding securities in Demat mode with <b>CDSL</b>	<ol style="list-style-type: none"> <li>1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or visit www.cdslindia.com and click on Login icon and select New System Myeasi.</li> <li>2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the e-voting is in progress as per the information provided by company. On clicking the e-voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly.</li> <li>3) If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page or click on <a href="https://evoting.cdslindia.com/Evoting/EvotingLogin">https://evoting.cdslindia.com/Evoting/EvotingLogin</a>. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-voting is in progress and also able to directly access the system of all e-Voting Service Providers.</li> </ol>

<p>Individual Shareholders holding securities in demat mode with <b>NSDL</b></p>	<p>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p> <p>2) If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select “Register Online for IDeAS “Portal or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></p> <p>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p>
<p>(holding securities in demat mode) login through their Depository Participants</p>	<p>After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p>

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

**Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL**

<b>Login type</b>	<b>Helpdesk details</b>
Individual Shareholders holding securities in Demat mode with <b>CDSL</b>	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022-23058738 and 22-23058542-43.
Individual Shareholders holding securities in Demat mode with <b>NSDL</b>	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30

iv) Login method for e-Voting and joining virtual meetings for **Physical shareholders and shareholders other than individual holding in Demat form.**

- 1) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- 2) Click on “Shareholders” module.
- 3) 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) Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- 4) Next enter the Image Verification as displayed and Click on Login.  
 5) 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 e-voting of any company, then your existing password is to be used.  
 6) If you are a first-time user follow the steps given below:

<b>For Physical shareholders and other than individual shareholders holding shares in Demat</b>	
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.</li> </ul>
Dividend Bank Details <b>OR</b> Date of Birth (DOB)	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. <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 (3).</li> </ul>

- v) After entering these details appropriately, click on “SUBMIT” tab.
- vi) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders 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.
- vii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- viii) Click on the EVSN of the Company for which you wish to vote.
- ix) 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.
- x) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- xi) 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.
- xii) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- xiii) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- xiv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- xv) **Facility for Non – Individual Shareholders and Custodians –For Remote Voting**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the “Corporates” module.
  - 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.
- Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; [cs@himalayafoodcompany.com](mailto:cs@himalayafoodcompany.com), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

**INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:**

1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast 3 (three) days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at [cs@himalayafoodcompany.com](mailto:cs@himalayafoodcompany.com). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 3 (three) days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at [cs@himalayafoodcompany.com](mailto:cs@himalayafoodcompany.com). These queries will be replied to by the company suitably by email.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.



**PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES:**

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to **Company/RTA email id**.
2. For Demat shareholders -, Please update your email id & mobile no. with your respective Depository Participant (DP)
3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at 022- 23058738 and 022-23058542/43.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL, ) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call on 022-23058542/43.

**Place: Delhi**  
**Date: 14/08/2021**

**By order of the Board of Directors**  
**Himalaya Food International Limited**

**Sd/-**  
**Man Mohan Malik**  
**Managing Director**

**EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT 2013****ITEM No. 3**

Mr. Surendra Kumar Kaushik, 74 years, is Non-Executive Independent Director of the Company and is not liable to retire by rotation.

Mr. Kaushik, have very rich experience of more than 37 years in the Banking field. He retired as Chief GAD at Head Office PNB, New Delhi, and thereafter has been a Non-Executive Director of the Company. Mr. Kaushik was also have years of experience in the field of inspection of various industrial units as Chief Inspector General Administration.

Mr. Kaushik would be attaining the age of 75 years on 28 January, 2022. In view of Regulation 17(1A) of the SEBI (Listing Obligations and Disclosure Requirements), (Amendment) Regulations, 2018, for the continuation of Mr. Kaushik as a Non-Executive non-Independent Director beyond 28 January, 2022, consent of the Members would be required by way of a Special Resolution. It is in the interest of the Company to continue to avail his valuable expertise.

The Board recommends the resolution for the approval of the Members.

Except Mr. Surendra Kumar Kaushik, none of the Directors and Key Managerial Personnel of the Company and /or their relatives is deemed to be concerned or interested (financially or otherwise) in the resolution.

**ITEM No. 4**

The Board of Directors of the Company, in its meeting held on 14<sup>th</sup> August 2021, approve the transfer "Seven Acre bounded Land under the 100% EOU", including the all appurtenances thereto together with all machinery and assets, of the Company to wholly owned subsidiary of the Company for French Fries to create additional revenue after seeking due approvals from Government & Judicial authorities.

The project could not be completed due to adverse financial situations since last seven years due to JV failure. Company has already sought extension of period from GOI to complete the project and proposes to complete after meeting its OTS and other legal obligations. Board discussed in details and it was estimated that completion of this project will involve additional Capex of around Rs 30 Crores to complete this line. On completion this line could have potential to process 100,000 Tons Potatoes per year and could have major effect on top & bottom line of the Company. Thus proposed that Himalaya Food International Limited, transfer land and assets under 100% EOU to its 100% owned subsidiary 'Appetizers and Snacks Foods Limited'.

The transfer of 100% EOU to wholly owned subsidiary is also necessary for meeting separate regulations for existing units in production under DTA (Domestic Tariff Area) and for 100% EOU.

Consent of the members of the Company is being sought, as an enabling authorisation, to authorize the Board of Directors of the Company, to effect the transfer of land and assets under 100% EOU of the Company to another wholly owned subsidiary of the Company, in the manner as set out at item no. 4 of this notice. The Board recommends the Resolution at Item No. 4 of the accompanying Notice, for the approval of the members of the Company by way of a Special Resolution.

None of the Directors or Key Managerial Persons of the Company or their relatives is in any way concerned or interested, financially or otherwise, except to the extent of equity shares held by them in the Company, in the resolution set out at Item No. 4 of this Notice. None of the Directors or KMP hold more than 2% equity capital in the Company, except Mr. ManMohan Malik founder-promoter and Mr. Sanjiv Kumar Kakkar co-founder-promoter of Himalaya Group, who alongwith the group entities, collectively hold more than 2% equity capital in the Company.

**ITEM No. 5 & 6**

The Board explored various options to liquidate debt especially to overdue creditors & unsecured lenders and proposed to issue shares / warrants against the overdue credit amounts of certain Vendors & unsecured lenders by way of issue of Equity shares and warrants convertible into equity shares on preferential basis, for the purpose as detailed below.

The board of directors of the Company ("Board") in their meeting held on Saturday, May 07, 2021 subject to necessary approval(s), have approved the proposal for converting overdues of some creditors & unsecured lenders by way of issue of 46,64,621 (Forty Six Lacs Sixty Forty Thousand Six Hundred Twenty One) Equity shares having face value of Rs. 10/- each at a price of Rs. 16.25/- per share at a premium of Rs. 6.25/- per share aggregating to Rs. 7,58,00,091/- (Rupees Seven Crore Fifty Eight Lacs Ninety One only) and upto 18,46,154 (Eighteen Lacs Forty Sixty Thousand One Hundred Fifty Four) Equity warrants ("Warrants") at a price of Rs. 16.25/- per warrant with a right to the warrant holders to apply for and be allotted 1 (One) Equity Share of the face value of Rs. 10/- each of the Company ("Equity Shares") at a premium of Rs. 6.25/- per share for each Warrant within a period of 18 (Eighteen) months from the date of allotment of the Warrants, aggregating up to Rs. 3,00,00,002/- (Rupees Three Crores and Two only) to Doon Valley Foods Pvt Ltd, Promoter of the Company ("proposed allottee") in such form and manner and in accordance with the provisions of SEBI (ICDR) Regulations.

In terms of Section 62(1)(c) read with section 42 of the Companies Act, 2013 and Rules made thereunder (the 'Act'), and in accordance with the provisions of Chapter V "Preferential Issue" of the SEBI (ICDR) Regulations as amended, and on the terms and conditions and formalities as stipulated in the Act and the SEBI (ICDR) Regulations, the Preferential Issue requires approval of the Members by way of a special resolution. The Board therefore, seeks approval of the Members as set out in the notice, by way of a special resolution.

The following disclosures for the issue of equity shares and warrants on preferential basis are made in accordance with the provisions of Section 62 and The Companies (Prospectus and Allotment of Securities) Rules, 2014 and SEBI (ICDR) Regulations:

**1. The objects of the preferential issue:** The Company shall reduce the debt and eliminate pressure for payments by the long overdue operational creditors & unsecured lenders for smooth operations and shall be focussed to clear OTS payment to secured lenders and to legal dues.

**2. The total number of shares or other securities to be issued:**

46,64,621 (Forty Six Lacs Sixty Forty Thousand Six Hundred Twenty One) Equity shares having face value of Rs. 10/- each at a price of Rs. 16.25/- per share at a premium of Rs. 6.25/- per share aggregating to 7,58,00,091/- (Rupees Seven Crore Fifty Eight Lacs Ninety One only) and upto 18,46,154 (Eighteen Lacs Forty Sixty Thousand One Hundred Fifty Four) Equity warrants ("Warrants") at a price of Rs. 16.25/- per warrant with a right to the warrant holders to apply for and be allotted 1 (One) Equity Share of the face value of Rs. 10/- each of the Company ("Equity Shares") at a premium of Rs. 6.25/- per share for each Warrant aggregating up to Rs. 3,00,00,002/- (Rupees Three Crores and Two only).

**3. The price or price band at which the allotment is proposed:**

The issue price is Rs. 16.25/- per share and Equity warrants provided that the minimum price of equity shares so issued shall not be less than the price arrived at, in accordance with Chapter V of the SEBI (ICDR) Regulations.

**4. Basis on which price has been arrived:**

The equity shares of Company are listed on Stock Exchange viz. BSE Limited and National Stock Exchange of India Limited and are frequently traded in accordance with the SEBI (ICDR) Regulations.

In terms of the applicable provisions of SEBI (ICDR) Regulations the price at which equity shares shall be allotted shall not be less than higher of the following:

(a) Average of the weekly high and low of the volume weighted average price of the equity shares of the Company quoted on the Stock Exchange, during the Twenty Six (26) weeks preceding the Relevant Date; or

- (b) Average of the weekly high and low of the volume weighted average price of the equity shares of the Company quoted on the Stock Exchange, during the Two (2) weeks preceding the Relevant Date.

The higher minimum issue price arrived at after calculating in the aforesaid manner has been considered as minimum issue price for the issue of Equity Shares and warrants.

**5. The relevant date on the basis of which price has been arrived at:**

The Relevant Date is 31<sup>st</sup> August 2021 i.e. 30 days prior to the date of Annual General Meeting.

**6. Number of persons to whom allotment on preferential basis have already been made during the year, in terms of number of securities as well as price:**

No allotment(s) has been made on a preferential basis from the beginning of the year to the date of issue of this notice.

**7. Identity of the Proposed Allottees, Percentage of post-issue capital in the issuer consequent to the preferential allotment:**

Sr. No	Name	Category	Pre-Issue Holding		No. Of Share	Post Issue of Equity Shares		No. Of Warrants	Post Conversion of Equity Warrants	
			No. of Shares	%		No. of Shares	%		No. of Shares	%
1.	Man Mohan Malik	Promoter	9,54,915	1.65	4,30,770	13,85,685	2.22	0	13,85,685	2.15
2.	Doon valley Foods Private Limited	Promoter Group	24,93,700	4.31	24,61,539	49,55,239	7.92	18,46,154	68,01,393	10.56
3.	Pramod Kumar Agarawal	Public	0	0	4,00,000	4,00,000	0.64	0	4,00,000	0.62
4.	Kanha Bio Fuel & Minerals	Public	0	0	24,616	24,616	0.04	0	24,616	0.04
5.	Sunil & Company	Public	0	0	1,10,770	1,10,770	0.18	0	1,10,770	0.17
6.	M. D. Agro Waste Co.	Public	0	0	92,308	92,308	0.15	0	92,308	0.14
7.	Sangam Packers	Public	0	0	55,385	55,385	0.09	0	55,385	0.09
8.	M/s Ashok Kumar Sandeep Kumar	Public	0	0	24,616	24,616	0.04	0	24,616	0.04
9.	Padmavati Packaging	Public	0	0	3,07,693	3,07,693	0.49	0	3,07,693	0.48
10.	Crayon print pack	Public	0	0	24,616	24,616	0.04	0	24,616	0.04
11.	Prachi Enterprises	Public	0	0	92,308	92,308	0.15	0	92,308	0.14
12.	Saini Bearing & Machinery Mart	Public	0	0	6,154	6,154	0.01	0	6,154	0.01
13.	Ruchira Printing & Packaging	Public	0	0	1,23,077	1,23,077	0.20	0	1,23,077	0.19
14.	NEPZ Pack Industries Private Limited	Public	0	0	1,84,616	1,84,616	0.30	0	1,84,616	0.29
15.	Stable Packaging Pvt Ltd	Public	0	0	3,07,693	3,07,693	0.49	0	3,07,693	0.48
16.	Varsha Tiwari	Public	0	0	10,000	10,000	0.02	0	10,000	0.02

17.	Kapil Dev Sharma	Public	0	0	8,460	8,460	0.01	0	8,460	0.01
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**8. Intention of promoters / directors / key managerial personnel to subscribe to the Preferential Allotment:**  
Mr. Man Mohan Malik and M/s Doon Valley Foods Pvt. Ltd., Promoter, is intending to participate/subscribe to the proposed issue and no other directors or key managerial personnel of the Company are subscribing to this offer.

**9. Proposed time limit within which the allotment shall be complete:**

Under Regulation 170 of the SEBI (ICDR) Regulations, Preferential Allotment of the Equity Shares is required to be completed within a period of 15 (fifteen) days from the date of passing of the special resolution of the shareholders of the Company or within the statutory time limits prescribed by the regulatory authorities subject to all the necessary approvals being in place. If any approval or permissions by any regulatory or statutory authority or the Central Government for allotment is pending, the period of 15 (fifteen) days shall commence from the date of such approval or permission being obtained.

**10. Identity of the natural persons who are the ultimate beneficial owners of the shares proposed to be allotted and/ or who ultimately control the proposed allottees, the percentage of post preferential issue capital that may be held by them**

Name & address of proposed Allottees	Category	PAN No.	Identity of ultimate beneficial owners
Pramod Kumar Agarawal	Public	BVYPK5215M	Mr. Pramod Agarawal
Kanha Bio Fuel & Minerals	Public	AAMHP0141D	Mr. Pramod Kumar Agarawal
Sunil & Company	Public	AJMPS5284D	Mr. Sunil Kumar Agarawal
M. D. Agro Waste Co.	Public	ARQPD2334R	Mrs. Madhu Devi
Sangam Packers	Public	AAOPD8987D	Ms. Bindiya Duggal
M/s Ashok Kumar Sandeep Kumar	Public	EEYPK6413J	Mr. Ashok Kumar
Padmavati Packaging	Public	BLXPS1316N	Mr. Sanghavi Rupesh Vasantlal
Crayon print pack	Public	AAIFC4024A	Mr. Rameshbhai Karshandas Patel
Prachi Enterprises	Public	AIDPP2213P	Mrs. Poonum Goel
Saini Bearing & Machinery Mart	Public	AIEPS6855K	Mr. Naveen Saini
Ruchira Printing & Packaging	Public	AAHFR4515J	Mr. Yogi Garg

**11. Change in control, if any in the Company that would occur consequent to the preferential offer:**

There shall be no change in the management or control of the Company pursuant to the aforesaid issue and allotment of Equity Shares & Equity Warrants and including the conversion thereof into Equity Shares of the Company.

**12. Lock-In Period:**

The Equity Shares issued and Equity Shares being allotted pursuant to exercise of such warrants shall be subject to a Lock-in for such period as specified under Regulation 167 of the SEBI (ICDR) Regulations.

**13. The Shareholding Pattern of the Company before and after the allotment of securities under the preferential issue:**

Sr. No.	Category	Pre Issue Capital		Post Issue Capital After Issue Of Equity Shares		Post Issue Capital After Issue Of Warrants	
		No. of shares held	%	No. of shares held	%	No. of shares held	%
<b>A. Promoters holding</b>							
1	<b>Promoters</b>						
	- Indian Promoters	2,43,77,707	42.12	2,72,70,016	43.61	2,91,16,170	45.22
	- Foreign Promoters	48,68,778	8.42	48,68,778	7.79	48,68,778	7.56
2	<b>Persons acting in concert</b>	0	0	0	0	0	0
	<b>Sub - Total</b>	<b>2,92,46,485</b>	<b>50.54</b>	<b>3,21,38,794</b>	<b>51.4</b>	<b>3,39,84,948</b>	<b>52.78</b>
<b>B. Non-Promoters Holding</b>							
3	<b>Institutional Investors</b>	-	-	-	-	-	-
a.	Mutual Funds and UTI	0	0.00	-	0.00	0.00	0
b.	Banks, Financial Institutions, Insurance Companies (Central /State Gov. Institutions/ Non-Government Institutions)	0	0	0	0	0	0
c.	FII's	0	0	-	0	0	0
	<b>Sub - Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
4	<b>Others</b>						
a.	Private Corporate Bodies	30,80,590	5.32	30,80,590	4.92	3080590	4.78
b.	Indian Public	2,32,65,147	40.21	2,50,37,459	40.04	2,50,37,459	38.88
c.	NRI's/OC	7,99,751	1.38	7,99,751	1.27	799751	1.24

		Bs						
	d.	Any other (Please specify) HUF	13,62,430	2.35	13,62,430	2.18	13,62,430	2.17
	e.	Trust	0	0.00	0	0.00	0.00	0
	f.	Clearing Members	1,18,481	0.2	1,18,481	0.19	118481	0.18
<b>Sub - Total</b>			<b>2,86,26,399</b>	<b>49.46</b>	<b>3,03,98,711</b>	<b>48.6</b>	<b>3,03,98,711</b>	<b>47.26</b>
<b>GRAND - TOTAL</b>			<b>5,78,72,884</b>	<b>100</b>	<b>6,25,37,505</b>	<b>100</b>	<b>6,43,83,659</b>	<b>100</b>

**14. Requirements as to re-computation of price:**

Since the Equity Shares of the Company have been listed on the stock exchanges for a period of more than twenty six weeks prior to the Relevant Date, the Company is neither required to re-compute the price of the equity shares nor to submit undertakings specified under relevant provisions of SEBI (ICDR) Regulations.

**15. Listing:**

The Company will make an application to the Stock Exchanges at which the existing shares are already listed, for listing of the equity shares being issued and equity shares that will be issued on conversion of Equity Warrants. Such Equity Shares, once allotted, shall rank pari passu with the existing equity shares of the Company in all respects, including dividend.

**16. Statutory Auditor Certificate:**

M/s Sharma Kumar & Associates Chartered Accountants, Delhi, the Statutory Auditors of the Company has certified that the preferential issue is being made in accordance with the requirements contained in SEBI (ICDR) Regulations, 2018. A copy of the certificate is kept for inspection at the Registered Office of the Company during the business hours.

**17. Other Disclosures/Undertaking:** The Company hereby undertakes that:

- i. Neither our Company, nor our Directors or Promoters have been identified as wilful defaulters by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the RBI.
- ii. The Proposed Allottee has not sold any equity shares during the six months preceding the Relevant Date.

**18. Shareholder's Consent:**

The approval of the Members by way of Special Resolution is required in term of the applicable provisions of Sections 23, 42 and 62 of the Act read with applicable rules thereto and relevant provisions of the SEBI (ICDR) Regulations and accordingly the approval of the Members of the Company is being sought.

The Board of Directors of the Company believe that the proposed issue is in the best interest of the Company and its Members and therefore recommends the Special Resolutions as set out Item No. 5 & 6 in the accompanying notice for your approval.

None of the Directors or any Key Managerial Personnel(s) of the Company or their respective relatives, other than Mr. Man Mohan Malik, Chairman & Managing Director are concerned or interested financially or otherwise, either directly or indirectly in passing of the said Resolution, save and except to the extent of their respective interest as shareholders of the Company.

**Place: Delhi**  
**Date: 14.08.2021**

**By order of the Board of Directors**  
**Himalaya Food International Limited**  
**Sd/-**  
**Man Mohan Malik**  
**Managing Director**

**Annexure – A**

Additional information on directors recommended for re-appointment in the forthcoming Annual General Meeting in pursuance of Regulation 26 (4) and 36 (3) of the SEBI (Listing Obligations and Disclosure requirements) Regulations, 2015 and Secretarial Standard-2 issued by the Institute of Company Secretaries of India as under:

<b>Name of the Director</b>	<b>Mrs. Sangita Malik</b>	<b>Mr. Surendra Kumar Kaushik</b>
<b>Date of Birth &amp; Age</b>	August 01,1959 62 Years	January 08,1947 74 Years
<b>DIN</b>	02428506	05286196
<b>Qualification</b>	She is Honors Graduate in Home Science	He is Bachelor of Science in Agriculture
<b>Terms and Conditions of appointment/reappointment</b>	Executive Director, liable to retire by rotation.	Non-Executive Independent Director, not liable to retire by rotation.
<b>Experience &amp; Expertise</b>	20 years of experience in the field of food R&D and has overseen process & quality aspects of Himalaya Food International Ltd. from last 2 decades. She has attended several Culinary Art & Food Safety courses.	Mr. Kaushik, have very rich experience of more than 37 years in the Banking field. He retired as Chief GAD at Head Office PNB, New Delhi, and thereafter has been a Non-Executive Director of the Company. Mr. Kaushik was also have years of experience in the field of inspection of various industrial units as Chief Inspector General Administration.
<b>Date of first appointment onthe Board</b>	30/07/2007	22/01/2018
<b>Shareholding in theCompany</b>	11,44,900 Equity Shares as on 31st March 2021	NIL
<b>Relationship with other Directors, Manager and other Key Managerial Personnel of the company</b>	Mr. Man Mohan Malik is husband and Mr. Sanjiv Kumar Kakkar is Brother-in-law of Mrs. Sangita Malik	NIL
<b>Number of Board Meetingsattended during the year</b>	6 (Six)	6 (Six)
<b>Other Directorships, Membership/ Chairmanshipof Committees of other Boards</b>	Currently Mrs. Sangita Malik hold Directorship in the following Companies <ul style="list-style-type: none"> <li>• Appetizers And Snacks Foods Limited</li> <li>• A.P.J. Laboratories Limited</li> <li>• Himalya Green Apartments Limited</li> </ul>	Currently Mr. Surendra Kumar Kaushik hold Directorship in the following Companies <ul style="list-style-type: none"> <li>• Financial Inclusion Network Bizcord</li> </ul>



## DIRECTORS' REPORT

To  
The Members,  
**Himalaya Food International Limited**

Your Directors have pleasure in submitting their Annual Report of the Company together with the Audited Financial Statement for the year ended 31<sup>st</sup> March, 2021.

### 1. GENERAL INFORMATION

The Company was incorporated on 30/01/1992. The Company is engaged in the business of Growing of different type of mushrooms (agriculture Activity) and manufacturing & export of nutrition dense immunity boosting Mushroom based products, Cheese, Sweets and Appetizers. Company utilized its Covid lockdown period to develop high valued medicinal Mushrooms like Reishi. We are pursuing to establish Franchisee business spanning three modules as Distribution Hubs, Exclusive Stores & Quick Service food Vans.

### 2. FINANCIAL RESULTS

The Company's financial performance for the year along with previous year's figures is given hereunder:

(Rs. in Lacs)

Particulars	Financial Year ended 31.03.2021	Financial Year ended 31.03.2020
<b>Income from Operation</b>	<b>5636</b>	<b>7876</b>
Other Income	188	445
<b>Profit before Finance cost, Depreciation and Taxes</b>	<b>1191</b>	<b>2033</b>
Finance Cost	23	28
Depreciation	1046	1146
<b>Profit/(Loss) before Exceptional Items and Tax</b>	<b>122</b>	<b>859</b>
Less: Provision for W/o of Claims	0	0
<b>Profit/(Loss) before Tax</b>	<b>122</b>	<b>859</b>
Deferred Tax (Assets)/Liability	(130)	(133)
<b>Profit/(Loss) for the year</b>	<b>252</b>	<b>992</b>

### 3. RESULTS OF OPERATIONS AND STATE OF COMPANY'S AFFAIRS

During the year under review, the total income from operation of your Company was Rs. 5636 Lacs as compared to Rs. 7876 Lacs in the previous year. The net profit of the company for the current financial year is of Rs. 252 Lacs as compared to profit 992 Lacs in the previous year. The Company tries to extend the business of the Company and make efforts to achieve a good turnover in future.

### 4. DIVIDEND

With the view to conserve the resources of company the directors are not recommending any dividend for the financial year 2020-21.

### 5. IMPACT OF COVID-19 ON COMPANY

During the month of March 2020, the Coronavirus Disease (Covid-19) pandemic developed rapidly into a global crisis, forcing the Indian government to enforce a stringent lockdown of all economic and social activities. Our manufacturing facilities had to also be shut down for a few weeks. After receiving the permission from the District Magistrate, to partially run the plants, both plants were sanitized, disinfected and all necessary arrangements were made for maintaining social distancing while commuting and at the work place. The Company has adopted work from home policies for its employees as required during the year at its registered office, head office and other offices. Health and safety of our employees is of utmost important, hence all required precautionary measures were taken at the work place.

The positive momentum which started during the second quarter, continued for the remaining period of the financial year in spite of the surge in Covid-19 cases and lockdown announced in some parts of the country.

## 6. TRANSFER TO RESERVE

The Company has not transferred any amount to reserves.

## 7. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

The Company was not required to transfer any amount to Investor Education and Protection Fund as there was no amount due for transfer under Section 125(2) of the Companies Act, 2013.

## 8. COMPOSITION OF BOARD OF DIRECTORS

During the year the Board of Directors consists of as hereunder:

Name	Designation	DIN	Date of Appointment	Date of Resignation
Man Mohan Malik	Managing Director & Chairman	00696077	30/01/1992	-
Sangita Malik	Whole Time Director	02428506	30/07/2007	-
Sanjiv Kumar Kakkar	Executive Director	02434426	28/10/2017	-
Sunil Kumar Khera	Non- Executive & Independent Director	00263581	30/10/2004	-
Ashish Sachdeva	Non- Executive & Independent Director	03069836	30/09/2015	30/09/2020
Surendra Kumar Kaushik	Non- Executive & Independent Director	05286196	22/01/2018	-
Neelam Khanna	Additional Non- Executive & Independent Director	08332836	16/01/2019	-

- Mrs. Sangita Malik (DIN: 02428506), Whole Time Director of the Company shall be retire by rotation at the ensuing Annual General Meeting and being eligible, offers themselves for re appointment. Your Directors have recommended his re-appointment. Brief profile of Mrs. Sangita Malik is given in the Annexure -A of AGM Notice.
- Mr. Ashish Sachdeva was resigned from the post of Non- Executive & Independent Director w.e.f. 30/09/2020.
- Mr. Shamsher Ali was appointed as Chief Financial Officer (CFO) and Key Managerial Personnel (KMP) w.e.f. 30/06/2020.

## 9. NUMBER OF BOARD MEETINGS CONDUCTED DURING THE YEAR

The Company had 6 Board meetings during the financial year under review.

S. No.	Date of meeting	Total No. of Directors on the Date of Meeting	No. of Directors attended	% of Attendance
1	28/05/2020	7	6	85.71
2	30/06/2020	7	4	57.14
3	31/07/2020	7	4	57.14
4	05/09/2020	7	4	57.14
5	11/11/2020	6	4	66.67
6	21/01/2021	6	4	66.67

## 10. AUDIT COMMITTEE

The Audit Committee during the year consisted of 4 members. Mr. Ashish Sachdeva and Mrs. Sangita Malik were resigned with effect from 01/10/2020. More details on the committee are given in Corporate Governance Report.

## 11. NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee during the year consist of 3 members. Mr. Ashish Sachdeva was resigned with effect from 01/10/2020. More details on the committee are given in Corporate Governance Report.

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

The details of conservation of energy, technology absorption, foreign exchange earnings and outgo are as follows:

### A. CONSERVATION OF ENERGY:

The information required under the provisions of section 134 (3) (m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 relating to the conservation of energy and technology absorption. 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. FOREIGN EXCHANGE EARNINGS AND OUTGO:

Particulars (Accrual Basis)	Amount(In Laks)
Inflow foreign Exchange	3447
Outflow foreign Exchange	NIL

## 13. PARTICULARS OF LOANS GIVEN, INVESTMENTS MADE, GUARANTEES GIVEN AND SECURITIES PROVIDED UNDER SECTION 186 OF THE COMPANIES ACT, 2013

There were no loans, guarantees or investments made by the Company under Section 186 of the Companies Act, 2013 during the year and hence the said provision is not applicable.

## 14. PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES

The particulars of contracts or arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under the proviso thereto have been disclosed in Form No. AOC -2, annexed.

## 15. AUDITORS AND AUDIT REPORT

### a. STATUTORY AUDITORS:

M/s Sharma Kumar & Associates, Chartered Accountants (ICAI Firm Registration Number 030842N), were appointed as the Statutory Auditors of the Company to hold office for a term of 5 years from the conclusion of the 29th Annual General Meeting ("AGM") held on 30th September, 2020 until the conclusion of the 34th AGM of the Company to be held in the year 2025.

Pursuant to the Notification issued by the Ministry of Corporate Affairs on 7th May, 2018, amending Section 139 of the Companies Act, 2013, the mandatory requirement for ratification of appointment of Auditors by the Members at every AGM has been omitted and hence your Company has not proposed ratification of appointment of M/s Sharma Kumar & Associates, Chartered Accountants, at the forthcoming AGM.

### b. AUDITORS REPORT:

There are no observations (including any qualification, reservation, adverse remark or disclaimer) of the Auditors in their Audit Report that may call for any explanation under section 134(3) (f) of the Companies Act, 2013 from the Directors. Further, the notes to accounts referred to in the Auditors Report are self-explanatory.

### c. SECRETARIAL AUDITOR

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company with the approval of its Board, appointed M/s **Tapasya Gupta & Associates** a firm of Company Secretaries in Practice to undertake the Secretarial Audit of the Company for the financial year ended March 31, 2021. The Secretarial Audit Report is annexed herewith as Annexure.

There are no qualifications, reservation or adverse remark or disclaimer made by the auditor in the report save and except disclaimer made by them in discharge of their professional obligation.

#### **d. INTERNAL AUDITORS**

The Board has appointed **Grownumero Advisors Pvt. Ltd., Chartered Accountants Faridabad** as Internal Auditors for a period of one year under Section 138 of the Companies Act, 2013 and he has completed the internal audit as per the scope defined by the Audit Committee.

#### **16. EXTRACT ANNUAL RETURN**

The extracts of Annual Return pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and administration) Rules, 2014 is furnished in Form MGT-9 is attached to this Report. (**Annexure-1**). Copy of Annual Return can be found on our Website: [www.himalayafoodcompany.com](http://www.himalayafoodcompany.com)

#### **17. DIRECTORS RESPONSIBILITY STATEMENT**

Pursuant to Section 134(5) of the Companies Act, 2013, your Directors, based on representations received from the Operating Management, and after due enquiry, confirm that:

(a) in the preparation of Annual Accounts for the financial year ended 31st March, 2021, the applicable accounting standards have been followed;

(b) in the selection of accounting policies, consulted the Statutory Auditors 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 as at 31st March, 2021 and of the profit of the Company for the year ended on that date;

(c) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and irregularities;;

(d) the Annual Accounts have been prepared on a going concern basis;

(e) adequate Internal Financial Controls to be followed by the Company have been laid down and such Internal Financial Controls were operating effectively during the Financial Year ended 31st March, 2021;

(f) proper systems have been devised to ensure compliance with the provisions of all applicable laws and such systems were adequate and operating effectively throughout the Financial Year ended 31st March, 2021.

#### **18. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES**

The Company has two Subsidiaries Himalya Green Apartments Ltd. and Appetizer and Snacks Foods Ltd. Also have one Joint Venture with Himalya Simplot Pvt Ltd.

#### **19. DEPOSITS**

The Company has not accepted any deposits within the meaning of Section 73 of the Companies Act, 2013, read with the Companies (Acceptance of Deposits) Rules, 2014.

#### **20. BOARD EVALUATION:**

The performance evaluation of the individual Directors including chairman of Board was done in accordance with the provision of the Company Act, 2013.

#### **21. VIGIL MECHANISM/WHISTLE BLOWER POLICY**

The Board has established a vigil mechanism for directors and employees to report genuine concerns to be disclosed, the detail of which is placed on the website of the company. The Board has also formulated the whistle blower policy; same has been uploaded on the website of the company [https://cdn.shopify.com/s/files/1/2290/3477/files/Vigil\\_Mechanism\\_cum\\_Whistle-Blower-Policy.pdf](https://cdn.shopify.com/s/files/1/2290/3477/files/Vigil_Mechanism_cum_Whistle-Blower-Policy.pdf)

There was no reporting made by any employee for violations of applicable laws and regulations and the Code of Conduct for the F. Y. 2020-21.

## **22. CORPORATE SOCIAL RESPONSIBILITY (CSR):**

As per Section 135 of the Companies Act, 2013, CSR applied on our Company since last year because the net profit of the financial year 2019-20 is 9.92 crore (more than five crore) but the amount to be spent by a company on CSR activities is in negative because Company have net loss of Rs. 6954 Lakhs in FY 2018-19 and Rs. 84.64 Lakhs in FY 2017-18. Therefore no amount spent on CSR activates.

The Companies (Amendment) Act has also inserted a new Sub-section 9 in Section 135 of the Companies Act, which provides that where the amount to be spent by a company on CSR activities is less than Rs. 5 million, the requirement with respect to constitution of a CSR committee will not apply and the functions of the CSR committee in such cases will be discharged by the company's board of directors. So the requirement with respect to constitution of a CSR committee was not applied and the functions of the CSR committee discharged by the company's board of directors.

The net profit of the financial year 2020-21 is 2.52 crore (less than five crore) therefore the provisions related to Corporate Social Responsibility is not applicable to the Company this year. Therefore, Company is not liable to contribute towards Corporate Social Responsibility.

## **23. MANAGERIAL REMUNERATION**

None of the employees of the company was in receipt of the remuneration exceeding the Appointment and Remuneration of Managerial Personnel of the Companies Act, 2013 limits prescribed u/s 197 (12) read with rule 5, sub-rule 2 of The Companies during the year under review.

The Company does not have any material information to report in accordance to Rule 5, of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

## **24. SHARE CAPITAL**

The Company has 57872884 Equity Shares of Rs. 10 each amounting to Rs. 578728840, during the year under review; the Company has not issued any shares or any convertible instruments.

The Company has only one class of Equity Share having a par value of Rs. 10/-each holder of share is entitled to one vote per share with same rights.

During the Year 2020-21, the company has not made any issue of equity shares with differential voting rights, Sweat Equity Shares and employee stock option.

## **25. INTERNAL FINANCIAL CONTROL**

The Company has proper place and adequate internal control systems commensurate with the nature of its business, and size and complexity of its operations. Internal control systems comprising of policies and procedures are designed to ensure reliability of financial reporting, timely feedback on achievement of operational and strategic goals, compliance with policies, procedure, applicable laws and regulations, and all assets and resources are acquired economically, used efficiently and adequately protected.

The Company periodically conducts physical verification of inventory, fixed assets and cash on hand and matches them with the books of account. Explanations are sought for any variance noticed from the respective functional heads.

## **26. STATEMENT CONCERNING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY OF THE COMPANY**

Pursuant to Section 134(3)(n) of the Act read with Regulation 17 (9)(b) of the Listing Regulations, the Company has in place a robust risk management framework which identifies and evaluates business risks and opportunities. The Company recognizes that these risks need to be managed and mitigated to protect the interest of the shareholders and stakeholders, to achieve business objectives and enable sustainable growth. The risk management framework is aimed at effectively mitigating the Company's various business and operational risks, through strategic actions. Risk management is embedded in our critical business activities, functions and processes. It also provides control measures for risk and future action plans. The policy may be accessed under the 'Policies and Procedures' section on the website of the Company at the web link

[https://cdn.shopify.com/s/files/1/2290/3477/files/Risk\\_Management\\_Policy.pdf?v=1607146251](https://cdn.shopify.com/s/files/1/2290/3477/files/Risk_Management_Policy.pdf?v=1607146251)

## **27. MATERIAL CHANGES AND COMMITMENT**

Other than stated elsewhere in this report, there are no material changes and commitments affecting the financial position of the Company between the end of the financial year and the date of this report.

## **28. GENERAL INFORMATION PURSUANT TO SECTION 134 (3) (q) READ WITH RULE 8 (5) OF COMPANIES (ACCOUNTS) RULES, 2014**

Your Directors state that except as stated above no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year:

1. The change in the nature of business, if any
2. Issue of equity shares with differential rights as to dividend, voting or otherwise.
3. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.

## **29. CORPORATE GOVERNANCE AND MANAGEMENT DISCUSSION & ANALYSIS REPORTS**

The Corporate Governance and Management Discussion & Analysis Report, which forms a part of this Report, are set out separately together with the Certificate from the Auditors of the Company regarding compliance with the requirements of Corporate Governance as stipulated in SEBI (LODR) Regulations, 2015.

## **30. NUMBER OF CASES FILED (IF ANY), AND THEIR DISPOSAL U/S 22 OF THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

The Company has zero tolerance towards any action on the part of any of its official, which may fall under the ambit of 'Sexual Harassment' at workplace, and is fully committed to uphold and maintain the dignity of every women employee of the Company. The Company's Sexual Harassment Policy provides for protection against sexual harassment of Women at workplace and for Prevention and redressal of such complaints. During the financial year no case of Sexual Harassment were reported.

## **31. MAINTENANCE OF COST RECORDS**

The provisions of section 148 (1) of the Companies Act, 2013 for maintenance of cost records is not applicable to the Company.

## **32. ACKNOWLEDGEMENTS**

Your Directors wish to express their grateful appreciation to the continued co-operation received from the Banks, Government Authorities, Customers, Vendors and Shareholders during the year under review. Your Directors also wish to place on record their deep sense of appreciation for the committed service of the Executives, staff and Workers of the Company.

**For and on behalf of the Board of Directors  
Himalaya Food International Limited**

Sd/-

**MAN MOHAN MALIK**

**Chairman cum Managing Director**

**DIN: 00696077**

**Date: 14.08.2021**

**Place: : Poanta Sahib**

**Form No. MGT- 9**

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

**EXTRACT OF ANNUAL RETURN  
As on the financial year ended on 31/03/2021**

**I. REGISTRATION AND OTHER DETAILS:**

<b>CIN</b>	L70102DL1992PLC047399
<b>Registration Date</b>	30/01/1992
<b>Name of the Company</b>	HIMALAYA FOOD INTERNATIONAL LIMITED
<b>Category/Sub-Category of the Company</b>	Company Limited by Shares/ Indian Non-Govt. Company
<b>Address of the Registered office and contact details</b>	118, 1st Floor, 12 Gagandeep Building, Rajendra Place, New Delhi-110008 <b>Phone No.</b> 0170-4223494 <b>Email ID:</b> cs@himalayafoodcompany.com
<b>Whether Listed Company Yes /No</b>	Yes
<b>Name, Address and Contact details of Registrar and Transfer Agent, if any</b>	Beetal Financial & Computer Services Pvt. Ltd, Beetal House, 3rd Floor, 99, Madangir, Behind LSC, New Delhi - 110062 Ph. 011-29961281 E-mail: beetalrta@gmail.com

**II. PRINCIPAL BUSINESS ACTIVITY 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	100
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**

S. NO.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary /Associate	% of shares held	Applicable Section
1.	Appetizers And Snacks Foods Limited	U15490DL2016P LC306438	Subsidiary	100	2 (87)
2.	Himalya Green Apartments Limited	U70109DL2016P LC306441	Subsidiary	100	2 (87)

**IV. SHAREHOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY)**
**i) Category-wise Share Holding**

Category of Shareholder	No. of Shares held at the beginning of the year 01/04/2020				No. of Shares held at the end of the year 31/03/2021				% 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	19165532	-	19165532	33.12	19165532	-	19165532	33.12	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)									
d) Bodies Corp.	5115975	-	5115975	8.84	4930432	-	5212175	9.01	0.17
e) Banks / FI	-	-	-	-					-
f) Any other	-	-	-	-					-
<b>TOTAL A1</b>	<b>24281507</b>		<b>24281507</b>	<b>41.96</b>	<b>24377707</b>	-	<b>24377707</b>	<b>42.13</b>	<b>0.17</b>
<b>(2) Foreign</b>									
a) NRI -Individual	-	-	-	-					-
b) Other-Individual	-	-	-	-					-
c) Bodies Corp.	4868778	-	4868778	8.41	4868778	-	4868778	8.41	-
d) Banks / FI									-
e) Any Others									-
<b>TOTAL A2</b>	<b>4868778</b>	-	<b>4868778</b>	<b>8.41</b>	<b>4868778</b>	-	<b>4868778</b>	<b>8.41</b>	-
<b>Total shareholding of Promoter (A1) &amp; (A2)</b>	<b>29150285</b>	-	<b>29150285</b>	<b>50.37</b>	<b>29246485</b>	-	<b>29246485</b>	<b>50.54</b>	<b>0.17</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>	-	-	-	-	-	-	-	-	-
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	1500	-	1500	0.00	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(1):-</b>	<b>1500</b>	-	<b>1500</b>	<b>0.00</b>	-	-	-	-	-
<b>2. Non-Institutions</b>									
a) Bodies Corp.		-	-	-	-	-	-	-	-
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-
i) Individual shareholders									



holding nominal share capital upto Rs. 2 lakh	11510896	1098232	12609128	21.79	13171852	1095432	14267284	24.65	2.86
ii) Individual shareholders holding nominal share capital in excess of Rs2 lakh	9625594	63000	9688594	16.74	8243675	63000	8306675	14.35	-2.39
c) Others (specify)	-	-	-	-	-	-	-	-	-
Non Resident Indians	543363	199200	742563	1.29	606889	199200	806089	1.39	0.11
Others Corporate Bodies	3329519	1122200	4451719	7.69	2854162	1122200	3976362	6.88	-0.81
Others Individual/HUF	1159923	-	1159923	2.00	1170453	-	1170453	2.02	0.02
Foreign Nationals	-	-	-	-	-	-	-	-	-
Clearing Members	69172	-	69172	0.12	99536	-	99536	0.17	0.05
Trusts	-	-	-	-	-	-	-	-	-
ESOP/ESOS/ESPS	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(2):-</b>	<b>26238467</b>	<b>2482632</b>	<b>28721099</b>	<b>49.63</b>	<b>26146567</b>	<b>2479832</b>	<b>28626399</b>	<b>49.46</b>	<b>-0.17</b>
	-	-	-	-	-	-	-	-	-
<b>Total Public Shareholding (B)=(B)(1)+ (B)(2)</b>	<b>26239967</b>	<b>2482632</b>	<b>28722599</b>	<b>49.63</b>	<b>26146567</b>	<b>2479832</b>	<b>28626399</b>	<b>49.46</b>	<b>-0.17</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Grand Total (A+B+C)</b>	<b>55390252</b>	<b>2482632</b>	<b>57872884</b>	<b>100</b>	<b>55393052</b>	<b>2479832</b>	<b>57872884</b>	<b>100</b>	<b>-</b>

**ii) Shareholding of promoters**

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% 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	1871193	3.23	3.23	1871193	3.23	3.23	0
2	Arjun Malik	4915713	8.49	0.00	4915713	8.49	0.00	0
3	Jyoti Malik	1492700	2.58	0.00	1492700	2.58	0.00	0
4	Man Mohan Malik	954915	1.65	1.65	954915	1.65	1.65	0
5	M M Malik (HUF)	240000	0.41	0.41	240000	0.41	0.41	0
6	Purnima Malik	2317300	4.00	0.00	2317300	4.00	0.00	0
7	Ananditta Kakkar	1580000	2.73	0.00	1580000	2.73	0.00	0
8	Sangita Malik	1144900	1.98	1.98	1144900	1.98	1.98	0
9	Sanjiv Kakkar	3016500	5.21	0.17	3016500	5.21	0.17	0
10	Sidarth Kakkar	1632311	2.82	0.00	1632311	2.82	0.00	0

11	Doon Valley Foods (p) Ltd	2397500	4.14	3.79	2493700	4.31	3.79	0.17
12	Himalya Carbonates Pvt Ltd	2718475	4.70	0.00	2718475	4.70	0.00	0
13	Himalya International Inc.	4868778	8.41	0.00	4868778	8.41	0.00	0
	<b>Total</b>	<b>29150285</b>	<b>50.37</b>	<b>11.23</b>	<b>29246485</b>	<b>50.54</b>	<b>11.23</b>	<b>0.17</b>

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

S.N.	Shareholder's Name	Shareholding at the beginning of the year		Shareholding at the end of the year		Change in no of Share	% 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.	Doon Valley Foods (p) Ltd	2397500	4.14	2493700	4.31	96200	0.17

**(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDR sand ADRs):**

SN	For each of the Top10 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>BENNETT, COLEMAN AND COMPANY LIMITED</b>				
	At the beginning of the year	2380590	4.11%		0.00%
	Changes during the year	-	0.00%	-	0.00%
	At the end of the year		0.00%	2380590	4.11%
2	<b>MUSHROOM ASSOCIATES</b>				
	At the beginning of the year	700000	1.21%		0.00%
	Changes during the year	-	0.00%	-	0.00%
	At the end of the year		0.00%	700000	1.21%
3	<b>GIRDHARI P ROHIRA</b>				
	At the beginning of the year	480000	0.83%		0.00%
	Changes during the year	-	0.00%	-	0.00%
	At the end of the year		0.00%	480000	0.83%
4	<b>GOODWIN'S REFRIGERATION</b>				
	At the beginning of the year	400000	0.69%		0.00%
	Changes during the year	-	0.00%	-	0.00%
	At the end of the year		0.00%	400000	0.69%

5	<b>NITIN TANDON</b>					
	At the beginning of the year	304500	0.53%			0.00%
	Changes during the year		0.00%	-		0.00%
	At the end of the year		0.00%	304500		0.53%
6	<b>KANCHAN TANDON</b>					
	At the beginning of the year	300000	0.52%			0.00%
	Changes during the year		0.00%	-		0.00%
	At the end of the year		0.00%	300000		0.52%
7	<b>SHER SINGH</b>					
	At the beginning of the year	164753	0.28%			0.00%
	Changes during the year		0.00%	12247		0.03%
	At the end of the year		0.00%	177000		0.31%
8	<b>MANISHA</b>					
	At the beginning of the year	131066	0.23%			0.00%
	Changes during the year		0.00%	45019		0.07%
	At the end of the year		0.00%	176085		0.30%
9	<b>JAGDISH AMRITLAL SHAH</b>					
	At the beginning of the year	175725	0.30%			0.00%
	Changes during the year		0.00%	-		0.00%
	At the end of the year		0.00%	175725		0.30%
10	<b>AKASH BAJAJ</b>					
	At the beginning of the year	192350	0.33%			0.00%
	Changes during the year		0.00%	-22000		-0.04%
	At the end of the year		0.00%	170350		0.29%

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

S.N.	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	954,915	1.65%		0.00%

	Changes during the year	-	0.00%	-	0.00%
	At the end of the year		0.00%	954,915	1.65%
<b>2</b>	<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%
<b>3</b>	<b>Sanjiv Kakkar</b>				
	At the beginning of the year	3016500	5.21%		0.00%
	Changes during the year	-	0.00%	-	0.00%
	At the end of the year		0.00%	3016500	5.21%

**V. INDEBTEDNESS**
**Indebtedness of the Company including interest outstanding/accrued but not due for payment**
**(Rs. In Lacs)**

Indebtedness at the beginning of the financial year	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
i) Principal Amount	18101	0	0	18101
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
<b>Total (i+ii+iii)</b>	<b>18101</b>	<b>0</b>	<b>0</b>	<b>18101</b>
Change in Indebtedness during the financial year	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
* Addition	0	0	0	0
* Reduction	12661	0	0	12661
<b>Net Change</b>	<b>12661</b>	<b>0</b>	<b>0</b>	<b>12661</b>
Indebtedness at the end of the financial year	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
i) Principal Amount	5440	0	0	5440
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
<b>Total (i+ii+iii)</b>	<b>5440</b>	<b>0</b>	<b>0</b>	<b>5440</b>

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**
**A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

S. No.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
		Man Mohan Malik CMD	Sangita Malik WTD	
1.	<b>Gross salary</b>	60,00,000	19,00,000	79,00,000

	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	0	0	0
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0	0	0
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	0	0	0
2.	Stock Option	0	0	0
3.	Sweat Equity	0	0	0
4.	Commission	0	0	0
	- as % of profit	0	0	0
	- others, specify	0	0	0
5.	Others, please specify	0	0	0
	<b>Total (A)</b>	<b>60,00,000</b>	<b>19,00,000</b>	<b>79,00,000</b>
	Ceiling as per the Act	-	-	-

**B. Remuneration to Other Directors:**

S. No.	Particulars of Remuneration	Name Of Directors			Total Amount
		<i>Surendra Kumar Kaushik</i>			
1.	<b>Independent Directors</b>				
	Fee for attending board/ committee meetings	20,000	-	-	20,000
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	Total (1)	-	-	-	-
2.	<b>Other Non-Executive Directors</b>				
	Fee for attending board committee meetings	-	-	-	-
	Commission	-	-	-	-
	Others, please specify (Remuneration)	-	-	-	-
	Total (2)	-	-	-	-
	Total (B)=(1+2)	-	-	-	-
	Total Managerial Remuneration	-	-	-	-
	Overall Ceiling as per the Act	20,000	-	-	20,000

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

S. No.	Particulars of Remuneration	Key Managerial personnel		Total Amount
		Company Secretary	CFO	
		<i>Surabhi Maheshwari</i>	<i>Shamsher Ali</i>	
1.	<b>Grosssalary</b>	4,20,000	4,80,000	9,00,000
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-

	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission			
	- as % of profit	-	-	-
	- others, specify	-	-	-
5.	Others, please specify	-	-	-
	Total (A)	<b>4,20,000</b>	<b>4,80,000</b>	<b>9,00,000</b>

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES**

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fee imposed	Authority (RD / NCLT /Court)	Appeal made, if any (give details)
<b>A. COMPANY</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
<b>B. DIRECTORS</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

**For and on behalf of the Board of Directors  
Himalaya Food International Limited**

Date: 14.08.2021  
Place: : Poanta Sahib

Sd/-  
**MAN MOHAN MALIK**  
Managing Director  
DIN: 00696077

## MANAGEMENT DISCUSSION AND ANALYSIS

The Management Discussion and Analysis Report has been prepared in accordance with the provisions of Regulation 34(2)(e) of Listing Regulations, read with Schedule V(B) thereto, with a view to provide an analysis of the business and Financial Statement of the Company for FY 2020-21 and should be read in conjunction with the respective Financial Statements and notes thereon.

### GLOBAL ECONOMIC OVERVIEW:

Global prospects still remain highly uncertain one year into the pandemic. New virus mutations and the accumulating human toll raise concerns, even as growing vaccine coverage lifts sentiment. Economic recoveries are diverging across countries and sectors, reflecting variation in pandemic-induced disruptions and the extent of policy support. The battle between the virus and vaccines may partly influence the growth of the country, as it also hinges on how effectively economic policies deployed under high uncertainty can limit lasting damage from this unprecedented pandemic. During 2021, the overall Global growth is estimated at 6% in 2021, moderating to 4.4% in 2022. The growth estimates for 2021 and 2022 are stronger than in the October 2020 World Economic Outlook. The upward revision reflects additional fiscal support in a few large economies, the anticipated vaccine-powered recovery in the second half of 2021, and continued adaptation of economic activity to subdued mobility. However, high uncertainty still surrounds this outlook, due to the uncertainty of the path of the second / third wave of pandemic, the effectiveness of government policies and the efficiency of vaccines.

### INDIAN ECONOMIC OVERVIEW:

In its latest edition of World Economic Outlook, International Monetary Fund said it expects India's GDP to grow 12.5% in FY 2022, the highest among emerging and advanced economies. GDP growth for FY 2023 is pegged at 6.9%. India is the only country expected to register a double-digit growth this fiscal.

### FOOD INDUSTRY:

The Indian food industry is poised for huge growth, increasing its contribution to world food trade every year. In India, the food sector has emerged as a high-growth and high-profit sector due to its immense potential for value addition, particularly within the food processing industry.

Accounting for about 32 per cent of the country's total food market, The Government of India has been instrumental in the growth and development of the food processing industry. The government through the Ministry of Food Processing Industries (MoFPI) is making all efforts to encourage investments in the business. It has approved proposals for joint ventures (JV), foreign collaborations, industrial licenses, and 100 per cent export oriented units.

The Indian food processing industry accounts for 32 per cent of the country's total food market, one of the largest industries in India and is ranked fifth in terms of production, consumption, export and expected growth. It contributes around 8.80 and 8.39 per cent of Gross Value Added (GVA) in Manufacturing and Agriculture respectively, 13 per cent of India's exports and six per cent of total industrial investment. The Indian gourmet food market is currently valued at US\$ 1.3 billion and is growing at a Compound Annual Growth Rate (CAGR) of 20 per cent.

### OPERATIONS DURING THE FINANCIAL YEAR 2020-21:

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

During the year under review, the total income of your Company was Rs. 5636 Lacs as compared to Rs. 7876 Lacs in the previous year. The net Profit of the company for the current financial year is of Rs. 252 Lacs as compared to profit of Rs. 922 Lacs in the previous year. Company is now in recovery mode and focusing on export business.

R&D done during last 12 months to develop new, nutrition dense, immunity boosting Mushroom based products; namely Vegan Portobello Jerky in five flavors and the Reishi Mushroom Cookies. It commended the actions taken to put the spare equipments & idle capacities to use at minuscule spend on capex. Both the products give boost of Vitamin D and plant based proteins besides all the concentrated micro nutrients specific to Mushrooms.

### OUTLOOK:

The Company expects financial year 2021-22 to be a challenging year in view of the second wave of Covid-19 which has caused a slowdown in some sectors during the first quarter of the financial year.

Barring any further unforeseen circumstances, Company is confident to surpass its Pre-Covid March 2020 financials in the current fiscal year. Your Company reorganizing mushroom operations in such a way which continue to grow Button mushrooms at Pre-Covid levels and still divert 40% of our plants capacity towards the very high valued medicinal mushrooms, such as Reishi, Cordyceps, Lions Mane & Turkey Tail. All these high valued mushrooms thrive on hard wood & grain based substrates requiring huge infra for super-heated steam based sterilization process. Your Company's newly developed "Vegan Mushroom Jerky" and "Red Reishi Super Mushroom Cookies" are further expected to add value to the company's profit margins. Overall, this restructuring of mushroom growth will provide for a big boost to the company's overall profit margins.

The Company already have ongoing contract with Amul planning to add more contract processing for the already established large frozen food companies in the market. The Company will re-enter in the Indian markets; first through the food service segment and later through the retail segment.

There is a continuous thrust from the management to develop a strong R&D and technical service team to develop new products, explore new applications and understand better the changing customer needs. With the Company's continuous endeavour to introduce new products and improve efficiencies and performance, your Directors view the prospects for the financial year 2021-22 with cautious optimism.

#### **RISKS AND CONCERNS:**

The Company is operating its business in the Growth Oriented environment with innovations, changes by air conditioning in the hope of lockdown to be opened in a few weeks but lockdown kept on and varying levels of resources available to food processing industry.

#### **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. H R 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.

#### **DEVELOPMENT OF HUMAN RESOURCE / INDUSTRIAL RELATIONS:**

The Company firmly believes that an able, disciplined, motivated, trained and skilled manpower is the key for sustaining growth of an organization. The Company organizes and provides requisite training to its employees from time to time. Periodical appraisal and rewarding systems are in place, Industrial Relations at both the plants. (i.e. Paonta Sahib, Himachal Pradesh and Vadnagar, Gujarat)

#### **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.



**CORPORATE GOVERNANCE REPORT FOR THE YEAR 2020-2021**

The Corporate Governance code is a professional system framed for directing and controlling the organization. The purpose is to ensure compliance of local statutes and ensure safeguard and value addition in long term to the interest of its members, creditors, customers and employees. The Company has initiated the practice of incorporating the Corporate Governance Report in the Annual Report in compliance with pursuant to Regulation 34 (3) read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR). A concerted attempt has been made to bring in transparency and professionalism to ensure ethical standard in business activities while implementing the Corporate Governance Code. The management places on record that the mandatory compliances to constitute various committees as required by SEBI (LODR), Regulations 2015, are in place. The detailed report on Corporate Governance as per the format prescribed by SEBI and incorporated in SEBI (LODR), Regulations, 2015 as applicable to the Company is set out below:

**1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE**

The Company is committed to good corporate governance and has implemented the corporate governance norms as prescribed by SEBI. The Company's philosophy of corporate governance is based on preserving core values and ethical business conduct which enhances the efficiency of the Board and inculcates a culture of transparency, accountability and integrity across the Company.

**2. BOARD OF DIRECTORS**

The Company is fully compliant with the Corporate Governance Norms in terms of constitution of the Board which is well blended with a good combination of Executive and Independent Directors. The Board has complete access to any information within the Company & to any employee of the Company. Pursuant to SEBI (Listing Obligation and Disclosure Requirements), Regulations 2015, the Board meets at least once in every quarter to review quarterly/annual results and other items on the agenda and gap between two board meetings is not more than 120 Days. The Board is apprised and informed of all the important information relating to the business of the Company including those listed in SEBI Listing Obligation and Disclosure Requirements, Regulations 2015.

As on March 31, 2021, strength of the Board of Directors was six, whose composition is given below:

Chairman, Promoter, and Managing Director - 1

Promoter, Non-Independent Director - 2 Independent Directors - 3

During the financial year ended March 31, 2021 Six Board Meetings were held on **i) 28<sup>th</sup> May 2020, ii) 30<sup>th</sup> June 2020, iii) 31<sup>st</sup> July 2020, iv) 5<sup>th</sup> September 2020, v) 11<sup>th</sup> November 2020 & vi) 21<sup>st</sup> January 2021.**

Attendance of Directors at Board Meetings during the financial year and the last AGM and Number of Directorships/Committee positions of Directors as on 31st March, 2021, were as under:

Name of the Director with DIN	Composition and Category	No. of Board Meetings attended	Attendance at last AGM held on September 30 <sup>th</sup> , 2020	No. of Directorship in other Companies	No. of committee positions held in other Companies
Mr. Man Mohan Malik (00696077)	Chairman cum Managing Director	6	Yes	5	Nil
Mrs. Sangita Malik (02428506)	Whole Time Director	6	Yes	3	Nil

Mr. Sanjiv Kumar Kakkar (02434426)	Non-Independent Director	2	Yes	3	Nil
Mrs. Neelam Khanna (08332836)	Independent Director	1	Yes	Nil	Nil
Mr. Sunil Kumar Khera (00263581)	Independent Director	5	No	1	Nil
Mr. Ashish Sachdeva (03069836)	Independent Director	NIL	No	3	Nil
Mr. Surendra Kumar Kaushik (05286196)	Independent Director	6	Yes	1	Nil

\* Mr. Ashish Sachdeva Independent Director resigned from Company with effect from 30.09.2020.

### 3. AUDIT COMMITTEE

The terms of reference of this Committee are wide enough to cover the matters specified for Audit Committee under SEBI (Listing Obligation and Disclosure Requirements), Regulations 2015 as well as Section 177 of the Companies Act, 2013. The primary role of Audit Committee, inter alia, is:

- To oversee the Company's financial reporting process and disclosure of financial information.
- To review the financial statements, adequacy of internal control systems and periodic audit reports.
- To recommend to the Board the matters relating to the financial management of the Company.
- To recommend appointment/re-appointment of Statutory Auditors and fixation of their remuneration.
- To hold discussions with Statutory Auditors periodically.
- To review the financial statements, in particular, the investments made by unlisted Subsidiary Company.

The Statutory Auditors of the Company are invited to attend Audit Committee Meetings, to discuss and review the quarterly/ half yearly unaudited results, the annual audited accounts, internal audit, matters relating to the compliance with accounting standards, Auditor's observations arising from the audit of the Company's accounts and other related matters.

The Chairman of the Audit Committee is an Independent Director. During the financial year ended four Board Meetings were held on **i) 30<sup>th</sup> July 2020, ii) 4<sup>th</sup> September 2020, iii) 9<sup>th</sup> November 2020, and iv) 21<sup>st</sup> January 2021.**

The names of the Committee Members and number of Meetings attended during the year are as follows:

Name of the Members	Composition and Category	Total Meetings Attended
Mr. Sunil Kumar Khera (Chairman)	Independent, Non-Executive Director	2
Mr. Ashish Sachdeva (Member)	Independent, Non-Executive Director	2
Mr. Surendra Kumar Kaushik (Member)	Independent, Non-Executive Director	4

Mrs. Neelam Khanna (Member)	Independent, Non-Executive Director	4
Mr. Man Mohan Malik (Member)	Executive Director	NIL
Mrs. Sangita Malik (Member)	Executive Director	NIL

\* Mr. Ashish Sachdeva Independent Director and Mrs. Sangita Malik Executive Director resigned from Audit Committee with effect from 30.09.2020.

#### 4. NOMINATION AND REMUNERATION COMMITTEE

The term of reference of the Committee is to determine, review and recommend the Company's policy on specific remuneration packages. The recommendations of the Committee are put up to the Board of Directors and Shareholders of the Company.

The Remuneration Committee met twice in the year 2020-2021 on 30<sup>th</sup> June, 2020 & 4<sup>th</sup> September 2020.

The names of the Committee Members, their composition are as follows:

Name of the Members	Composition and Category	Total Meetings Attended
Mr. Sunil Kumar Khera (Chairman)	Independent, Non-Executive Director	NIL
Mr. Ashish Sachdeva (Member)	Independent, Non-Executive Director	2
Mr. Surendra Kumar Kaushik (Member)	Independent, Non-Executive Director	2
Mrs. Neelam Khanna (Member)	Independent, Non-Executive Director	NIL

\* Mr. Ashish Sachdeva Independent Director resigned from Remuneration Committee with effect from 30.09.2020.

\* Mrs. Neelam Khanna Independent Director appointed in Remuneration Committee with effect from 30.09.2020.

#### 5. STAKEHOLDERS RELATIONSHIP COMMITTEE

The Committee reviews all matters connected with the physical securities transfer. The Committee also looks into redressal of shareholders' complaints relating to transfer of shares/dematerialization, non-receipt of balance sheet, non-receipt of dividends, and issue of share certificates on account of bonus, split or any other matter related to securities of the Company.

The Committee oversees the performance of the Registrar and Transfer Agents and recommends measures for overall improvement in the quality of investor services. The Committee meets as and when required, depending upon grievances and/ or request for physical transfer of securities received by the Company.

The report received from the Share Transfer Agents as reviewed by the Committee is placed at the Board Meetings from time to time. During the financial year ended March 31, 2021, One Stakeholders Relationship Committee Meetings was held on 22<sup>nd</sup> January, 2021.

The names of the Committee Members and meetings attended during the year are as follows:

Name of the Members	Composition and Category	Total Meetings Attended
Mr. Sunil Kumar Khera (Chairman)	Independent Director	NIL
Mr. Ashish Sachdeva (Member)	Independent, Non-Executive Director	NIL
Mrs. Neelam Khanna (Member)	Independent, Non-Executive Director	1
Mr. Man Mohan Malik (Member)	Executive Director	1
Mrs. Sangita Malik (Member)	Executive Director	1

\* Mr. Ashish Sachdeva Independent Director resigned from Stakeholders Relationship Committee with effect from 30.09.2020.

\* Mrs. Neelam Khanna Independent Director appointed in Stakeholders Relationship Committee with effect from 30.09.2020.

The Company has attended the investor's grievances / correspondence promptly. There were no investors' complaints pending as on March 31, 2021. There were nil outstanding requests for transfer & nil pending requests for dematerialization of shares as on March 31, 2021.

## 6. GENERAL BODY MEETINGS

The last three Annual General Meetings of the Company were held as under:

Financial Year	Date	Time	Venue
2019-20	30 <sup>th</sup> September, 2020	4.30 P.M.	The meeting was conducted through Video Conference
2018-19	30 <sup>th</sup> September, 2019	3:00 P.M.	Hotel Lalsons Continental" 8/1, East Patel Nagar New Delhi Metro Pillar No. 171, New Delhi, Delhi 110008
2017-18	29 <sup>th</sup> September, 2018	3:00 P.M.	Priyanka Party Hall, Adjoining Vandana Imitational School, Behind Dwarka Court Near Sector-10, Metro Station, New Delhi-110075

- ✓ No extraordinary general meeting was held during the year 2020-2021.
- ✓ One Postal ballot was conducted during the year 2020-2021. The Postal Ballot process begins on 2<sup>nd</sup> June, 2020 and ended on 1<sup>st</sup> July, 2020.

## 7. DISCLOSURES

The Company has complied with all the requirements of the Listing Agreement with the BSE Limited as well as the regulations and guidelines of SEBI.

The Whistle blower policy is put in place to report concerns about unethical behavior. As required, the chairman of the Audit Committee is accessible if employees and Directors encounter any unethical behavior. The said policy has been also put up on the website of the Company at the following link [www.himalayafoodcompany.com](http://www.himalayafoodcompany.com).

## 8. CODE OF CONDUCT

The Company has formulated and implemented a Code of Conduct for all Board Members and Senior Management of the Company. In compliance with SEBI (Listing Obligations and Disclosures Requirements), Regulations 2015, all personnel have affirmed to it.

## 9. MEANS OF COMMUNICATION

The quarterly, half-yearly and yearly financial results of the Company are sent to the BSE Limited immediately after they are approved by the Board and these are published in The Pioneer-Delhi Edition (English Newspaper) and The Pioneer - Delhi Edition (Hindi Newspaper).

Company has created a website addressed as **www.himalayafoodcompany.com**  
Email address of the Company is **cs@himalayafoodcompany.com**

## 10. INTERNATIONAL SECURITIES IDENTIFICATION NUMBER (ISIN)

ISIN is a unique identification number of traded scrip. The number has to be quoted in each transaction relating to the dematerialized equity shares of the Company. The Company's ISIN is **INE552B01010**.

## 11. SECRETARIAL AUDIT REPORT REGARDING RECONCILIATION OF SHARE CAPITAL

As required by regulation 76A of SEBI (Depositories and Participants) Regulations, 2018, a quarterly audit is conducted by a Practicing Company Secretary, reconciling the Issued and Listed Share Capital of the Company with the aggregate of the shares held by the investors in physical form and in demat form in CDSL and NSDL and said certificates are submitted to the BSE wherein the shares are traded, within the prescribed time limit.

As on March 31st, 2021, there was no difference between the Issued capital and the aggregate of shares held by the investors in both physical form and in electronic form with depositories.

## 12. GENERAL SHAREHOLDER INFORMATION

<b>Day, Date and Time</b>	Wednesday, the 30 <sup>th</sup> Day of September 2020, at 04:30 PM
<b>Venue</b>	The meeting was conducted through Video Conference

- Financial Year:** 01<sup>st</sup> April, 2020 to 31<sup>st</sup> March, 2021
- Date of Book Closure:** 24<sup>th</sup> September, 2021 to 30<sup>th</sup> September, 2021 (both days Inclusive)
- Listing on Stock Exchange:** Shares of the Company are listed on BSE Limited
- Stock Codes (for shares):** 526899
- Symbol (for shares):** HFIL
- Demat ISIN Number in NSDL :** INE552B01010
- Registrar and Transfer Agents:**

### **BEETAL Financial & Computer Services Pvt Ltd.**

BEETAL HOUSE, 3rd Floor,  
99, Madangir, behind LSC, New Delhi - 110062  
Ph. 011-29961281-283, 26051061, 26051064 Fax 011-29961284

### ➤ **Share Transfer System:**

The Company's shares are traded on BSE mandatorily in demat mode. Physical Shares which are lodged with the

Registrar and Transfer Agents/ or with the Company for transfer are processed and returned to the Shareholders duly transferred within the time limit stipulated under the Listing Agreement subject to the documents being in order. Members holding shares in physical form are requested to get them dematerialized for easy transactions on stock exchange.

➤ **Share Holding Pattern as on March 31, 2021:**

	<b>Category</b>	<b>No. of shares</b>	<b>% of Shareholding</b>
a.	Promoter's holding	2,92,46,485	50.54
b.	Bank/FIIs	-	0.00
c.	Corporate Bodies	39,76,362	6.88
d.	Others(public)	2,37,44,412	41.02
e.	NRIs / OCBs	8,06,089	1.39
f.	Clearing Member	99,536	0.17
g.	Any Other (Trust)	-	-
<b>GRAND TOTAL</b>		<b>57872884</b>	<b>100</b>

➤ **Dematerialization of shares:**

**95.71%** of the Company's paid up equity share capital has been dematerialized up to March 31, 2021. Trading in the equity shares of the Company at BSE Limited is permitted only in dematerialized form.

The details of dematerialized shares as on March 31, 2021 are as under:

<b>Depository</b>	<b>No. of Shares</b>	<b>% of Capital</b>
CDSL	14501665	25.058
NSDL	40891387	70.657
<b>Total</b>	<b>55393052</b>	<b>95.715</b>

Request for dematerialization of shares are processed and confirmation is given to the respective depositories i.e. National Security Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) within 15 days.

**13. ADDRESS FOR CORRESPONDENCE:**

All Correspondence relating to the shares of the Company should be forwarded to the below mentioned address.

**BEETAL Financial & Computer Services Pvt Ltd.**

BEETAL HOUSE, 3rd Floor,  
99, Madangir, behind LSC, New Delhi - 110062  
Ph. 011-29961281-283, 26051061, 26051064 Fax 011-29961284

**14. GREEN INITIATIVE:**

The Ministry of Corporate affairs has taken “Green Initiative in Corporate Governance” by allowing paperless compliances by the Companies and has issued circulars stating that service of Notice/documents including Annual Report can be sent by email to its members .To Support this Green initiative of the Government in full measure, members who have not registered their e-mail, so far, are requested to register their email addresses in respect of their holdings with the Depository through their concerned Depository Participants. Members who hold share in physical form are requested to contact Ms. Surabhi Maheshwari, Company Secretary and Compliance officer, on **cs@himalayafoodcompany.com** or at the registered office of the Company or to M/s BEETAL Financial & Computer Services Pvt Ltd. on above mentioned contact details.

**For and on behalf of the Board of Directors  
Himalaya Food International Limited**

**SD/-**

**Man Mohan Malik**

**Chairman cum Managing Director**

**DIN: 00696077**

**Date: 14.08.2021**

**Place: : Poanta Sahib**

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**AUDITOR'S CERTIFICATE ON COMPLIANCE OF CORPORATE  
GOVERNANCE**

**To**

**The Board of Directors**

**HIMALAYA FOOD INTERNATIONAL LIMITED**

We have examined the records with respect to the compliance of Corporate Governance by **HIMALAYA FOOD INTERNATIONAL LIMITED** ("the Company"), for the financial year ended on March 31, 2021, as stipulated in SEBI (LODR) Regulations, 2015 entered into by the Company with the stock exchange(s).

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

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in SEBI (LODR) Regulations, 2015.

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

**Place: New Delhi**

**Date: 12/06/2021**

**For Sharma Kumar & Associates**  
**Chartered Accountants**  
**FRN: 030842N**

**SD/-**  
**(Kailash Sharma)**  
**Partner**  
**M. No. 543197**



**CEO/CFO CERTIFICATION**

**To  
The Board of Directors  
HIMALAYA FOOD INTERNATIONAL LIMITED**

We, Man Mohan Malik, Managing Director, and Shamsheer Ali , Chief Financial Officer of the company hereby certify to the Board that-

a) We have reviewed the financial statements and the cash flow statement for the year ended March 31, 2021 and that to the best of our knowledge and belief

b) These statements do not contain any material untrue statement or omit any material fact or contain statements that might be misleading;

c) 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.

d) There are, to the best of our knowledge and "belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violation of the Company's Code of Conduct.

e) We accept responsibility for establishing and maintaining internal controls for financial reporting and have evaluated the effectiveness of internal control system of the Company pertaining to financial reporting and We 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 I have taken or propose to take to rectify these deficiencies.

f) We have indicated to the Auditors and the Audit Committee that:

There has not been any significant change in internal control over financial reporting during the year underreference

There has not been any significant change in accounting policies during the year requiring disclosure in the notes to the financial statements; and

There has not been any instance during the year of significant fraud of which We had 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.

**Date: 12/06/2021  
Place: Paonta Sahib**

**SD/-  
Mr. Man Mohan Malik  
(Managing Director)**

**SD/-  
Mr. Shamsheer Ali  
(Chief Financial Officer)**

**DECLARATION BY THE CEO UNDER REGULATION 17 (5) OF THE SEBI LODR  
REGARDING ADHERENCE TO THE CODE OF CONDUCT**

- a) This is to confirm that the company has adopted a code of conduct for its Board of Directors and Senior Management Personnel. This Code is available at the Company's Registered Office.
- b) I confirm that Board of Directors and Senior Management Personnel of the company have, in respect of the financial year ended March 31, 2021, affirmed compliance with the Code of Conduct as applicable to them.
- c) For the purposes of this declaration, Senior Management Personnel means the Personnel who are members of the core management team, including persons in the cadre of functional heads and above but excluding Board of Directors as on March 31, 2021.

**Date: 12.06.2021**

**Place: Paonta Sahib**

**For and on behalf of the Board of Directors**

**SD/-  
(Mr. Man Mohan Malik)  
Chairman & Managing Director**

# STANDALONE FINANCIAL STATEMENTS

## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF HIMALAYA FOOD INTERNATIONAL LIMITED

#### Report on the Audit of Standalone Financial Statements

#### Opinion

We have audited the accompanying standalone Financial Statements of Himalaya Food International Limited ("the Company) which comprise the Balance sheet as at 31 March 2021, the Statement of Profit and Loss, the Cash flow statement and the Statement of changes in Equity for the year then ended and Notes to the financial statements including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

#### Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Standalone Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's Response
1	<p><b><i>COVID - 19 Impact on Inventory Measurement Ind AS 2, Impairment of Non-Financial Assets Ind AS 36, Impairment of Financial Instrument Ind AS 109</i></b></p> <p>Due to COVID - 19 all businesses are affected. Net realisable value of the inventories was to be checked.</p> <p>Net realisable value refers to the net amount that an entry expects to realise from the sale of inventory in the ordinary</p>	<p><b><u>Principal Audit Procedures</u></b>  <i>We assessed the Company's process to identify and implement the impact of COVID-19</i>  <i>Our audit approach consisted testing of the design and operating effectiveness of the internal controls and substantive testing as follows:</i></p> <ul style="list-style-type: none"> <li>• Evaluated the design of internal controls relating to implementation of guidance note and accounting standards.</li> <li>• Selected a sample of inventory, and tested the operating effectiveness of the internal control, relating to identification of the distinct performance obligations and determination of COVID-19 impact. We carried out a combination of procedures involving enquiry and</li> </ul>

	<p>course of business. Due to COVID-19, there might be temporary ceasing of operations or an immediate decline in demand or prices resulting in lowering of revenues and profitability and reduced economic activity. Financial Instruments within the scope of Ind AS 109 such as Loans, Trade Receivables, Other Receivables, Investment in Debt instruments, Financial Guarantees and Loan Commitments not measured at fair value through profit or loss, Contract Assets and Lease Receivables are subject to impairment loss recognition and measurement based on an approach called Expected Credit Loss (ECL).</p>	<p>observation, reperformance and inspection of evidence in respect of operation of these aspects.</p> <ul style="list-style-type: none"> <li>• Tested the relevant information technology systems' access and change management controls relating to COVID-19 and related information used in recording and disclosing revenue in accordance with the new revenue accounting standard.</li> <li>• Selected a sample of continuing and new Non-Financial Assets and Impairment of financial instruments and performed the following procedures: <ul style="list-style-type: none"> <li>• Read, analysed and identified the distinct performance obligations in these assets.</li> <li>• Compared these performance obligations with that identified and recorded by the Company.</li> <li>• Considered the terms of the contracts to determine the transaction price including any variable consideration to verify the transaction price used to compute revenue and to test the basis of estimation of the variable consideration.</li> <li>• Samples in respect of revenue recorded for time and material contracts were tested using a combination of approved time sheets including customer acceptances, subsequent invoicing and historical trend of collections and disputes.</li> <li>• In respect of samples relating to fixed price contracts, progress towards satisfaction of performance obligation used to compute recorded revenue was verified with actual and estimated efforts from the time recording and budgeting systems. We also tested the access and change management controls relating to these systems.</li> <li>• Sample of revenues disaggregated by type and service offerings was tested with the performance obligations specified in the underlying contracts.</li> <li>• Performed analytical procedures for reasonableness of revenues disclosed by type and service offerings.</li> <li>• We reviewed the collation of information and the logic of the report generated from the budgeting system used to prepare the disclosure relating to the periods over which the remaining performance obligations will be satisfied subsequent to the balance sheet date.</li> </ul> </li> </ul>
<p>2</p>	<p><b><i>Accuracy of revenues and onerous obligations in respect of fixed price contracts involves critical estimates</i></b></p> <p>Estimated effort is a critical estimate to determine revenues and liability for onerous obligations. This estimate has a high inherent uncertainty as it requires consideration of progress of the contract, efforts incurred till date and efforts required to complete the remaining contract performance obligations.</p>	<p><b><i>Principal Audit Procedures</i></b></p> <p>Our audit approach was a combination of test of internal controls and substantive procedures which included the following:</p> <ul style="list-style-type: none"> <li>• Evaluated the design of internal controls relating to recording of efforts incurred and estimation of efforts required to complete the performance obligations.</li> <li>• Tested the access and application controls pertaining to time recording, allocation and budgeting systems which prevents unauthorised changes to recording of efforts incurred.</li> <li>• Selected a sample of contracts and through inspection of evidence of performance of these controls tested the operating effectiveness of the internal controls relating to efforts incurred and estimated.</li> <li>• Selected a sample of contracts and performed a retrospective review of efforts incurred with estimated efforts to identify significant variations and verify whether those variations have been considered in estimating the remaining efforts to</li> </ul>

		<p>complete the contract.</p> <ul style="list-style-type: none"> <li>• Reviewed a sample of contracts with unbilled revenues to identify possible delays in achieving milestones, which require change in estimated efforts to complete the remaining performance obligations.</li> <li>• Performed analytical procedures and test of details for reasonableness of incurred and estimated efforts.</li> </ul>
3	<p><b><i>Evaluation of uncertain tax positions</i></b>  The Company has material uncertain tax positions including matters under dispute which involves significant judgment to determine the possible outcome of these disputes.</p>	<p><b><i>Principal Audit Procedures</i></b>  Obtained details of completed tax assessments and demands for the year ended March 31, 2021 from management. We involved our internal experts to challenge the management’s underlying assumptions in estimating the tax provision and the possible outcome of the disputes. Our internal experts also considered legal precedence and other rulings in evaluating management’s position on these uncertain tax positions. Additionally, we considered the effect of new information in respect of uncertain tax positions as at April 1, 2018 to evaluate whether any change was required to management’s position on these uncertainties.</p>

### **Information Other than the Standalone Financial Statements and Auditor’s Report Thereon**

The Company’s Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board’s Report including Annexure to Board’s Report, Business Responsibility Report, Corporate Governance and Shareholder’s Information, but does not include the standalone financial statements and our auditor’s report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is no material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

### **Management’s Responsibility for the Standalone Financial Statements**

The Company’s Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are responsible for overseeing the Company’s financial reporting process.

### **Auditor’s Responsibilities for the Audit of the Standalone Financial Statements**

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are

considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

☑ Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

☑ Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

☑ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

☑ Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

☑ Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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

1. As required by Section 143(3) of the Act, based on our audit 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.

b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.

d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

e) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director 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 Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements.

ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.

iii. There were no amounts which required to be transferred, to the Investor Education and Protection Fund by the Company.

2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.

**For Sharma Kumar & Associates**

Chartered Accountants

Firm Registration No.030842N

SD/-

**Kailash Sharma**

(Partner)

Membership No. 543197

UDIN: 21543197AAAAMD4104

Place: Delhi

Dated: 12.06.2021



**ANNEXURE 'A'**

**(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Himalaya Foods International Limited of even date)**

- 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.  
In respect of immovable properties of land and building that have been taken on lease and disclosed as fixed assets in the standalone financial statements, the lease agreements are in the name of the Company.

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 in Lacs)			
Name of the company	Nature of loan	Balance as on 31.03.2021	Maximum Amount Due
APJ Laboratories Ltd.	Advance against purchase	567	568

- 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, 2021 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, goods and service tax, duty of customs, cess and any other statutory dues with the appropriate authorities.
- b) According to information and explanation given to us there are 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 as below:

Particulars of dues	Amount Rs.' Lacs
PF	42
ESI	15
TDS	2

c) As certified by the management on which we have relied upon the dues of 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 below:

<b>Particulars of dues</b>	<b>Amount Rs.' Lacs</b>	<b>Financial Year to which amount relates</b>	<b>Forum where dispute is pending</b>
Excise Duty	3.78	1999-2000	Tribunal
Income Tax	7.29	2011-12	HC
Sales Tax	.50	2013-14	AETC

- viii. Based on our audit procedure and in accordance with the information and explanation given to us by the company that Bank accounts are NPA. Loan account from banks has been shown at the full value as on the date of NPA. The OTS settled by banks is Rs. 8,290 Lakhs out of which Rs. 2,044 Lakhs have been paid till 31.03.2021.
- 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 and on the basis of examination of the records, 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.

**For Sharma Kumar & Associates**

Chartered Accountants

Firm Registration No.030842N

SD/-

**Kailash Sharma**

(Partner)

Membership No. 543197

UDIN: 21543197AAAAMD4104

Place: Delhi

Dated: 12.06.2021

## **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 Himalaya Food International Limited on standalone Ind AS financial statement for the year ended March 31, 2021.

### **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 Himalaya Food International Limited ("the Company") as of March 31, 2021 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, 2021, 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 Sharma Kumar & Associates**

Chartered Accountants

Firm Registration No.030842N

SD/-

**Kailash Sharma**

(Partner)

Membership No. 543197

UDIN: 21543197AAAAMD4104

Place: Delhi

Dated: 12.06.2021

The accompanying notes form an integral part of the standalone financial statements.

<b>Himalaya Food International Ltd.</b>			
<b>Balance sheet as at March 31, 2021</b>			
(All amounts in Rs in lacs unless otherwise stated)			
Particulars	Note	As at	
		31-Mar-2021	31-Mar-2020
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3	12832	13554
Capital work-in-progress	3	5491	5491
<b>Financial assets</b>			
i Investments	4a	10	10
ii Loans	4b	567	568
iii Other financial assets	4c	587	587
<b>Other non-current assets</b>	5	1460	1291
<b>Total non-current assets</b>		<b>20947</b>	<b>21501</b>
<b>Current assets</b>			
<b>Inventories</b>	6	1491	1538
<b>Financial assets</b>			
i Trade receivables	4d	2639	2644
ii Cash and cash equivalents	4e	3	59
iii Bank balance other than (ii) above	4f	105	102
<b>Other current assets</b>	7	2048	1233
<b>Total current assets</b>		<b>6286</b>	<b>5576</b>
<b>Total assets</b>		<b>27233</b>	<b>27077</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	8a	5787	5787
Other equity	8b	424	172
		<b>6211</b>	<b>5959</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
<b>Financial liabilities</b>			
i Borrowings	9a	18101	18101
ii Other financial liabilities	9c	335	335
<b>Provision</b>	11a	185	185
<b>Deferred tax liabilities (net)</b>		455	585
<b>Other non-current liabilities</b>	11b	80	109
<b>Total non-current liabilities</b>		<b>19156</b>	<b>19315</b>
<b>Current liabilities</b>			
<b>Financial liabilities</b>			
i Borrowing	9b	0	0
ii Trade payables	9d	1554	1482
iii Other financial liabilities	9c	1	13
<b>Provision for employee benefit obligations</b>	11b	2	19
<b>Other current liabilities</b>	10	309	289
<b>Total current liabilities</b>		<b>1866</b>	<b>1803</b>
<b>Total equity and liabilities</b>		<b>27233</b>	<b>27077</b>

As per our report of even date

**For Sharma Kumar & Associates**  
Chartered Accountants  
Firm Registration No. 030842N

SD/-  
(Kailash Sharma)  
Partner  
Membership no. 543197  
UDIN: 21543197AAAAMD4104  
Dated: 12.06.2021  
Place : Delhi

For and on behalf of the Board

SD/-  
Man Mohan Malik  
Chairman & Managing Director  
DIN:00696077

SD/-  
Shamsher Ali  
CFO

SD/-  
Sangita Malik  
Director  
DIN:02428506

SD/-  
Surabhi Maheshwari  
Company Secretary

<b>Himalaya Food International Ltd.</b>			
Statement of profit and loss account for the year ended March 31, 2021			
			(All amounts in Rs in lacs unless otherwise stated)
Particulars	Note	Year ended 31-Mar-2021	Year ended 31-Mar-2020
Continuing operations			
<b>Revenue from operations</b>	12	5636	7876
<b>Other income</b>	13	188	445
<b>Total income</b>		<b>5824</b>	<b>8321</b>
Expenses			
<b>Cost of material consumed</b>	14	2443	3612
<b>Changes in inventory of work-in-progress &amp; finished goods</b>	15	-20	-158
<b>Employee benefits expense</b>	16	366	825
<b>Finance costs</b>	19	23	28
<b>Depreciation and amortisation expense</b>	17	1046	1146
<b>Other expenses</b>	18	1844	2009
<b>Total expenses</b>		<b>5702</b>	<b>7462</b>
<b>Profit before exceptional items and tax</b>		122	859
<b>Exceptional items</b>			
<b>i</b> write-off of claims		0	0
<b>Profit / loss before tax from continuing operations</b>		122	859
<b>Tax expense</b>			
<b>i</b> Current tax		0	0
<b>ii</b> Deferred tax		-130	-133
<b>Profit / (Loss) from continuing operations</b>		252	992
<b>Profit / (Loss) from discontinued operations</b>		-	-
<b>Other comprehensive income</b>		-	-
<b>Earnings per equity share (for continuing operations)</b>			
<b>i</b> Basic earnings per share		0.44	1.71
<b>ii</b> Diluted earnings per share		0.44	1.71

The accompanying notes form an integral part of the standalone financial statements.

**For Sharma Kumar & Associates**  
**Chartered Accountants**  
**Firm Registration No. 030842N**

**SD/-**  
**(Kailash Sharma)**  
**Partner**  
**Membership no. 543197**  
**UDIN: 21543197AAAAMD4104**  
**Dated: 12.06.2021**  
**Place : Delhi**

For and on behalf of the Board

**SD/-**  
**Man Mohan Malik**  
**Chairman & Managing Director**  
**DIN:00696077**

**SD/-**  
**Shamsher Ali**  
**CFO**

**SD/-**  
**Sangita Malik**  
**Director**  
**DIN:02428506**

**SD/-**  
**Surabhi Maheshwari**  
**Company Secretary**

**Himalaya Food International Limited**  
**Statement of changes in equity for the**  
**year ended 31, 2021**
**(All amounts in Rs in lacs**  
**unless otherwise stated)**
**A. Equity Share Capital**

Particulars	Note	Amount
Balance at the beginning of the reporting period	8	5787
Changes in equity share capital during the year	8	0
Balance at the end of the reporting period	8	5787

**B. Other Equity**

Particulars	Note	Share application on money pending allotment	Equity component of compound financial instrument	Reserve and Surplus				Debt Instrument through other Comprehensive Income	Equity Instrument through Other Comprehensive Income	Effective portion of Cash Flow Hedges	Revaluation Surplus	Exchange difference on translating the financial statement	Other items of Other Comprehensive Income (Specify nature)	Money received against share capital	Total
				Capital Reserve	Securities Premium Reserve	Other Reserve (Specify nature)	Retained Earning								
Balance at the beginning of the reporting period	8	0		1322	3378	0	-4528	0	0	0	0	0	0	0	172
Changes in accounting policy or prior period errors		0		0	0	0		0	0	0	0	0	0	0	0
Restated balance at the beginning of reporting period		0		0	0	0		0	0	0	0	0	0	0	0
Total comprehensive		0		1322	3378	0	-4528	0	0	0	0	0	0	0	172
Income for the year		0		0	0	0	252	0	0	0	0	0	0	0	252
Dividends		0		0	0	0	0	0	0	0	0	0	0	0	0
Transfer to retained earnings		0		0	0	0	0	0	0	0	0	0	0	0	0
Any other change (to be specified)		0		0	0	0	0	0	0	0	0	0	0	0	0
Balance at the end of the reporting period	8	0		1322	3378	0	-4276	0	0	0	0	0	0	0	424

<b>Himalaya Food International Ltd.</b>			
<b>Statement of cash flows for the period ended March 31, 2021</b>			
(All amounts in Rs in lacs unless otherwise stated)			
Particulars	Note	Year ended	Year ended
		31-Mar-2021	31-Mar-2020
<b>Loss before Income Tax from</b>			
Continuing Operations		252	992
<b>Adjustment for:</b>			
Depreciation and amortisation expenses		1046	1146
Deferred Tax		-130	-133
Finance costs		23	28
<b>Operating profit before working capital changes</b>			
<b>Adjustment for:</b>			
(Increase)/decrease in trade receivables		5	50
(Increase)/decrease in inventories		47	-287
Increase/(Decrease) in Trade payables		72	10
(Increase)/Decrease in other financial assets		0	-41
(Increase)/decrease in other non-current assets		(169)	-108
(Increase)/decrease in other current assets		(815)	-1229
Increase in employee benefit obligations and provisions		(17)	5
Increase/(Decrease) in other Current Liabilities		8	3788
Increase/(Decrease) in other non-Current Liabilities		(29)	-3465
<b>Cash generated from operations</b>			
		(898)	(1277)
Income tax paid		0	0
Net cash inflow from operating activities		293	756
<b>Cash flows from investing activities</b>			
Payments/Sale of property, plant and equipment		151	151
Investment in Subsidiary		0	0
Loans to employees and related parties		0	0
<b>Net cash outflow from investing activities</b>			
		151	151
<b>Cash flows from financing activities</b>			
Proceeds from issue of shares		(278)	-278
Proceeds/(Payment) from borrowings		0	-238
Finance lease payments/Increase		0	0
Finance Expenses		23	28
<b>Net cash used in financing activities</b>			
		(301)	-544
<b>Net increase (decrease) in cash and cash equivalents</b>			
		(159)	61
Cash and cash equivalents at the beginning of the financial year		161	100
Cash and cash equivalents at end of the year		108	161

The accompanying notes form an integral part of the standalone financial statements.  
As per our report of even date

**For Sharma Kumar & Associates**  
**Chartered Accountants**  
**Firm Registration No. 030842N**

SD/-  
(Kailash Sharma)  
Partner  
Membership no. 543197  
UDIN: 21543197AAAAMD4104  
Dated: 12.06.2021  
Place : Delhi

For and on behalf of the Board

SD/-  
Man Mohan Malik  
Chairman & Managing Director  
DIN:00696077



**Himalaya Food International Ltd.****Notes to the standalone financial statements for the year ended March 31, 2021****1. Company Information**

Himalaya Food International Ltd., incorporated in New Delhi, India with UIN L51909DL1992PLC047399, is a food processing company engaged in growing & processing of mushrooms and manufacturing IQF ready to eat items-which is classified as one segment. It is exporting its products to USA and also selling them domestically. The Company is listed on the Bombay Stock Exchange (BSE).

**2. Statement of Significant Accounting Policies****2.1 Basis of Preparation and Measurement****(a) Basis of preparation**

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as prescribed under section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, as amended from time to time.

The financial statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in the financial statements. All assets and liabilities have been classified as current or non current as per the Company's normal operating cycle and other criteria as set out in the Division II of Schedule III to the Companies Act, 2013.

Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

The financial statements are presented in INR, the functional currency of the Company. Items included in the financial statements of the Company are recorded using the currency of the primary economic environment in which the Company operates (the 'functional currency').

Transactions and balances with values below the rounding off norm adopted by the Company have been reflected as "0" in the relevant notes in these financial statements.

The financial statements of the Company for the year ended 31st March, 2021 were approved for issue in accordance with the resolution of the Board of Directors on 12th June, 2021.

**(b) Basis of measurement**

These financial statements are prepared under the historical cost convention unless otherwise indicated.

**2.2 Key Accounting Estimates and Judgments**

The preparation of these financial statements in conformity with the recognition and measurement principles of Ind AS requires management to make judgments, estimates and assumptions in the application of accounting policies that affect the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Continuous evaluation is done on the estimation and judgments based on historical experience and other factors, including expectations of future events that are believed to be reasonable. Revisions to accounting estimates are recognised prospectively.

**2.3 Recent Accounting Development****Recent Indian Accounting Standards (Ind AS)**

Ministry of Corporate Affairs ("MCA"), through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified the following new and amendments to Ind ASs which the Company has not applied as they are effective from April 1, 2019:

**Ind AS 116 – Leases**

Ind AS 116 has replaced the existing leases standard, Ind AS 17 Leases. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single on-balance sheet lessee accounting model for lessees. A lessee recognises right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. The standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.

**Ind AS 12 – Income taxes (amendments relating to income tax consequences of dividend and uncertainty over income tax treatments)**

The amendment relating to income tax consequences of dividend clarify that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events. The Company does not expect any impact from this pronouncement. It is relevant to note that the amendment does not amend situations where the entity pays a tax on dividend which is effectively a portion of dividends paid to taxation authorities on behalf of shareholders. Such amount paid or payable to taxation authorities continues to be charged to equity as part of dividend, in accordance with Ind AS 12.

**Ind AS 109 – Prepayment Features with Negative Compensation**

The amendments relate to the existing requirements in Ind AS 109 regarding termination rights in order to allow measurement at amortised cost (or, depending on the business model, at fair value through other comprehensive income) even in the case of negative compensation payments. The Company does not expect this amendment to have any impact on its financial statements.

**Ind AS 19 – Plan Amendment, Curtailment or Settlement**

The amendments clarify that if a plan amendment, curtailment or settlement occurs, it is mandatory that the current service cost and the net interest for the period after the re-measurement are determined using the assumptions used for the re-measurement. In addition, amendments have been included to clarify the effect of a plan amendment, curtailment or settlement on the requirements regarding the asset ceiling. The Company does not expect this amendment to have any significant impact on its financial statements.

**Ind AS 23 – Borrowing Costs**

The amendments clarify that if any specific borrowing remains outstanding after the related asset is ready for its intended use or sale, that borrowing becomes part of the funds that an entity borrows generally when calculating the capitalisation rate on general borrowings. The Company does not expect any impact from this amendment.

**Ind AS 28 – Long-term Interests in Associates and Joint Ventures**

The amendments clarify that an entity applies Ind AS 109 Financial Instruments, to long-term interests in an associate or joint venture that form part of the net investment in the associate or joint venture but to which the equity method is not applied. The Company does not expect any impact from this amendment.

**Ind AS 103 – Business Combinations and Ind AS 111 – Joint Arrangements**

The amendments to Ind AS 103 relating to re-measurement clarify that when an entity obtains control of a business that is a joint operation, it re-measures previously held interests in that business. The amendments to Ind AS 111 clarify that when an entity obtains joint control of a business that is a joint operation, the entity does not re-measure previously held interests in that business. The Company will apply the pronouncement if and when it obtains control / joint control of a business that is a joint operation.

**2.4 Significant Accounting Policies****Revenue recognition**

The Company earns revenue primarily from growing and processing of mushrooms and manufacturing IQF ready to eat items.

Effective April 1, 2018, the Company has applied Ind AS 115 which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised. Ind AS 115 replaces Ind AS 18 Revenue and Ind AS 11 Construction Contracts. The Company has adopted Ind AS 115 using the cumulative effect method. The effect of initially applying this standard is recognised at the date of initial application (i.e. April 1, 2018). The standard is applied retrospectively only to contracts that are not completed as at the date of initial application and the comparative information in the statement of profit and loss is not restated – i.e. the comparative information continues to be reported under Ind AS 18 and Ind AS 11.

Refer Significant accounting policies – Revenue recognition in the Annual report of the Company for the year ended March 31, 2018, for the revenue recognition policy as per Ind AS 18 and Ind AS 11. The impact of the adoption of the standard on the financial statements of the Company is insignificant.

**(a) Property, Plant and Equipment:**

Property, plant and equipment is stated at acquisition cost net of accumulated depreciation and accumulated impairment

losses, if any. Property, plant and equipment acquired in a business combination are recognised at fair value at the acquisition date.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance cost are charged to the Statement of Profit and Loss during the period in which they are Gains or losses arising on retirement or disposal of property, plant and equipment are recognised in the Statement of Profit and Loss.

Property, plant and equipment which are not ready for intended use as on the date of Balance Sheet are disclosed as "Capital work- in-progress".

Depreciation is provided on a written down value method based on estimated useful life prescribed under Schedule II to the Companies Act, 2013 with the exception of the following:

Property, Plant and Equipment is depreciated over 3 to 30 years based on the technical evaluation of useful life done by the management Assets costing ` 5,000 or less are fully depreciated in the year of purchase.

Freehold & Leasehold Land is not depreciated.

The residual values, useful lives and method of depreciation of property, plant and equipment is reviewed at each financial year end and adjusted prospectively, if appropriate.

#### **(b) Intangible Assets:**

Separately purchased intangible assets are initially measured at cost. Intangible assets acquired in a business combination are recognised at fair value at the acquisition date. Subsequently, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

The useful lives of intangible assets are assessed as either finite or indefinite. Finite-life intangible assets are amortised on a straight- line basis over the period of their expected useful lives. Estimated useful lives by major class of finite-life intangible assets are as follow –

Design-10 years

Know-how - 10 years

Computer software - 5 years

The amortisation period and the amortisation method for finite-life intangible assets is reviewed at each financial year end and adjusted prospectively, if appropriate.

For indefinite life intangible assets, the assessment of indefinite life is reviewed annually to determine whether it continues, if not, it is impaired or changed prospectively basis revised estimates.

#### **(c) Investments in Subsidiaries, Associates and Joint Ventures:**

Investments in subsidiaries, associates and joint ventures are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries, associates and joint venture, the difference between net disposal proceeds and the carrying amounts are recognized in the Statement of Profit and Loss.

#### **(d) Inventories:**

Inventories are valued at the lower of cost and net realisable value. Cost is computed on a weighted average basis. Cost of finished goods and work-in-progress include all costs of purchases, conversion costs and other costs incurred in bringing the inventories to their present location and condition. The net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and estimated costs necessary to make the sale.

#### **(e) Cash and Cash Equivalents:**

Cash and cash equivalents are short-term (three months or less from the date of acquisition), highly liquid investments that are readily convertible into cash and which are subject to an insignificant risk of changes in value.

#### **(f) Assets Held for Sale:**

Non-current assets or disposal groups comprising of assets and liabilities are classified as 'held for sale' when all of the following criterias are met: (i) decision has been made to sell. (ii) the assets are available for immediate sale in its present condition. (iii) the assets are being actively marketed and (iv) sale has been agreed or is expected to be concluded within 12 months of the Balance Sheet date.

Subsequently, such non-current assets and disposal groups classified as 'held for sale' are measured at the lower of its carrying value and fair value less costs to sell. Non-current assets held for sale are not depreciated or amortised.

**(g) Financial Instruments:****Financial Assets:**

Financial assets are recognised when the Company becomes a party to the contractual provisions of the instrument. On initial recognition, a financial asset is recognised at fair value. In case of financial assets which are recognised at fair value through profit and loss (FVTPL), its transaction cost is recognised in the statement of profit and loss. In other cases, the transaction cost is attributed to the acquisition value of the financial asset.

Financial assets are subsequently classified and measured at

- amortised cost
- fair value through profit and loss (FVTPL)
- fair value through other comprehensive income (FVOCI)

Financial assets are not reclassified subsequent to their recognition, except if and in the period the Company changes its business model for managing financial assets.

**Trade Receivables and Loans:**

Trade receivables are initially recognised at fair value. Subsequently, these assets are held at amortised cost, using the effective interest rate (EIR) method net of any expected credit losses. The EIR is the rate that discounts estimated future cash income through the expected life of financial instrument.

**Debt Instruments:**

Debt instruments are initially measured at amortised cost, fair value through other comprehensive income ('FVOCI') or fair value through profit or loss ('FVTPL') till derecognition on the basis of (i) the Company's business model for managing the financial assets and (ii) the contractual cash flow characteristics of the financial asset.

**(i) Measured at amortised cost:**

Financial assets that are held within a business model, whose objective is to hold financial assets in order to collect contractual cash flows that are solely payments of principal and interest, are subsequently measured at amortised cost using the effective interest rate ('EIR') method less impairment, if any. The amortisation of EIR and loss arising from impairment, if any is recognised in the

**(ii) Measured at fair value through other comprehensive income:**

Financial assets that are held within a business model whose objective is achieved by both, selling financial assets and collecting contractual cash flows that are solely payments of principal and interest, are subsequently measured at fair value through other comprehensive income. Fair value movements are recognized in the other comprehensive income (OCI). Interest income measured using the EIR method and impairment losses, if any are recognised in the Statement of Profit and Loss. On derecognition, cumulative gain or loss previously recognised in OCI is reclassified from the equity to 'other income' in the Statement of Profit and

**(iii) Measured at fair value through profit or loss:**

A financial asset not classified as either amortised cost or FVOCI, is classified as FVTPL. Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, recognised as 'other income' in the Statement of Profit and Loss.

**Equity Instruments:**

All investments in equity instruments classified under financial assets are initially measured at fair value; the Company may, on initial recognition, irrevocably elect to measure the same either at FVOCI or FVTPL.

The Company makes such election on an instrument-by-instrument basis. Fair value changes on an equity instrument is recognised as 'other income' in the Statement of Profit and Loss unless the Company has elected to measure such instrument at FVOCI. Fair value changes excluding dividends, on an equity instrument measured at FVOCI are recognised in OCI. Amounts recognised in OCI are not subsequently reclassified to the Statement of Profit and Loss. Dividend income on the investments in equity instruments are recognised as 'other income' in the Statement of Profit and Loss.

**Derivative Financial Instruments:**

The Company uses derivative financial instruments, such as forward currency contracts to hedge its foreign currency risk. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Any changes therein are recognised in the statement of profit and loss account. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

**Derecognition**

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the contractual rights to receive the cash flows from the asset.

**Impairment of Financial Asset**

The Company applies expected credit losses (ECL) model for measurement and recognition of loss allowance on the following:

- i. Trade receivables
- ii. Financial assets measured at amortized cost (other than trade receivables)
- iii. Financial assets measured at fair value through other comprehensive income (FVTOCI)

In case of trade receivables, the Company follows a simplified approach wherein an amount equal to lifetime ECL is measured and recognized as loss allowance.

In case of other assets (listed as ii and iii above), the Company determines if there has been a significant increase in credit risk of the financial asset since initial recognition. If the credit risk of such assets has not increased significantly, an amount equal to 12-month ECL is measured and recognized as loss allowance. However, if credit risk has increased significantly, an amount equal to lifetime ECL is measured and recognized as loss allowance.

Subsequently, if the credit quality of the financial asset improves such that there is no longer a significant increase in credit risk since initial recognition, the Company reverts to recognizing impairment loss allowance based on 12-month ECL.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e., all cash shortfalls), discounted at the original effective interest rate.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial asset. 12-month ECL are a portion of the lifetime ECL which result from default events that are possible within 12 months from the reporting date.

ECL are measured in a manner that they reflect unbiased and probability weighted amounts determined by a range of outcomes, taking into account the time value of money and other reasonable information available as a result of past events, current conditions and forecasts of future economic conditions.

As a practical expedient, the Company uses a provision matrix to measure lifetime ECL on its portfolio of trade receivables. The provision matrix is prepared based on historically observed default rates over the expected life of trade receivables and is adjusted for forward-looking estimates. At each reporting date, the historically observed default rates and changes in the forward-looking estimates are updated.

ECL impairment loss allowance (or reversal) recognized during the period is recognised as income/ expense in the Statement of Profit and Loss under the head 'Other expenses'.

**Financial Liabilities:****Initial recognition and measurement**

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the amortised cost unless at initial recognition, they are classified as fair value through profit and loss. In case of trade payables, they are initially recognised at fair value and subsequently, these liabilities are held at amortised cost, using the effective interest rate method.

**Subsequent measurement**

Financial liabilities are subsequently measured at amortised cost using the EIR method. Financial liabilities carried at fair value through profit or losses are measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss.

**Derecognition**

A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

**(h) Provisions and Contingent Liabilities:**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date.

If the effect of the time value of money is material, provisions are discounted to reflect its present value using a current pre-tax rate that reflects the current market assessments of the time value of money and the risks specific to the obligation. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

**(i) Revenue Recognition:**

Revenue from sale of goods is recognised when all the significant risks and rewards of ownership in the goods are transferred to the buyer as per the terms of the contract, there is no continuing managerial involvement with the goods and the amount of revenue can be measured reliably. The Company retains no effective control of the goods transferred to a degree usually associated with ownership and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of goods. Revenue is measured at fair value of the consideration received or receivable, after deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the government which are levied on sales such as sales tax, value added tax, goods and services tax, etc.,

Income from export incentives such as duty drawback and premium on sale of import licenses and lease license fee are recognised on accrual basis.

Income from services rendered is recognised based on agreements/ arrangements with the customers as the service is performed in proportion to the stage of completion of the transaction at the reporting date and the amount of revenue can be measured reliably.

Interest income is recognized using the effective interest rate (EIR) method.

Dividend income on investments is recognised when the right to receive dividend is established.

**(j) Government Grant:**

The Company was entitled to 'MEIS Scheme' under export incentive till January 2021. Now, Company is entitled to 'RoDTEP Scheme' under new export incentive scheme. Such incentives are measured at amount receivable from the government and are recognised as other operating revenue. The Company will comply with all necessary conditions attached to incentives.

**(k) Expenditure:**

Expenses are accounted on accrual basis.

**(l) Employee Benefits:**

Defined contribution plans

Contributions to defined contribution schemes such as employee's state insurance are charged as an expense based on the amount of contribution required to be made as and when services are rendered by the employees. Company's provident fund contribution, in respect of certain employees, is made to a government administered fund and charged as an expense to the Statement of Profit and Loss.

**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 obligation and are provided for on the basis of valuation made at the end of each
- (iii) No provision is made for unencashable short term compensated absences.

**(m) Impairment of Non-Financial Assets:**

Assessment for impairment is done at each Balance Sheet date as to whether there is any indication that a non-financial asset may be impaired. Indefinite life intangibles are subject to a review for impairment annually or more frequently if events or circumstances indicate that it is necessary. For the purpose of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets is considered as a cash generating unit. Goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Company's cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

If any indication of impairment exists, an estimate of the recoverable amount of the individual asset/cash generating unit is made. Asset/cash generating unit whose carrying value exceeds their recoverable amount are written down to the recoverable amount by recognising the impairment loss as an expense in the Statement of Profit and Loss. The impairment

loss is allocated first to reduce the carrying amount of any goodwill (if any) allocated to the cash generating unit and then to the other assets of the unit, pro rata based on the carrying amount of each asset in the unit. Recoverable amount is higher of an asset's or cash generating unit's fair value less cost of disposal and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset or cash generating unit and from its disposal at the end of its useful life. Assessment is also done at each Balance Sheet date as to whether there is any indication that an impairment loss recognised for an asset in prior accounting periods may no longer exist or may have decreased, basis the assessment a reversal of an impairment loss for an asset other than goodwill is recognised in the Statement of Profit and Loss account.

**(n) Income Taxes:**

Income tax expense for the year comprises of current tax and deferred tax. It is recognised in the Statement of Profit and Loss except to the extent it relates to a business combination or to an item which is recognised directly in equity or in other comprehensive

Current tax is the expected tax payable/receivable on the taxable income/loss for the year using applicable tax rates at the Balance Sheet date, and any adjustment to taxes in respect of previous years. Interest expenses and penalties, if any, related to income tax are included in finance cost and other expenses respectively. Interest Income, if any, related to Income tax is included in current tax expenses.

Deferred tax is recognised in respect of temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes.

A deferred tax liability is recognised based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted, or substantively enacted, by the end of the reporting period. Deferred tax assets are recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities; and the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority.

**(o) Leases:**

Leases in which a substantial portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments and receipts under such leases are recognised to the Statement of Profit and Loss on a straight-line basis over the term of the lease unless the lease payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, in which case the same are recognised as an expense in line with contractual term.

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards incidental to ownership to the lessee.

**(p) Foreign Currencies:**

Foreign currency transactions are translated into the functional currency using exchange rates at the date of the transaction. Foreign exchange gains and losses from settlement of these transactions and from translation of monetary assets and liabilities at the reporting date exchange rates are recognised in the Statement of Profit and Loss.

**(q) Earnings Per Share:**

Basic earnings per share is computed by dividing the net profit for the period attributable to the equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

**Himalaya Food International Ltd.**
**Notes to the standalone financial statements for the year ended March 31, 2021**
**Note 3: Property, plant and equipment**

(All amounts in Rs in lacs unless otherwise stated)

Particulars	Freehold land	Leasehold land	Freehold Building	Leasehold building	Furniture, fittings and	Plant and machinery	Vehicle	Total	Capital Work In progress
Year ended 31 March 2020									
Gross carrying amount									
<b>Deemed cost as at 1 April 2019</b>	1483	81	7189	418	135	15979	616	25901	<b>5491</b>
<b>Additions</b>	0		0	0	0	0	0	0	<b>0</b>
<b>Disposals</b>	0						0	0	
<b>Closing gross carrying amounts</b>	1483	81	7189	418	135	15979	616	25900	<b>5491</b>
<b>Accumulated depreciation</b>	0		1770	176	107	8658	490	11201	<b>0</b>
<b>Depreciation Charged during the year</b>	0		232	7	9	851	47	1146	<b>0</b>
<b>Closing Accumulated depreciation</b>	0	0	2002	183	115	9509	537	12346	<b>0</b>
<b>Net Carrying Amount</b>	<b>1483</b>	<b>81</b>	<b>5187</b>	<b>235</b>	<b>20</b>	<b>6470</b>	<b>79</b>	<b>13554</b>	5491
Year ended 31 March 2021									
Gross carrying amount									
<b>Opening gross carrying amount</b>	1483	81	7189	418	135	15979	616	25900	<b>5491</b>
<b>Additions**</b>	0		0	0	0	322	4	326	<b>0</b>
<b>Assets classified as held for sale</b>	0	0	0	0	0	0	0	0	
<b>Disposals</b>	0	0	0	0	0	0	2	2	
<b>Transfers</b>	0	0	0	0	0	0	0	0	
<b>Closing gross carrying amounts</b>	<b>1483</b>	<b>81</b>	<b>7189</b>	<b>418</b>	<b>135</b>	<b>16301</b>	<b>618</b>	<b>26224</b>	5491
<b>Accumulated depreciation</b>									
<b>Opening accumulated depreciation</b>	0	0	2002	183	115	9509	537	12346	<b>0</b>
<b>Depreciation Charged During the Year</b>	0	0	253	11	5	752	25	1046	<b>0</b>
<b>Impairment loss</b>	0	0	0	0	0	0	0	0	<b>0</b>
<b>Disposals</b>	0	0	0	0	0	0	0	0	<b>0</b>
<b>Exchange differences</b>	0	0	0	0	0	0	0	0	<b>0</b>
<b>Assets classified as held for sale</b>	0	0	0	0	0	0	0	0	<b>0</b>
<b>Closing accumulated depreciation and impairment</b>	<b>0</b>	<b>0</b>	<b>2255</b>	<b>194</b>	<b>120</b>	<b>10261</b>	<b>562</b>	<b>13392</b>	<b>0</b>
<b>Net carrying amounts</b>	<b>1483</b>	<b>81</b>	<b>4934</b>	<b>224</b>	<b>14</b>	<b>6040</b>	<b>56</b>	<b>12832</b>	<b>5491</b>

Note:

Capital work in progress as at 31st March, 2021 is ` 5491 lacs (31st March, 2020: ` 5491 lacs)

\* The company has incurred necessary capex as under:

1)The mushroom houses racks that were torn out have been portionally replace.



**Himalaya Food International Ltd.**
**Notes to the standalone financial statements for the year ended March 31, 2021**
**(All amounts in Rs in lacs unless otherwise stated)**

Note	Particulars	No of Shares	Amount
<b>8</b>	<b>Equity Share Capital and Other Equity</b>		
<b>(a)</b>	<b>Equity Share Capital</b>		
	Authorised Equity Share Capital As at 31.03.2020	7,50,00,000	7,50,000
	Increase during the year	0	0
	As at 31.03.2021	7,50,00,000	7,50,000
	Particulars	No of Shares	Equity share capital par value
	Movement in equity share capital As at 31.03.2020	57872900	5787.29
	Less: Application money forfeited	0	0
	As at 31.03.2021	57872900	5787.29

**Terms and rights attached to equity shares**

Equity shares have par value of INR 10. They entitle the holder to participate in dividends, and to share in the proceeds of winding up the company in proportion to the number of and amounts paid on the shares held. Every holder of equity shares present at a meeting in person or proxy is entitled to one vote, and upon a poll each share is entitled to one vote.

**(b) Reserves and surplus**

Particulars	As at March 31, 2021	As at March 31, 2020
Capital reserve	1322	1322
Securities premium reserve	3378	3378
Retained earnings	-4276	-4528
<b>Total</b>	<b>424</b>	<b>172</b>
(i) Capital Reserve Opening balance	1322	1322
Closing balance	<b>1322</b>	<b>1322</b>
(ii) Securities premium reserve Opening balance	3378	3378
Closing balance	<b>3378</b>	<b>3378</b>
(ii) Retained earnings Opening balance	-4528	-5520
Profit for the year	252	992
Closing balance	<b>-4276</b>	<b>-4528</b>

**B. Nature and purpose of reserves**

**(a) Capital Reserve:** Capital Subsidies received by the company is treated as capital reserve.

**(b) Securities Premium Reserve:** The amount received in excess of face value of the equity shares is recognised in Securities Premium Reserve.

(c) **General Reserve:** The Company has transferred a portion of the net profit of the Company before declaring dividend to general reserve pursuant to the earlier provisions of Companies Act, 1956. Mandatory transfer to general reserve is not required under the Companies Act, 2013.

(d) **Retained Earnings:** Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.

### **c. Capital Management**

Equity share capital and other equity are considered for the purpose of Company's capital management.

The Company manages its capital so as to safeguard its ability to continue as a going concern and to optimise returns to shareholders. The capital structure of the Company is based on management's judgment of its strategic and day-to-day needs with a focus on total equity so as to maintain investor, creditors and market confidence.

The management and the board of directors monitors the return on capital as well as the level of dividends to shareholders. The Company may take appropriate steps in order to maintain, or if necessary adjust, its capital structure.

**Himalaya Food International Limited**
**Notes to the standalone financial statements for the year ended March 31, 2021**

(All amounts in Rs in lacs unless otherwise stated)

Note	Particulars	Maturity Date	Terms of repayment	Rate of Interest %	As at March 31, 2021	As at March 31, 2020
<b>9</b>	<b>Financial liabilities</b>					
<b>(a)</b>	<b>Non-current borrowings</b>					
	Secured					
	Term Loans					
	From Banks					
	Rupee Loan	30.06.2024	Quarterly	11.30	12418	12418
	Rupee Loan	30.06.2024	Quarterly	10.65	243	243
	Long term maturities of finance lease obligations					
	Obligations under finance leases	31.03.2021	Monthly	11.00	1	13
	Rupee Loan		Payable on demand	11.30	5440	5440
	<b>Total Non-Current Borrowing</b>				<b>18102</b>	<b>18114</b>
	Less Current maturities on long term debt (OTS Amount)				0	0
	Less Current maturities on loan from other Parties				1	13
	<b>Total Non-Current Borrowings (As per Balance Sheet)</b>				<b>18101</b>	<b>18101</b>

<b>(b)</b>	<b>Current borrowings</b>					
	From Banks					
	Rupee Loan		Payable on demand	11.30	0	0
	<b>Total Current Borrowing</b>				<b>0</b>	<b>0</b>

1. Secured borrowings and assets pledged as security:
  - a. 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 Promoters.
  - b. 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.
2. The company Bank accounts are NPA since March 2018, hence no Interest has been charged during the year.
3. Loan Account from Banks have been shown at the full value as on the date of NPA. The OTS settled by banks is Rs. 8,290 Lakhs out of which Rs. 2,044 Lakhs have been paid till 31.03.2021. The effect of waiver by the banks will be reflected after full repayment of OTS amount.

<b>Himalaya Food International Limited</b>			
<b>Notes to the standalone financial statements for the year ended March 31, 2021</b>			
<b>(All amounts in Rs in lacs unless otherwise stated)</b>			
<b>Note</b>	<b>Particulars</b>	<b>As at March 31, 2021</b>	<b>As at March 31, 2020</b>
<b>9(c)</b>	<b>Other Financial liabilities</b>		
	<b>Non-Current (Other)</b>		
	Advances and deposits from customers	335	335
	<b>Total Other Non-current Financial liabilities</b>	<b>335</b>	<b>335</b>
	<b>Current</b>		
	Current maturities of long-term debt	0	0
	Current maturities on finance lease obligations	1	13
	<b>Total Other current Financial liabilities</b>	<b>1</b>	<b>13</b>
<b>9(d)</b>	<b>Trade payables</b>		
	<b>Current</b>		
	Trade payables	1554	1482
	<b>Total</b>	<b>1554</b>	<b>1482</b>
<b>10</b>	<b>Other Current Liabilities</b>		
	<b>Other payables</b>		
	Expense payable	248	194
	Security from Customer	2	7
	TDS payable (tax deducted at source)	2	40
	Employees State Insurance payable	15	18
	Employees Provident Fund payable	42	30
	<b>Total</b>	<b>309</b>	<b>289</b>
	<b>Contingent Liabilities not provided for</b>		
	<b>Particulars</b>	<b>As at March 31, 2021</b>	<b>As at March 31, 2020</b>
	Guarantees and Counter guarantees given by the Company	48	57
	Letter of credit	0	0
	Excise duty on Domestic Tariff Areas sales pending in Delhi Tribunal	4	4
	Corporate Guarantee given	1	1
	Income Tax AY 2012-13 Appeal Pending before HC	729	729
	Sales Tax	5	5
	Liability in the Dispute with JV Partner Simplot at SIAC	2970	2970
	(Detail Given at Point j in Notes to accounts)		

Himalaya Food International Limited						
Notes to the standalone financial statements for the year ended March 31, 2021						
(All amounts in Rs in lacs unless otherwise stated)						
Note	Particulars	31-Mar-21			31-Mar-20	
<b>11</b>						
<b>(a)</b>	<b>Provisions</b>	<b>Current</b>	<b>Non-current</b>	<b>Total</b>	<b>Current</b>	<b>Non-current</b>
						<b>Total</b>
	Provision for tax	0	185	185	0	185
	Total	0	185	185	0	185
	<b>Deferred Payment Liabilities</b>			<b>2021</b>		<b>2020</b>
	Particulars					
	Deferred Current Assets (Liabilities) as per Balance Sheet			-584		-717
	Deferred Tax Liability					
	Depreciation as per Companies Act			1046		1146
	Depreciation as per Income Tax Act			521		601
	Difference			-525		-545
	Deferred Tax Liability			-146		-146
	Deferred Tax Assets on 43B Items					
	PF (Employers Share) not deposited as on 31.03.2021			42		30
	ESI (Employers Share) not deposited as on 31.03.2021			15		18
	Total			57		48
	Deferred Tax Asset			16		13
				130		133
	Net Deferred Tax Liability			-454		-584

	Particulars	March 31,2021			March 31,2020		
		Current	Non-current	Total	Current	Non-current	Total
<b>(b)</b>	<b>Employee Benefit obligation</b>						
	Provision for employee benefits						
	Provision for gratuity	2	80	82	13	80	93
	Provision for leave encashment	0	0	0	6	29	35
	Total	<b>2</b>	<b>80</b>	<b>82</b>	<b>19</b>	<b>109</b>	<b>128</b>

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 30 days is lapsed

**(b) Sick Leave (SL)**

Accrual-7 days per year

Encashment while in service is not allowed

Encashment on retirement is permitted as per Company policy.

**(c) Gratuity:**

Gratuity provision has been made according to the prescribed law.

**(d) Post-Retirement Medical Benefits**

There is no post-retirement medical benefit in the company

**(e) 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 expense during the year :						
Defined Contribution Plan				Expenses recognised during	Contribution for key management personnel	
Employer's contribution to provident fund				11	0.22	
(Previous year)				24	0.22	
Employer's Contribution to Employee State Insurance				2	0.00	
(Previous year)				4	0.00	
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				82	0	0
(Previous year)				93	0	0

**Himalaya Food International Ltd.**
**Notes to the standalone financial statements for the year ended March 31, 2021**

(All amounts in Rs in lacs unless otherwise stated)

Note	Particulars	As at March 31, 2021	As at March 31, 2020
<b>4(a):</b>	<b>Non-current investments</b>		
	Unquoted		
	Investment carried at cost		
	Investment in equity instruments of subsidiaries		
	Himalya Green Apartments Limited	5	5
	50,000 (50,000) shares of Rs. 10 each fully paid up		
	Appetizer and Snacks Foods Limited	5	5
	50,000 (50,000) shares of Rs. 10 each fully paid up		
	<b>Total non-current investments</b>	<b>10</b>	<b>10</b>

**Information about subsidiaries and joint ventures**

Name of the company	Country of incorporation	Principal activities	Proportion (%) of equity interest	
			As at March 31, 2021	As at March 31, 2020
<b>Subsidiaries</b>				
Himalya Green Apartments Ltd	India	Real estate Company	100	100
Appetizer and Snacks Foods Ltd	India	Manufacturing	100	100
<b>Joint Venture</b>				
Himalya Simplot Pvt Ltd.	India	FMCG business	50	50

Note	Particulars	As at March 31, 2021	As at March 31, 2020
<b>4(b)</b>	<b>Loans</b>		
	Unsecured, considered good		
	Advance to associates		
	- APJ Laboratories Ltd	567	568
		<b>567</b>	<b>568</b>
<b>4(c)</b>	<b>Other Financial Assets</b>		
	Unsecured, considered good		
	Deposits to others	51	51
	Subsidy and Other Receivables		
	Unsecured, considered good		
	Capital Subsidy	319	319
	Other loans and advances		
	Unsecured, considered good		
	Advance tax and tax deducted at source	217	217
	Total	<b>587</b>	<b>587</b>
<b>4(d)</b>	<b>Trade Receivables</b>		
	Trade Receivable	2639	2644
	<b>Total Receivable</b>	<b>2639</b>	<b>2644</b>
	Current Portion	859	1164

	Non- Current Portion	1780	1480
<b>4(e)</b>	<b>Cash and Cash Equivalents</b>		
	Balances with banks:		
	On current accounts with scheduled banks	2	58
	On EEFC accounts	0	0
	Cash on hand	1	1
	<b>Total</b>	<b>3</b>	<b>59</b>
<b>4(f)</b>	<b>Other bank balances</b>		
	Fixed deposits with Banks	105	102
	<b>Total</b>	<b>105</b>	<b>102</b>
<b>5</b>	<b>Other Non-Current Assets</b>		
	Advances to suppliers	147	146
	TDS / GST receivable	289	216
	Subsidy and incentive receivable	928	833
	MAT Credit entitlements	96	96
	<b>Total</b>	<b>1460</b>	<b>1291</b>
<b>6</b>	<b>Inventories</b>		
	Raw Materials	233	229
	Work-in-Progress	386	424
	Finished Goods	774	716
	Store & Spares	98	169
	<b>Total</b>	<b>1491</b>	<b>1538</b>
<b>7</b>	<b>Other Current Assets</b>		
	Prepaid Insurance	4	1
	Deposited in OTS Scheme	2044	1232
	<b>Total</b>	<b>2048</b>	<b>1233</b>
<b>12</b>	<b>Revenue from Operations</b>		
	Sale of goods		
	Sales- Export	3447	2791
	Sales- Domestic	2189	5085
	<b>Total</b>	<b>5636</b>	<b>7876</b>
<b>13</b>	<b>Other Income</b>		
	Interest income	6	6
	Duty draw back	2	3
	Other Income	60	1
	Profit on Sale of Machinery	0	0
	Income from Forfeited of Share Application Money	0	278
	Export Incentives	120	157
	<b>Total</b>	<b>188</b>	<b>445</b>
<b>14</b>	<b>Raw Material &amp; Consumables Consumed</b>		
	Raw material at the beginning of the year	398	269
	Add:		
	Purchases	2333	3643



Freight inward	14	37
Packing Expenses& other	29	61
<b>Less: Raw material at the end of the year</b>	<b>331</b>	<b>398</b>
<b>Total</b>	<b>2443</b>	<b>3612</b>
<b>15 Changes in inventories of finished goods and work-in-progress</b>		
Opening Stock		
Goods in process	424	421
Finished goods	716	561
	<b>1140</b>	<b>982</b>
Closing Stock		
Goods in process	386	424
Finished goods	774	716
	<b>1160</b>	<b>1140</b>
<b>(Increase)/Decrease in inventories</b>	<b>-20</b>	<b>-158</b>
<b>16 Employee benefit expense</b>		
Salaries, wages and bonus	346	763
Contribution to		
Provident Fund	11	24
Employees' State Incorporation Fund	2	4
Gratuity	2	29
Staff welfare expenses	6	5
<b>Total</b>	<b>366</b>	<b>825</b>
<b>Directors' remuneration</b>		
(included under employee benefit expense)		
Salaries to Managing Director	60	60
Salaries to Whole Time Director	19	19
Contribution to provident fund	0	0
	<b>79</b>	<b>79</b>
<b>17 Depreciation and amortisation expense</b>		
Depreciation of property, plant and equipment	1046	1146
<b>Total</b>	<b>1046</b>	<b>1146</b>
<b>18 Other expenses</b>		
Power and fuel	541	827
Rent:		
- Offices and Godowns	4	4
Rates and taxes	12	19
Insurance	8	11
Repairs and maintenance:		
- Plant and machinery	17	11
- Building	0	0
- Others	0	0
Advertisement and sales promotion	1	1
Postage and courier	1	1
Travelling and conveyance	38	42
Printing and stationery	1	3
Communication	3	3
Legal and professional	35	25

Payment to Auditors	3	6
Selling Expenses	892	845
Misc exp.	6	12
Freight Outward	191	36
Other expenses	90	163
<b>Total</b>	<b>1844</b>	<b>2009</b>
Auditor's Remuneration		
Professional Fee		
-Audit Fees	3	6
-Tax Audit Fees	0	0
Reimbursement of Expenses	0	0
	<b>3</b>	<b>6</b>
<b>19 Finance cost</b>		
Interest and finance charges on financial liabilities not at fair value through profit or loss	23	28
<b>Total</b>	<b>23</b>	<b>28</b>

**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' in note 18.
- c** The year wise breakup of future lease payments in respect of leased premises are as under:

Particulars	Year ended	Year ended
	March 31, 2021	March 31, 2020
Minimum lease payments:		
Not later than 1 year	5	5
Later than 1 year but not later than 5 years	0	0
Later than 5 years	0	0

**Himalaya Food International Ltd.**
**Notes to the standalone financial statements for the year ended March 31, 2021**

(All amounts in Rs in lacs unless otherwise stated)

**20** Disclosures pursuant to Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 186 of the Companies Act, 2013

**a** 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:

	Year ended	Year ended
	31-Mar-2021	31-Mar-2020
<b>(i) Loans and advances</b>		
APJ Laboratories Ltd	567	568
<b>(ii) Sundry Creditors</b>		
Doon Valley Foods Pvt Ltd.	391	363
<b>(iii) Investment in shares of subsidiary companies:</b>		
Himalya Green Apartments Ltd (100% Subsidiary) (50000 shares of Rs. 10 each fully paid up)	5	5
Appetizer and Snacks Foods Ltd (100% Subsidiary) (50000 shares of Rs. 10 each fully paid up)	5	5

**b Related party disclosures**

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 (100% Subsidiary)	
	Appetizer and Snacks Foods Ltd (100% Subsidiary)	
<b>Nature of transaction</b>	<b>Year ended</b>	<b>Year ended</b>
	<b>31-Mar-2021</b>	<b>31-Mar-2020</b>
<b>(i) Managerial remuneration</b>		
Mr. M.M. Malik	60	60
Mrs. Sangita Malik	19	19
<b>(ii) Loans and advances</b>		
APJ Laboratories Ltd	567	568
<b>(iii) Sundry Creditors</b>		
Doon Valley Foods Pvt Ltd.	391	363
Purchase Value	385	361
<b>(iv) Investment in shares of subsidiary companies:</b>		
Himalya Green Apartments Ltd (100% Subsidiary) (50000 shares of Rs. 10 each fully paid up)	5	5
Appetizer and Snacks Foods Ltd (100% Subsidiary) (50000 shares of Rs. 10 each fully paid up)	5	5

c 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 **31.03.2021**. Amount outstanding to these enterprises to the year ended **31.03.2020** is Rs. Nil (previous year Rs. Nil).

d Segment

Disclosure

Primary Segment

We have to segment Agriculture and Processed foods. In Agriculture we produced fresh Mushroom, sale as fresh, chilled. And in process food we sell canned Mushroom, Frozen Appetizers, we maintained both segments books separately Profit & loss accounts of both are as under:

Particular	Agri Div.		Mfg Div.		Total
By Sales					
By Sales	584		5052		5636
By Other Income	0		188		188
By Transfer to process Div	540		0		540
<b>Total</b>	<b>1124</b>		<b>5240</b>		<b>6364</b>
By Closing Stock					
- Raw Material	60		271		331
- Work in Progress	<b>386</b>		<b>0</b>		<b>386</b>
- Finished Goods	23		751		774
To Opening Stock					
- Raw Material	14		384		398
- Work in Progress	424		0		424
- Finished Goods	22		694		716
Increase/decrease in Stock	<b>9</b>		<b>-56</b>		<b>-47</b>
<b>Total Income</b>	<b>1133</b>		<b>5184</b>		<b>6317</b>
To Purchases Raw-Material	0		1808		1808
To Purchase of Fresh Mushroom	0		540		540
To Agriculture Expenses Raw -Mat	525		0		525
To Growing Expenses	213		0		213
To Manufacturing Exp.	0		371		371
To Repair	7		2		9
To Financial Exp.	0		23		23
To Depreciation	167		879		1046
To Employee Salary	89		277		366
To Freight Out Ward	22		133		155
To Selling Exp.	11		957		968
To Admin Exp.	26		145		171
<b>Total Expenses</b>	<b>1060</b>		<b>5135</b>		<b>6195</b>
<b>To Net Earnings</b>	<b>73</b>		<b>49</b>		<b>122</b>

Information about the Secondary Segments  
Revenue and sundry debtors as per geographical markets

Particulars	Revenue		Sundry debtors	
	2021	2020	2021	2020
<b>India</b>	2189	5085	355	373
<b>Outside India</b>	3447	2791	2284	2271
<b>Total</b>	<b>5636</b>	<b>7876</b>	<b>2639</b>	<b>2644</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.

e	Earning per shares (E.P.S.)	Year ended 31-Mär-2021	Year ended 31- Mär-2020
	Basic E.P.S.	0.44	1.71
	Diluted E.P.S.	0.44	1.71
	Calculation of basic E.P.S.		
	a) Net profit for the year attributable to equity shareholders	252	992
	b) Weighted average number of equity shares	57872604	57872604
	c) Basic earnings per share (a/b)	0.44	1.71
	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		
	Total:	<b>57872604</b>	<b>57872604</b>
f	Disclosure of the Company's interest In jointly controlled assets:		
	<b>The Company has interest in the following jointly controlled entity:</b>		

Name Of the company	Company's interest	Amount of Investment (In Lakhs)	Partners and their participating interest
Himalya Simplot Private Ltd.	50%	114936	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 center.
- g 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.

- h During the year there is no liability to pay MAT as there is carried forward business loss.
- i **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.
- j **Explanatory Note:** In the dispute that arose with Erstwhile JV partner Simplot USA in 2013, the Singapore International Arbitration Center (SIAC) awarded US \$ 3.96 mm with further interest @ 5.33% till the date of payment from the date of award to be payable by the Company and in turn the sale of French Fry line and Specialty Potato Lines stands cancelled and has been reverted back to the Company. The Tribunal has directed Simplot to return the Pieces and Penals removed from French Fry & Potato Specialty Lines. Company Proposes to file an appeal in Singapore Highcourt to Challenge the amount awarded. However company has shown the amount in contingent liability and on conclusion of appeal will pass the necessary entries to add the value of the French Fry & Potato Specialty Lines into assets.
- k **COVID-19** has had an impact on the business operations of the company, as on the signing date. The operations of growing Mushroom have been affected which results decline in turnover. This however does not affect the concept of "Going Concern" for the company. Further there has been no impairment in the value of Inventories or Financial assets and Non-financial instruments for the company.
- l **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 20

**For Sharma Kumar & Associates**  
**Chartered Accountants**  
**Firm Registration No. 030842N**

SD/-  
**(Kailash Sharma)**  
**Partner**

**Membership no. 543197**  
**UDIN: 21543197AAAAMD4104**  
**Dated: 12.06.2021**  
**Place : Delhi**

For and on behalf of the Board

SD/-  
Man Mohan Malik  
Chairman & Managing Director  
DIN:00696077

SD/-  
Shamsher Ali  
CFO

SD/-  
Sangita Malik  
Director  
DIN:02428506

SD/-  
Surabhi Maheshwari  
Company Secretary

<b>Himalaya Food International Ltd.</b>										<b>Annexure -1</b>
<b>Financial Year 2020-21</b>										
<b>DETAILS OF DEPRECIATION AS PER IT ACT</b>										<b>Amount Rs.</b>
<b>PARTICULARS</b>	<b>RATE</b>	<b>WDV as on 01.04.2020</b>	<b>MORE THAN 180 DAYS</b>	<b>LESS THAN 180 DAYS</b>	<b>Sale of Assets</b>	<b>TOTAL</b>	<b>Depreciated on upto 30th Sept</b>	<b>Depreciated after 30th Sept</b>	<b>total depreciation</b>	<b>WDV Closing as on 31.03.2021</b>
Land		156362410	0	0	0	156362410	0	0	0	156362410
Building (Process)	10%	170978350		0	0	170978350	17097835	0	17097835	153880515
Building (Agri)	10%	158220435				158220435	0		0	158220435
Plant & Machinery( Process)	15%	225765389	0	0	0	225765389	33864808	0	33864808	191900581
Plant & Machinery(Agri)	15%	76267395	0	32342736	170000	108440131	0		0	108440131
Furniture & Fixture	10%	11264746	0	0	0	11264746	1126475	0	1126475	10138271
Computers	40%	13522	0	0	0	13522	5409	0	5409	8113
<b>Total</b>		<b>798872247</b>	<b>0</b>	<b>32342736</b>	<b>170000</b>	<b>831044983</b>	<b>52094527</b>	<b>0</b>	<b>52094527</b>	<b>778950456</b>

# CONSOLIDATED FINANCIAL STATEMENTS



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**INDEPENDENT AUDITOR'S REPORT**

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**TO THE MEMBERS OF  
HIMALAYA FOOD INTERNATIONAL LIMITED****Report on the Audit of the Consolidated Financial Statements****Opinion**

We have audited the accompanying consolidated financial statements of Himalaya Food International Limited (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), comprise the Consolidated balance sheet as at 31st March 2021, and the Consolidated statement of Profit and Loss and Consolidated of cash flows for the year then ended, and notes to the Consolidated Financial Statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated 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, of the state of affairs of the Company as at March 31, 2021, and loss, and its Consolidated cash flows for the year ended on that date.

**Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Consolidated Financial Statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Information other than the Consolidated Financial Statements and Auditor's report thereon**

The Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Business Responsibility Report but does not include the Consolidated Financial Statements and our auditor's report thereon.

Our opinion on the Consolidated Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Consolidated Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there no material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Management's Responsibility for the Consolidated Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Consolidated Financial Statements that give a true and fair view of the financial position, financial performance and Consolidated cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments 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 financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Consolidated Financial Statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative

but to do so.

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated Financial Statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with the mall relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## 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;
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- c) The Consolidated balance sheet, the Consolidated statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Indian Accounting Standards) Rules, 2015;
- e) on the basis of written representations received from the directors as on 31<sup>st</sup> March, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2021 from being appointed as a director in terms of Section 164(2) of the Act; and
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:  

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company has disclosed the impact of pending litigations on its financial position in its consolidated financial statements.
  - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
  - iii. There were no amounts which required to be transferred, to the Investor Education and Protection Fund by the Company

2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.

**For Sharma Kumar & Associates**

Chartered Accountants  
F.R.No.030842N

SD/-

**Kailash Sharma**

Partner

M.No. 543197

UDIN: 21543197AAAAANM5296

Place: Delhi

Date: 12/06/2020

**ANNEXURE 'A'**

**(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Himalaya Foods International Limited of even date)**

- (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.  
In respect of immovable properties of land and building that have been taken on lease and disclosed as fixed assets in the consolidated financial statements, the lease agreements are in the name of the Company.
- (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 in Lacs)			
Name of the company	Nature of loan	Balance as on 31.03.2021	Maximum Amount Due
APJ Laboratories Ltd.	Advance against purchase	567	568

- 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, 2021 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, goods and service tax, duty of customs, cess and any other statutory dues with the appropriate authorities.
- b) According to information and explanation given to us there are 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 as below:

Particulars of dues	Amount Rs.' Lacs
PF	42
ESI	15
TDS	2

- c) As certified by the management on which we have relied upon the dues of 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:

Particulars of dues	Amount Rs.' Lacs	Financial Year to which amount relates	Forum where dispute is pending
Excise Duty	3.78	1999-2000	Tribunal
Income Tax	7.29	2011-12	HC
Sales Tax	.50	2013-14	AETC

- (viii) Based on our audit procedure and in accordance with the information and explanation given to us by the company that Bank accounts are NPA. Loan account from banks have been shown at the full value as on the date of NPA. The OTS settled by banks is Rs. 8,290 Lakhs out of which Rs. 2,044 Lakhs have been paid till 31.03.2021.
- (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 and on the basis of examination of the records, 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.

**For Sharma Kumar & Associates**

Chartered Accountants

Firm Registration No.030842N

SD/-

**Kailash Sharma**

(Partner)

Membership No. 543197

UDIN: 21543197AAAANM5296

Place: Delhi

Dated: 12.06.2021

## **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 Himalaya Food International Limited on consolidated Ind AS financial statement for the year ended March 31, 2021.

### **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 Himalaya Food International Limited ("the Company") as of March 31, 2021 in conjunction with our audit of the consolidated 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 consolidated 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, 2021, 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 Sharma Kumar & Associates**

Chartered Accountants  
Firm Registration No.030842N

SD/-

**Kailash Sharma**

(Partner)

Membership No. 543197

UDIN: 21543197AAAAANM5296

Place: Delhi

Dated: 12.06.2021

<b>Himalaya food International Ltd.</b>			
<b>Consolidated Balance sheet as at March 31, 2021</b>			
<b>(All amounts in Rs in lacs unless otherwise stated)</b>			
<b>Particulars</b>	<b>Note</b>	<b>As at</b>	<b>As at</b>
		<b>31-Mar-2021</b>	<b>31-Mar-2020</b>
<b>ASSETS</b>			
<b>Non-current assets</b>			
<b>Property, plant and equipment</b>	3	12832	13554
<b>Capital work-in-progress</b>	3	5491	5491
<b>Financial assets</b>			
<b>i</b> Loans	4a	567	568
<b>ii</b> Other financial assets	4b	587	587
<b>Other non-current assets</b>	5	1460	1291
<b>Total non-current assets</b>		<b>20937</b>	<b>21491</b>
<b>Current assets</b>			
<b>Inventories</b>	6	1491	1538
<b>Financial assets</b>			
<b>i</b> Trade receivables	4c	2639	2644
<b>ii</b> Cash and cash equivalents	4d	3	59
<b>iii</b> Bank balance other than (ii) above	4e	105	102
<b>Other current assets</b>	7	2048	1233
<b>Total current assets</b>		<b>6286</b>	<b>5576</b>
<b>Total assets</b>		<b>27223</b>	<b>27067</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
<b>Equity share capital</b>	8a	5787	5787
<b>Other equity</b>		414	162
		<b>6201</b>	<b>5949</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
<b>Financial liabilities</b>			
<b>i</b> Borrowings	9a	18101	18101
<b>ii</b> Other financial liabilities	9c	335	335
<b>Provision</b>	11a	185	185
<b>Deferred tax liabilities (net)</b>		455	585
<b>Other non-current liabilities</b>	11b	80	109
<b>Total non-current liabilities</b>		<b>19156</b>	<b>19315</b>
<b>Current liabilities</b>			
<b>Financial liabilities</b>			
<b>i</b> Borrowing	9b	0	0
<b>ii</b> Trade payables	9d	1554	1482
<b>iii</b> Other financial liabilities	9c	1	13
<b>Provision for employee benefit obligations</b>	11b	2	19
<b>Other current liabilities</b>	10	309	289
<b>Total current liabilities</b>		<b>1866</b>	<b>1803</b>
<b>Total equity and liabilities</b>		<b>27223</b>	<b>27067</b>

The accompanying notes form an integral part of the Consolidated financial statements.  
As per our report of even date

**For Sharma Kumar & Associates**  
Chartered Accountants  
Firm Registration No. 030842N

SD/-  
(Kailash Sharma)  
Partner  
Membership no. 543197  
UDIN: 21543197AAAANM5296  
Dated: 12.06.2021  
Place : Delhi

For and on behalf of the Board

SD/-  
Man Mohan Malik  
Chairman & Managing Director  
DIN:00696077

SD/-  
Sangita Malik  
Director  
DIN:02428506

SD/-  
Shamsher Ali  
CFO

SD/-  
Surabhi Maheshwari  
Company Secretary



<b>Himalaya Food International Ltd.</b>			
Statement of Consolidated profit and loss account for the year ended March 31, 2021			
			(All amounts in Rs in lacs unless otherwise stated)
Particulars	Note	Year ended 31-Mar-2021	Year ended 31-Mar-2020
Continuing operations			
<b>Revenue from operations</b>	12	5636	7876
<b>Other income</b>	13	188	445
<b>Total income</b>		<b>5824</b>	<b>8321</b>
Expenses			
<b>Cost of material consumed</b>	14	2443	3612
<b>Changes in inventory of work-in-progress &amp; finished goods</b>	15	-20	-158
<b>Employee benefits expense</b>	16	366	825
<b>Finance costs</b>	19	23	28
<b>Depreciation and amortisation expense</b>	17	1046	1146
<b>Other expenses</b>	18	1844	2009
<b>Total expenses</b>		<b>5702</b>	<b>7462</b>
<b>Profit before exceptional items and tax</b>		122	859
<b>Exceptional items</b>			
<b>i write-off of claims</b>		0	0
<b>Profit / loss before tax from continuing operations</b>		122	859
<b>Tax expense</b>			
<b>i Current tax</b>		0	0
<b>ii Deferred tax</b>		-130	-133
<b>Profit / (Loss) from continuing operations</b>		252	992
<b>Profit / (Loss) from discontinued operations</b>		-	-
<b>Other comprehensive income</b>		-	-
<b>Earnings per equity share (for continuing operations)</b>			
<b>i Basic earnings per share</b>		0.44	1.71
<b>ii Diluted earnings per share</b>		0.44	1.71

The accompanying notes form an integral part of the Consolidated financial statements.

**For Sharma Kumar & Associates**  
**Chartered Accountants**  
**Firm Registration No. 030842N**

**SD/-**  
**(Kailash Sharma)**  
**Partner**

**Membership no. 543197**  
**UDIN: 21543197AAAANM5296**  
**Dated: 12.06.2021**  
**Place : Delhi**

For and on behalf of the Board

**SD/-**  
**Man Mohan Malik**  
**Chairman & Managing Director**  
**DIN:00696077**

**SD/-**  
**Shamsher Ali**  
**CFO**

**SD/-**  
**Sangita Malik**  
**Director**  
**DIN:02428506**

**SD/-**  
**Surabhi Maheshwari**  
**Company Secretary**

**Himalaya Food International Limited**  
**Statement of changes in equity for the year**  
**ended 31, 2021**

**(All amounts in Rs in lacs unless otherwise stated)**

**A. Equity Share Capital**

Particulars	Note	Amount
Balance at the beginning of the reporting period	8	5787
Changes in equity share capital during the year	8	0
Balance at the end of the reporting period	8	5787

**B. Other Equity**

Particulars	Note	Share application on money pending allotment	Equity component of compound financial instrument	Reserve and Surplus				Debt Instrument through other Comprehensive Income	Equity Instrument through Other Comprehensive Income	Effective portion of Cash Flow Hedges	Revaluation Surplus	Exchange difference on translating the financial statement	Other items of Other Comprehensive Income (Specify nature)	Money received against share capital	Total
				Capital Reserve	Securities Premium Reserve	Other Reserve (Specify nature)	Retained Earning								
Balance at the beginning of the reporting period	8	0		1321.69	3377.89	0	-4538	0	0	0	0	0	0	0	161.92
Changes in accounting policy or prior period errors		0		0	0	0		0	0	0	0	0	0	0	0
Restated balance at the beginning of reporting period		0		0	0	0		0	0	0	0	0	0	0	0
Total comprehensive		0		1321.69	3377.89	0	-4538	0	0	0	0	0	0	0	161.92
Income for the year		0		0	0	0	252	0	0	0	0	0	0	0	252
Dividends		0		0	0	0	0	0	0	0	0	0	0	0	0
Transfer to retained earnings		0		0	0	0	0	0	0	0	0	0	0	0	0
Any other change (to be specified)		0		0	0	0	0	0	0	0	0	0	0	0	0
Balance at the end of the reporting period	8	0		1321.69	3377.89	0	-4286	0	0	0	0	0	0	0	414

<b>Himalaya Food International Ltd.</b>			
<b>Statement of cash flows for the period ended March 31, 2021</b>			
<b>(All amounts in Rs in lacs unless otherwise stated)</b>			
<b>Particulars</b>	<b>Note</b>	<b>Year ended 31-Mar-2021</b>	<b>Year ended 31-Mar-2020</b>
<b>Loss before Income Tax from</b>			
Continuing Operations		252	992
<b>Adjustment for:</b>			
Depreciation and amortisation expenses		1046	1146
Deferred Tax		-130	-133
Finance costs		23	28
<b>Operating profit before working capital changes</b>			
		939	1041
<b>Adjustment for:</b>			
(Increase)/decrease in trade receivables		5	50
(Increase)/decrease in inventories		47	-287
Increase/(Decrease) in Trade payables		72	10
(Increase)/Decrease in other financial assets		0	-41
(Increase)/decrease in other non-current assets		(169)	-108
(Increase)/decrease in other current assets		(815)	-1229
Increase in employee benefit obligations and provisions		(17)	5
Increase/(Decrease) in other Current Liabilities		8	3788
Increase/(Decrease) in other non-Current Liabilities		(29)	-3465
<b>Cash generated from operations</b>			
		(898)	(1277)
Income tax paid		0	0
Net cash inflow from operating activities		293	756
<b>Cash flows from investing activities</b>			
Payments/Sale of property, plant and equipment		151	151
Investment in Subsidiary		0	0
Loans to employees and related parties		0	0
<b>Net cash outflow from investing activities</b>			
		151	151
<b>Cash flows from financing activities</b>			
Proceeds from issue of shares		(278)	-278
Proceeds/(Payment) from borrowings		0	-238
Finance lease payments/Increase		0	0
Finance Expenses		23	28
<b>Net cash used in financing activities</b>			
		(301)	-544
<b>Net increase (decrease) in cash and cash equivalents</b>			
		(159)	61
Cash and cash equivalents at the beginning of the financial year		161	100
Cash and cash equivalents at end of the year		108	161

The accompanying notes form an integral part of the Consolidated financial statements.

As per our report of even date

**For Sharma Kumar & Associates**  
**Chartered Accountants**  
**Firm Registration No. 030842N**

**SD/-**  
**(Kailash Sharma)**  
**Partner**  
**Membership no. 543197**  
**UDIN: 21543197AAAANM5296**  
**Dated: 12.06.2021**  
**Place : Delhi**

For and on behalf of the Board

**SD/-**  
**Man Mohan Malik**  
**Chairman & Managing Director**  
**DIN:00696077**

**Himalaya food International Ltd.****Notes to the consolidated financial statements for the year ended March 31, 2021****1. Company Information**

Himalaya Food International Ltd., incorporated in New Delhi, India with UIN L51909DL1992PLC047399, is a food processing company engaged in growing & processing of mushrooms and manufacturing IQF ready to eat items-which is classified as one segment. It is exporting its products to USA and also selling them domestically. The Company is listed on the Bombay Stock Exchange (BSE).

**2. Statement of Significant Accounting Policies****2.1 Basis of Preparation and Measurement****(a) Basis of preparation**

These consolidated financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as prescribed under section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, as amended from time to time.

The consolidated financial statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in the consolidated financial statements. All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria as set out in the Division II of Schedule III to the Companies Act, 2013. Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

The consolidated financial statements are presented in INR, the functional currency of the Company. Items included in the financial statements of the Company are recorded using the currency of the primary economic environment in which the Company operates (the 'functional currency').

Transactions and balances with values below the rounding off norm adopted by the Company have been reflected as "0" in the relevant notes in these financial statements.

The consolidated financial statements of the Company for the year ended 31st March, 2021 were approved for issue in accordance with the resolution of the Board of Directors on 12th June 2021.

**(b) Principal of Consolidation**

The consolidation financial statements relate to Himalaya Food International Limited ("the Holding Company") and its subsidiary companies (collectively referred to as "the Group"). The financial statements of the subsidiary companies used in the consolidation are drawn upto the same reporting date as of the Holding Company. The consolidated financial statements have been prepared on the following basis:

**b.1** The financial statements of the Holding Company and its subsidiary companies are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions in accordance with Ind AS - 110 "Consolidated Financial Statements".

**b.2** As far as possible, the consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Holding Company's separate financial statements by regrouping, recasting or rearranging figures, wherever considered necessary.

**2.2 Key Accounting Estimates and Judgments**

The preparation of these consolidated financial statements in conformity with the recognition and measurement principles of Ind AS requires management to make judgments, estimates and assumptions in the application of accounting policies that affect the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Continuous evaluation is done on the estimation and judgments based on historical experience and other factors, including expectations of future events that are believed to be reasonable. Revisions to accounting estimates are recognised prospectively.

## 2.3 Recent Accounting Development

### Recent Indian Accounting Standards (Ind AS)

Ministry of Corporate Affairs ("MCA"), through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified the following new and amendments to Ind ASs which the Company has not applied as they are effective from April 1, 2019:

#### Ind AS 116 – Leases

Ind AS 116 will replace the existing leases standard, Ind AS 17 Leases. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single on-balance sheet lessee accounting model for lessees. A lessee recognises right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. The standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.

#### Ind AS 12 – Income taxes (amendments relating to income tax consequences of dividend and uncertainty over income tax treatments)

The amendment relating to income tax consequences of dividend clarify that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events. The Company does not expect any impact from this pronouncement. It is relevant to note that the amendment does not amend situations where the entity pays a tax on dividend which is effectively a portion of dividends paid to taxation authorities on behalf of shareholders. Such amount paid or payable to taxation authorities continues to be charged to equity as part of dividend, in accordance with Ind AS 12.

#### Ind AS 109 – Prepayment Features with Negative Compensation

The amendments relate to the existing requirements in Ind AS 109 regarding termination rights in order to allow measurement at amortised cost (or, depending on the business model, at fair value through other comprehensive income) even in the case of negative compensation payments. The Company does not expect this amendment to have any impact on its financial statements.

#### Ind AS 19 – Plan Amendment, Curtailment or Settlement

The amendments clarify that if a plan amendment, curtailment or settlement occurs, it is mandatory that the current service cost and the net interest for the period after the re-measurement are determined using the assumptions used for the re-measurement. In addition, amendments have been included to clarify the effect of a plan amendment, curtailment or settlement on the requirements regarding the asset ceiling. The Company does not expect this amendment to have any significant impact on its financial statements.

#### Ind AS 23 – Borrowing Costs

The amendments clarify that if any specific borrowing remains outstanding after the related asset is ready for its intended use or sale, that borrowing becomes part of the funds that an entity borrows generally when calculating the capitalisation rate on general borrowings. The Company does not expect any impact from this amendment.

#### Ind AS 28 – Long-term Interests in Associates and Joint Ventures

The amendments clarify that an entity applies Ind AS 109 Financial Instruments, to long-term interests in an associate or joint venture that form part of the net investment in the associate or joint venture but to which the equity method is not applied. The Company does not expect any impact from this amendment.

#### Ind AS 103 – Business Combinations and Ind AS 111 – Joint Arrangements

The amendments to Ind AS 103 relating to re-measurement clarify that when an entity obtains control of a business that is a joint operation, it re-measures previously held interests in that business. The amendments to Ind AS 111 clarify that when an entity obtains joint control of a business that is a joint operation, the entity does not re-measure previously held interests in that business. The Company will apply the pronouncement if and when it obtains control / joint control of a business that is a joint operation.

## 2.4 Significant Accounting Policies

### Revenue recognition

The Company earns revenue primarily from growing and processing of mushrooms and manufacturing IQF ready to eat items.

Effective April 1, 2018, the Company has applied Ind AS 115 which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised. Ind AS 115 replaces Ind AS 18 Revenue and Ind AS 11 Construction Contracts. The Company has adopted Ind AS 115 using the cumulative effect method. The effect of initially applying this standard is recognised at the date of initial application (i.e. April 1, 2018). The standard is applied retrospectively only to contracts that are not completed as at the date of initial application and the comparative information in the statement of profit and loss is not restated – i.e. the comparative information continues to be reported under Ind AS 18 and Ind AS 11. Refer Significant accounting policies – Revenue recognition in the Annual report of the Company for the year ended March 31, 2018, for the revenue recognition policy as per Ind AS 18 and Ind AS 11. The impact of the adoption of the standard on the financial statements of the Company is insignificant.

### (a) Property, Plant and Equipment:

Property, plant and equipment are stated at acquisition cost net of accumulated depreciation and accumulated impairment losses, if any. Property, plant and equipment acquired in a business combination are recognised at fair value at the acquisition date.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance cost are charged to the Statement of Profit and Loss during the period in which they are incurred.

Gains or losses arising on retirement or disposal of property, plant and equipment are recognised in the Statement of Profit and Loss.

Property, plant and equipment which are not ready for intended use as on the date of Balance Sheet are disclosed as "Capital work- in-progress".

Depreciation is provided on a written down value method based on estimated useful life prescribed under Schedule II to the Companies Act, 2013 with the exception of the following:

Property, Plant and Equipment is depreciated over 3 to 30 years based on the technical evaluation of useful life done by the management. Assets costing ` 5,000 or less are fully depreciated in the year of purchase.

Freehold & Leasehold Land is not depreciated.

The residual values, useful lives and method of depreciation of property, plant and equipment is reviewed at each financial year end and adjusted prospectively, if appropriate.

### (b) Intangible Assets:

Separately purchased intangible assets are initially measured at cost. Intangible assets acquired in a business combination are recognised at fair value at the acquisition date. Subsequently, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses, if any.

The useful lives of intangible assets are assessed as either finite or indefinite. Finite-life intangible assets are amortised on a straight- line basis over the period of their expected useful lives. Estimated useful lives by major class of finite-life intangible assets are as follows:

Design - 10 years

Know-how - 10 years

Computer software - 5 years

The amortisation period and the amortisation method for finite-life intangible assets is reviewed at each financial year end and adjusted prospectively, if appropriate.

For indefinite life intangible assets, the assessment of indefinite life is reviewed annually to determine whether it continues, if not, it is impaired or changed prospectively basis revised estimates.

**(c) Investments in Subsidiaries, Associates and Joint Ventures:**

Investments in subsidiaries, associates and joint ventures are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries, associates and joint venture, the difference between net disposal proceeds and the carrying amounts are recognized in the Statement of Profit and Loss.

**(d) Inventories:**

Inventories are valued at the lower of cost and net realisable value. Cost is computed on a weighted average basis. Cost of finished goods and work-in-progress include all costs of purchases, conversion costs and other costs incurred in bringing the inventories to their present location and condition. The net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and estimated costs necessary to make the sale.

**(e) Cash and Cash Equivalents:**

Cash and cash equivalents are short-term (three months or less from the date of acquisition), highly liquid investments that are readily convertible into cash and which are subject to an insignificant risk of changes in value.

**(f) Assets Held for Sale:**

Non-current assets or disposal groups comprising of assets and liabilities are classified as 'held for sale' when all of the following criterias are met: (i) decision has been made to sell. (ii) the assets are available for immediate sale in its present condition. (iii) the assets are being actively marketed and (iv) sale has been agreed or is expected to be concluded within 12 months of the Balance Sheet date.

Subsequently, such non-current assets and disposal groups classified as 'held for sale' are measured at the lower of its carrying value and fair value less costs to sell. Non-current assets held for sale are not depreciated or amortised.

**(g) Financial Instruments:**

## Financial Assets:

Financial assets are recognised when the Company becomes a party to the contractual provisions of the instrument. On initial recognition, a financial asset is recognised at fair value. In case of financial assets which are recognised at fair value through profit and loss (FVTPL), its transaction cost are recognised in the statement of profit and loss. In other cases, the transaction costs are attributed to the acquisition value of the financial asset.

Financial assets are subsequently classified and measured at

- amortised cost
- fair value through profit and loss (FVTPL)
- fair value through other comprehensive income (FVOCI).

Financial assets are not reclassified subsequent to their recognition, except if and in the period the Company changes its business model for managing financial assets.

## Trade Receivables and Loans:

Trade receivables are initially recognised at fair value. Subsequently, these assets are held at amortised cost, using the effective interest rate (EIR) method net of any expected credit losses. The EIR is the rate that discounts estimated future cash income through the expected life of financial instrument.

## Debt Instruments:

Debt instruments are initially measured at amortised cost, fair value through other comprehensive income ('FVOCI') or fair value through profit or loss ('FVTPL') till derecognition on the basis of (i) the Company's business model for managing the financial assets and (ii) the contractual cash flow characteristics of the financial asset.

**(i) Measured at amortised cost:**

Financial assets that are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows that are solely payments of principal and interest, are subsequently measured at amortised cost using the effective interest rate ('EIR') method less impairment, if any. The amortisation of EIR and loss arising from impairment, if any is recognised in the Statement of Profit and Loss.

(ii) Measured at fair value through other comprehensive income:

Financial assets that are held within a business model whose objective is achieved by both, selling financial assets and collecting contractual cash flows that are solely payments of principal and interest, are subsequently measured at fair value through other comprehensive income. Fair value movements are recognized in the other comprehensive income (OCI). Interest income measured using the EIR method and impairment losses, if any are recognised in the Statement of Profit and Loss. On derecognition, cumulative gain or loss previously recognised in OCI is reclassified from the equity to 'other income' in the Statement of Profit and Loss.

(iii) Measured at fair value through profit or loss:

A financial asset not classified as either amortised cost or FVOCI, is classified as FVTPL. Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, recognised as 'other income' in the Statement of Profit and Loss.

### **Equity Instruments:**

All investments in equity instruments classified under financial assets are initially measured at fair value; the Company may, on initial recognition, irrevocably elect to measure the same either at FVOCI or FVTPL.

The Company makes such election on an instrument-by-instrument basis. A fair value change on an equity instrument is recognised as 'other income' in the Statement of Profit and Loss unless the Company has elected to measure such instrument at FVOCI. Fair value changes excluding dividends, on an equity instrument measured at FVOCI are recognised in OCI. Amounts recognised in OCI are not subsequently reclassified to the Statement of Profit and Loss. Dividend income on the investments in equity instruments are recognised as 'other income' in the Statement of Profit and Loss.

### **Derivative Financial Instruments:**

The Company uses derivative financial instruments, such as forward currency contracts to hedge its foreign currency risk. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Any changes therein are recognised in the statement of profit and loss account. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

### **Derecognition**

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the contractual rights to receive the cash flows from the asset.

### **Impairment of Financial Asset**

The Company applies expected credit losses (ECL) model for measurement and recognition of loss allowance on the following:

- i. Trade receivables
- ii. Financial assets measured at amortized cost (other than trade receivables)
- iii. Financial assets measured at fair value through other comprehensive income (FVTOCI)

In case of trade receivables, the Company follows a simplified approach wherein an amount equal to lifetime ECL is measured and recognized as loss allowance.

In case of other assets (listed as ii and iii above), the Company determines if there has been a significant increase in credit risk of the financial asset since initial recognition. If the credit risk of such assets has not increased significantly, an amount equal to 12-month ECL is measured and recognized as loss allowance. However, if credit risk has increased significantly, an amount equal to lifetime ECL is measured and recognized as loss allowance.

Subsequently, if the credit quality of the financial asset improves such that there is no longer a significant increase in credit risk since initial recognition, the Company reverts to recognizing impairment loss allowance based on 12-month ECL.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e., all cash shortfalls), discounted at the original effective interest rate.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial asset. 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months from the reporting date.



ECL are measured in a manner that they reflect unbiased and probability weighted amounts determined by a range of outcomes, taking into account the time value of money and other reasonable information available as a result of past events, current conditions and forecasts of future economic conditions.

As a practical expedient, the Company uses a provision matrix to measure lifetime ECL on its portfolio of trade receivables. The provision matrix is prepared based on historically observed default rates over the expected life of trade receivables and is adjusted for forward-looking estimates. At each reporting date, the historically observed default rates and changes in the forward-looking estimates are updated.

ECL impairment loss allowance (or reversal) recognized during the period is recognised as income/ expense in the Statement of Profit and Loss under the head 'Other expenses'.

### **Financial Liabilities:**

#### **Initial recognition and measurement**

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the amortised cost unless at initial recognition, they are classified as fair value through profit and loss. In case of trade payables, they are initially recognised at fair value and subsequently, these liabilities are held at amortised cost, using the effective interest rate method.

#### **Subsequent measurement**

Financial liabilities are subsequently measured at amortised cost using the EIR method. Financial liabilities carried at fair value through profit or losses are measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss.

#### **Derecognition**

A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

### **(h) Provisions and Contingent Liabilities:**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date.

If the effect of the time value of money is material, provisions are discounted to reflect its present value using a current pre-tax rate that reflects the current market assessments of the time value of money and the risks specific to the obligation. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

### **(i) Revenue Recognition:**

Revenue from sale of goods is recognised when all the significant risks and rewards of ownership in the goods are transferred to the buyer as per the terms of the contract, there is no continuing managerial involvement with the goods and the amount of revenue can be measured reliably. The Company retains no effective control of the goods transferred to a degree usually associated with ownership and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of goods. Revenue is measured at fair value of the consideration received or receivable, after deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the government which are levied on sales such as sales tax, value added tax, goods and services tax, etc.

Income from export incentives such as duty drawback and premium on sale of import licenses and lease license fee are recognised on accrual basis.

Income from services rendered is recognised based on agreements/ arrangements with the customers as the service is performed in proportion to the stage of completion of the transaction at the reporting date and the amount of revenue can be measured reliably.

Interest income is recognized using the effective interest rate (EIR) method.

Dividend income on investments is recognised when the right to receive dividend is established.

**(j) Government Grant:**

The Company was entitled to 'MEIS Scheme' under export incentive till January 2021. Now, Company is entitled to 'RoDTEP Scheme' under new export incentive scheme. Such incentives are measured at amount receivable from the government and are recognised as other operating revenue. The Company will comply with all necessary conditions attached to incentives.

**(k) Expenditure:**

Expenses are accounted on accrual basis.

**(l) Employee Benefits:**

Defined contribution plans

Contributions to defined contribution schemes such as employee's state insurance are charged as an expense based on the amount of contribution required to be made as and when services are rendered by the employees. Company's provident fund contribution, in respect of certain employees, is made to a government administered fund and charged as an expense to the Statement of Profit and Loss.

**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 valuation made at the end of each financial year.
- (iii) No provision is made for unencashable short term compensated absences.

**Impairment of Non-Financial Assets:**

Assessment for impairment is done at each Balance Sheet date as to whether there is any indication that a non-financial asset may be impaired. Indefinite life intangibles are subject to a review for impairment annually or more frequently if events or circumstances indicate that it is necessary. For the purpose of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets is considered as a cash generating unit. Goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Company's cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

If any indication of impairment exists, an estimate of the recoverable amount of the individual asset/cash generating unit is made. Asset/cash generating unit whose carrying value exceeds their recoverable amount are written down to the recoverable amount by recognising the impairment loss as an expense in the Statement of Profit and Loss. The impairment loss is allocated first to reduce the carrying amount of any goodwill (if any) allocated to the cash generating unit and then to the other assets of the unit, pro rata based on the carrying amount of each asset in the unit. Recoverable amount is higher of an asset's or cash generating unit's fair value less cost of disposal and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset or cash generating unit and from its disposal at the end of its useful life. Assessment is also done at each Balance Sheet date as to whether there is any indication that an impairment loss recognised for an asset in prior accounting periods may no longer exist or may have decreased, basis the assessment a reversal of an impairment loss for an asset other than goodwill is recognised in the Statement of Profit and Loss account.

**Income Taxes:**

Income tax expense for the year comprises of current tax and deferred tax. It is recognised in the Statement of Profit and Loss except to the extent it relates to a business combination or to an item which is recognised directly in equity or in other comprehensive income.

Current tax is the expected tax payable/receivable on the taxable income/loss for the year using applicable tax rates at the Balance Sheet date, and any adjustment to taxes in respect of previous years. Interest expenses and penalties, if any, related to income tax are included in finance cost and other expenses respectively. Interest Income, if any, related to Income tax is included in current tax expenses.

Deferred tax is recognised in respect of temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes.

A deferred tax liability is recognised based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted, or substantively enacted, by the end of the reporting period. Deferred tax assets are recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities; and the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority.

**Leases:**

Leases in which a substantial portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments and receipts under such leases are recognised to the Statement of Profit and Loss on a straight-line basis over the term of the lease unless the lease payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, in which case the same are recognised as an expense in line with the contractual term.

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards incidental to ownership to the lessee.

**Foreign Currencies:**

Foreign currency transactions are translated into the functional currency using exchange rates at the date of the transaction. Foreign exchange gains and losses from settlement of these transactions and from translation of monetary assets and liabilities at the reporting date exchange rates are recognised in the Statement of Profit and Loss.

**Earnings Per Share:**

Basic earnings per share is computed by dividing the net profit for the period attributable to the equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

**Himalaya Food International Ltd.**
**Notes to the consolidated financial statements for the year ended March 31, 2021**
**Note 3: Property, plant and equipment**

(All amounts in Rs in lacs unless otherwise stated)

Particulars	Freehold land	Leasehold land	Freehold Building	Leasehold building	Furniture, fittings and	Plant and machinery	Vehicle	Total	Capital Work In progress
Year ended 31 March 2020									
Gross carrying amount									
<b>Deemed cost as at 1 April 2019</b>	1483	81	7189	418	135	15979	616	25901	<b>5491</b>
<b>Additions</b>	0		0	0	0	0	0	0	<b>0</b>
<b>Disposals</b>	0						0	0	
<b>Closing gross carrying amounts</b>	1483	81	7189	418	135	15979	616	25900	<b>5491</b>
<b>Accumulated depreciation</b>	0		1770	176	107	8658	490	11201	<b>0</b>
<b>Depreciation Charged during the year</b>	0		232	7	9	851	47	1146	<b>0</b>
<b>Closing Accumulated depreciation</b>	0	0	2002	183	115	9509	537	12346	<b>0</b>
Net Carrying Amount	<b>1483</b>	<b>81</b>	<b>5187</b>	<b>235</b>	<b>20</b>	<b>6470</b>	<b>79</b>	<b>13554</b>	5491
Year ended 31 March 2021									
Gross carrying amount									
<b>Opening gross carrying amount</b>	1483	81	7189	418	135	15979	616	25900	<b>5491</b>
<b>Additions **</b>	0		0	0	0	322	4	326	<b>0</b>
<b>Assets classified as held for sale</b>	0	0	0	0	0	0	0	0	
<b>Disposals</b>	0	0	0	0	0	0	2	2	
<b>Transfers</b>	0	0	0	0	0	0	0	0	
Closing gross carrying amounts	<b>1483</b>	<b>81</b>	<b>7189</b>	<b>418</b>	<b>135</b>	<b>16301</b>	<b>618</b>	<b>26224</b>	5491
<b>Accumulated depreciation</b>									
<b>Opening accumulated depreciation</b>	0	0	2002	183	115	9509	537	12346	<b>0</b>
<b>Depreciation Charged During the Year</b>	0	0	253	11	5	752	25	1046	<b>0</b>
<b>Impairment loss</b>	0	0	0	0	0	0	0	0	<b>0</b>
<b>Disposals</b>	0	0	0	0	0	0	0	0	<b>0</b>
<b>Exchange differences</b>	0	0	0	0	0	0	0	0	<b>0</b>
<b>Assets classified as held for sale</b>	0	0	0	0	0	0	0	0	<b>0</b>
<b>Closing accumulated depreciation and impairment</b>	0	0	2255	194	120	10261	562	13392	<b>0</b>
Net carrying amounts 31.03.2021	<b>1483</b>	<b>81</b>	<b>4934</b>	<b>224</b>	<b>14</b>	<b>6040</b>	<b>56</b>	<b>12832</b>	<b>5491</b>

Note:

Capital work in progress as at 31st March, 2021 is ` 5491 lacs (31st March, 2020: ` 5491 lacs)

\* The company has incurred necessary capex as under:

1)The mushroom houses racks that were torn out have been portionally replace.

**Himalaya Food International Ltd.**
**Notes to the consolidated financial statements for the year ended March 31, 2021**

(All amounts in Rs in lacs unless otherwise stated)

Note	Particulars	No of Shares	Amount
<b>8</b>	<b>Equity Share Capital and Other Equity</b>		
	<b>Equity Share Capital</b>		
	Authorised Equity Share Capital As at 31.03.2020	7,50,00,000	7,50,000
	Increase during the year	0	0
	As at 31.03.2021	7,50,00,000	7,50,000
	Particulars	No of Shares	Equity share capital par value
	Movement in equity share capital As at 31.03.2020	57872900	5787.29
	Less: Application money forfeited	0	0
	As at 31.03.2021	57872900	5787.29

Terms and rights attached to equity shares

Equity shares have par value of INR 10. They entitle the holder to participate in dividends, and to share in the proceeds of winding up the company in proportion to the number of and amounts paid on the shares held.

Every holder of equity shares present at a meeting in person or proxy is entitled to one vote, and upon a poll each share is entitled to one vote.

**(b) Reserves and surplus**

Particulars	As at March 31, 2021	As at March 31, 2020
Capital reserve	1322	1322
Securities premium reserve	3378	3378
Retained earnings	-4286	-4528
<b>Total</b>	<b>414</b>	<b>172</b>
(i) Capital Reserve Opening balance	1322	1322
Closing balance	<b>1322</b>	<b>1322</b>
(ii) Securities premium reserve Opening balance	3378	3378
Closing balance	<b>3378</b>	<b>3378</b>
(ii) Retained earnings Opening balance	-4538	-5530
Profit for the year	252	992
Closing balance	<b>-4286</b>	<b>-4538</b>

**B. Nature and purpose of reserves**

(a) **Capital Reserve:** Capital Subsidies received by the company is treated as capital reserve.

(b) **Securities Premium Reserve:** The amount received in excess of face value of the equity shares is recognised in Securities Premium Reserve.

(c) **General Reserve:** The Company has transferred a portion of the net profit of the Company before declaring dividend to general reserve pursuant to the earlier provisions of Companies Act, 1956. Mandatory transfer to general reserve is not required under the Companies Act, 2013.

(d) **Retained Earnings:** Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.

**C. Capital Management**

Equity share capital and other equity are considered for the purpose of Company's capital management.

The Company manages its capital so as to safeguard its ability to continue as a going concern and to optimise returns to shareholders. The capital structure of the Company is based on management's judgment of its strategic and day-to-day needs with a focus on total equity so as to maintain investor, creditors and market confidence.

The management and the board of directors monitor the return on capital as well as the level of dividends to shareholders. The Company may take appropriate steps in order to maintain, or if necessary adjust, its capital structure.

[All amounts in Rs in lacs unless otherwise stated]

a Note	Particulars	Maturity Date	Terms of repayment	Rate of Interest %	As at March 31, 2021	As at March 31, 2020
<b>9</b>	<b>Financial liabilities</b>					
<b>(a)</b>	<b>Non-current borrowings</b>					
	Secured					
	Term Loans					
	From Banks					
	Rupee Loan	30.06.2024	Quarterly	11.30	12418	12418
	Rupee Loan	30.06.2024	Quarterly	10.65	243	243
	Long term maturities of finance lease obligations					
	Obligations under finance leases	31.03.2021	Monthly	11.00	1	13
	Rupee Loan		Payable on demand	11.30	5440	5440
	<b>Total Non-Current Borrowing</b>				<b>18102</b>	<b>18114</b>
	Less Current maturities on long term debt (OTS Amount)				0	0
	Less Current maturities on loan from other Parties				1	13
	<b>Total Non-Current Borrowings (As per Balance Sheet)</b>				<b>18101</b>	<b>18101</b>

<b>(b)</b>	<b>Current borrowings</b>					
	From Banks					
	Rupee Loan		Payable on demand	11.30	0	0
	<b>Total Current Borrowing</b>				<b>0</b>	<b>0</b>

1. Secured borrowings and assets pledged as security:
  - a. 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 Promoters.
  - b. 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.
  - c. All vehicle loans are secured against the vehicle and personal guarantee of the CMD, Mr. Man Mohan Malik, taken from Mahindra Finance.
2. The company Bank accounts are NPA since March 2018, hence no Interest has been charged during the year.
3. Loan Account from Banks have been shown at the full value as on the date of NPA. The OTS settled by banks is Rs. 8,290 Lakhs out of which Rs. 2,044 Lakhs have been paid till 31.03.2021. The effect of waiver by the banks will be reflected after full repayment of OTS amount.

**Himalaya Food International Limited**
**Notes to the consolidated financial statements for the year ended March 31, 2021**

(All amounts in Rs in lacs unless otherwise stated)

Note	Particulars	As at March 31, 2021	As at March 31, 2020
<b>9(c)</b>	<b>Other Financial liabilities</b>		
	<b>Non-Current (Other)</b>		
	Advances and deposits from customers	335	335
	<b>Total Other Non-current Financial liabilities</b>	<b>335</b>	<b>335</b>
	<b>Current</b>		
	Current maturities of long-term debt	0	0
	Current maturities on finance lease obligations	1	13
	<b>Total Other current Financial liabilities</b>	<b>1</b>	<b>13</b>
<b>9(d)</b>	<b>Trade payables</b>		
	Current		
	Trade payables	1554	1482
	<b>Total</b>	<b>1554</b>	<b>1482</b>
<b>10</b>	<b>Other Current Liabilities</b>		
	<b>Other payables</b>		
	Expense payable	248	194
	Security from Customer	2	7
	TDS payable (tax deducted at source)	2	40
	Employees State Insurance payable	15	18
	Employees Provident Fund payable	42	30
	<b>Total</b>	<b>309</b>	<b>289</b>
	<b>Contingent Liabilities not provided for</b>		
	<b>Particulars</b>	<b>As at March 31, 2021</b>	<b>As at March 31, 2020</b>
	Guarantees and Counter guarantees given by the Company	48	57
	Letter of credit	0	0
	Excise duty on Domestic Tariff Areas sales pending in Delhi Tribunal	4	4
	Corporate Guarantee given	1	1
	Income Tax AY 2012-13 Appeal Pending before HC	729	729
	Sales Tax	5	5
	Liability in the Dispute with JV Partner Simplot at SIAC	2970	2970
	(Detail Given at Point j in Notes to accounts)		

**Himalaya Food International Limited**
**Notes to the consolidated financial statements for the year ended March 31, 2021**

(All amounts in Rs in lacs unless otherwise stated)

Note	Particulars	31-Mar-21			31-Mar-20		
<b>11</b>							
<b>(a)</b>	<b>Provisions</b>	<b>Current</b>	<b>Non-current</b>	<b>Total</b>	<b>Curren</b>	<b>Non-current</b>	<b>Total</b>
	Provision for tax	0	185	185	0	185	185
	Total	0	185	185	0	185	185
	<b>Deferred Payment Liabilities</b>			<b>2021</b>		<b>2020</b>	
	Particulars						
	Deferred Current Assets (Liabilities) as per Balance Sheet			-584		-717	
	Deferred Tax Liability						
	Depreciation as per Companies Act			1046		1146	
	Depreciation as per Income Tax Act			521		601	
	Difference			-525		-545	
	Deferred Tax Liability			-146		-146	
	Deferred Tax Assets on 43B Items						
	PF (Employers Share) not deposited as on 31.03.2021			42		30	
	ESI (Employers Share) not deposited as on 31.03.2021			15		18	
	Total			57		48	
	Deferred Tax Asset			16		13	
				130		133	
	Net Deferred Tax Liability			-454		-584	

	Particulars	March 31,2021			March 31,2020		
		Current	Non-current	Total	Current	Non-current	Total
<b>(b)</b>	<b>Employee Benefit obligation</b>						
	Provision for employee benefits						
	Provision for gratuity	2	80	82	13	80	93
	Provision for leave encashment	0	0	0	6	29	35
	Total	2	80	82	19	109	128

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 30 days is lapsed

**(b) Sick Leave (SL)**

Accrual-7 days per year

Encashment while in service is not allowed

Encashment on retirement is permitted as per Company policy.

**(c) Gratuity:**

Gratuity provision has been made according to the prescribed law.

**(d) Post-Retirement Medical Benefits**

There is no post-retirement medical benefit in the company



**(e) 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 expense during the year :						
Defined Contribution Plan				Expenses recognised during	Contribution for key management personnel	
Employer's contribution to provident fund				11	0.22	
(Previous year)				24	0.22	
Employer's Contribution to Employee State Insurance				2	0.00	
(Previous year)				4	0.00	
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				82	0	0
(Previous year)				93	0	0

**Himalaya food International Ltd.**
**Notes to the Consolidated financial statements for the year ended March 31, 2021**
**(All amounts in Rs in lacs unless otherwise stated)**

Note	Particulars	As at March 31, 2021	As at March 31, 2020
<b>4(a)</b>	<b>Loans</b>		
	Unsecured, considered good		
	Advance to associates		
	- APJ Laboratories Ltd	567	568
		<b>567</b>	<b>568</b>
<b>4(b)</b>	<b>Other Financial Assets</b>		
	Unsecured, considered good		
	Deposits to others	51	51
	Subsidy and Other Receivables		
	Unsecured, considered good		
	Capital Subsidy	319	319
	Other loans and advances		
	Unsecured, considered good		
	Advance tax and tax deducted at source	217	217
	<b>Total</b>	<b>587</b>	<b>587</b>
<b>4(c)</b>	<b>Trade Receivables</b>		
	Trade Receivable	2639	2644
	<b>Total Receivable</b>	<b>2639</b>	<b>2644</b>
	Current Portion	859	1164
	Non- Current Portion	1780	1480
<b>4(d)</b>	<b>Cash and Cash Equivalents</b>		
	Balances with banks:		
	On current accounts with scheduled banks	2	58
	On EEFC accounts	0	0
	Cash on hand	1	1
	<b>Total</b>	<b>3</b>	<b>59</b>
<b>4(e)</b>	<b>Other bank balances</b>		
	Fixed deposits with Banks	105	102
	<b>Total</b>	<b>105</b>	<b>102</b>
<b>5</b>	<b>Other Non-Current Assets</b>		
	Advances to suppliers	147	146
	TDS / GST receivable	289	216
	Subsidy and incentive receivable	928	833
	MAT Credit entitlements	96	96
	<b>Total</b>	<b>1460</b>	<b>1291</b>
<b>6</b>	<b>Inventories</b>		
	Raw Materials	233	229
	Work-in-Progress	386	424

	Finished Goods	774	716
	Store & Spares	98	169
	<b>Total</b>	<b>1491</b>	<b>1538</b>
<b>7</b>	<b>Other Current Assets</b>		
	Prepaid Insurance	4	1
	Deposited in OTS Scheme	2044	1232
	<b>Total</b>	<b>2048</b>	<b>1233</b>
<b>12</b>	<b>Revenue from Operations</b>		
	Sale of goods		
	Sales- Export	3447	2791
	Sales- Domestic	2189	5085
	<b>Total</b>	<b>5636</b>	<b>7876</b>
<b>13</b>	<b>Other Income</b>		
	Interest income	6	6
	Duty draw back	2	3
	Other Income	60	1
	Profit on Sale of Machinery	0	0
	Income from Forfieted of Share Application Money	0	278
	Export Incentives	120	157
	<b>Total</b>	<b>188</b>	<b>445</b>
<b>14</b>	<b>Raw Material &amp; Consumables Consumed</b>		
	Raw material at the beginning of the year	398	269
	Add:		
	Purchases	2333	3643
	Freight inward	14	37
	Packing Expenses& other	29	61
	<b>Less: Raw material at the end of the year</b>	<b>331</b>	<b>398</b>
	<b>Total</b>	<b>2443</b>	<b>3612</b>
<b>15</b>	<b>Changes in inventories of finished goods and work-in-progress</b>		
	Opening Stock		
	Goods in process	424	421
	Finished goods	716	561
		<b>1140</b>	<b>982</b>
	Closing Stock		
	Goods in process	386	424
	Finished goods	774	716
		<b>1160</b>	<b>1140</b>
	<b>(Increase)/Decrease in inventories</b>	<b>-20</b>	<b>-158</b>
<b>16</b>	<b>Employee benefit expense</b>		
	Salaries, wages and bonus	346	763
	Contribution to		
	Provident Fund	11	24
	Employees' State Incorporation Fund	2	4
	Gratuity	2	29
	Staff welfare expenses	6	5
	<b>Total</b>	<b>366</b>	<b>825</b>

<b>Directors' remuneration</b>		
(included under employee benefit expense)		
Salaries to Managing Director	60	60
Salaries to Whole Time Director	19	19
Contribution to provident fund	0	0
	<b>79</b>	<b>79</b>
<b>17 Depreciation and amortisation expense</b>		
Depreciation of property, plant and equipment	1046	1146
<b>Total</b>	<b>1046</b>	<b>1146</b>
<b>18 Other expenses</b>		
Power and fuel	541	827
Rent:		
- Offices and Godowns	4	4
Rates and taxes	12	19
Insurance	8	11
Repairs and maintenance:		
- Plant and machinery	17	11
- Building	0	0
- Others	0	0
Advertisement and sales promotion	1	1
Postage and courier	1	1
Travelling and conveyance	38	42
Printing and stationery	1	3
Communication	3	3
Legal and professional	35	25
Payment to Auditors	3	6
Selling Expenses	892	845
Misc exp.	6	12
Freight Outward	191	36
Other expenses	90	163
<b>Total</b>	<b>1844</b>	<b>2009</b>
Auditor's Remuneration		
Professional Fee		
-Audit Fees	3	6
-Tax Audit Fees	0	0
Reimbursement of Expenses	0	0
	<b>3</b>	<b>6</b>
<b>19 Finance cost</b>		
Interest and finance charges on financial liabilities not at fair value through profit or loss	23	28
<b>Total</b>	<b>23</b>	<b>28</b>

**Himalaya Food International Ltd.**
**Notes to the consolidated financial statements for the year ended March 31, 2021**

(All amounts in Rs in lacs unless otherwise stated)

**20** Disclosures pursuant to Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 186 of the Companies Act, 2013

**a** 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:

	Year ended	Year ended
	31-Mar-2021	31-Mar-2020
<b>(i) Loans and advances</b>		
APJ Laboratories Ltd	567	568
<b>(ii) Sundry Creditors</b>		
Doon Valley Foods Pvt Ltd.	391	363
<b>(iii) Investment in shares of subsidiary companies:</b>		
Himalya Green Apartments Ltd (100% Subsidiary) (50000 shares of Rs. 10 each fully paid up)	5	5
Appetizer and Snacks Foods Ltd (100% Subsidiary) (50000 shares of Rs. 10 each fully paid up)	5	5

**b Related party disclosures**

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 (100% Subsidiary)	
	Appetizer and Snacks Foods Ltd (100% Subsidiary)	
<b>Nature of transaction</b>	<b>Year ended</b>	<b>Year ended</b>
	<b>31-Mar-2021</b>	<b>31-Mar-2020</b>
<b>(i) Managerial remuneration</b>		
Mr. M.M. Malik	60	60
Mrs. Sangita Malik	19	19
<b>(ii) Loans and advances</b>		
APJ Laboratories Ltd	567	568
<b>(iii) Sundry Creditors</b>		
Doon Valley Foods Pvt Ltd.	391	363
Purchase Value	385	361
<b>(iv) Investment in shares of subsidiary companies:</b>		
Himalya Green Apartments Ltd (100% Subsidiary) (50000 shares of Rs. 10 each fully paid up)	5	5
Appetizer and Snacks Foods Ltd (100% Subsidiary) (50000 shares of Rs. 10 each fully paid up)	5	5

## c 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 **31.03.2021**. Amount outstanding to these enterprises to the year ended **31.03.2020** is Rs. Nil (previous year Rs. Nil).

## d Segment

Disclosure

Primary Segment

We have to segment Agriculture and Processed foods. In Agriculture we produced fresh Mushroom, sale as fresh, chilled. And in process food we sell canned Mushroom, Frozen Appetizers, we maintained both segments books separately Profit & loss accounts of both are as under:

Particular	Agri Div.	Mfg Div.	Total
By Sales			
By Sales	584	5052	5636
By Other Income	0	188	188
By Transfer to process Div	540	0	540
<b>Total</b>	<b>1124</b>	<b>5240</b>	<b>6364</b>
By Closing Stock			
- Raw Material	60	271	331
- Work in Progress	386	0	386
- Finished Goods	23	751	774
To Opening Stock			
- Raw Material	14	384	398
- Work in Progress	424	0	424
- Finished Goods	22	694	716
Increase/decrease in Stock	9	-56	-47
<b>Total Income</b>	<b>1133</b>	<b>5184</b>	<b>6317</b>
To Purchases Raw-Material	0	1808	1808
To Purchase of Fresh Mushroom	0	540	540
To Agriculture Expenses Raw -Mat	525	0	525
To Growing Expenses	213	0	213
To Manufacturing Exp.	0	371	371
To Repair	7	2	9
To Financial Exp.	0	23	23
To Depreciation	167	879	1046
To Employee Salary	89	277	366
To Freight Out Ward	22	133	155
To Selling Exp.	11	957	968
To Admin Exp.	26	145	171
<b>Total Expenses</b>	<b>1060</b>	<b>5135</b>	<b>6195</b>
<b>To Net Earnings</b>	<b>73</b>	<b>49</b>	<b>122</b>

Information about the Secondary Segments  
Revenue and sundry debtors as per geographical markets

Particulars	Revenue		Sundry debtors	
	2021	2020	2021	2020
<b>India</b>	2189	5085	355	373
<b>Outside India</b>	3447	2791	2284	2271
<b>Total</b>	<b>5636</b>	<b>7876</b>	<b>2639</b>	<b>2644</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.

e	Earning per shares (E.P.S.)	Year ended 31-Mär-2021	Year ended 31- Mär-2020
	Basic E.P.S.	0.44	1.22
	Diluted E.P.S.	0.44	1.22
	Calculation of basic E.P.S.		
	a) Net profit for the year attributable to equity shareholders	252	992
	b) Weighted average number of equity shares	57872604	57872604
	c) Basic earnings per share (a/b)	0.44	1.71
	d) Nominal value per share	Rs. -10/-	Rs. 10/-
	<b>Calculation of diluted shares</b>		
	Weighted average number of equity shares	57872604	57872604
	Number of shares in respect of shares warrants		3500000
	Total:	<b>57872604</b>	<b>57872604</b>
f	Disclosure of the Company's interest In jointly controlled assets: <b>The Company has interest in the following jointly controlled entity:</b>		

Name Of the company	Company's interest	Amount of Investment (In Lakhs)	Partners and their participating interest
Himalya Simplot Private Ltd.	50%	114936	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.

- c. 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.
- d. 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 center.
- g. 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.
- h. During the year there is no liability to pay MAT as there is carried forward business loss.

**i. 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.

**j. Explanatory Note:** In the dispute that arose with Erstwhile JV partner Simplot USA in 2013, the Singapore International Arbitration Center (SIAC) awarded US \$ 3.96 mm with further interest @ 5.33% till the date of payment from the date of award to be payable by the Company and in turn the sale of French Fry line and Specialty Potato Lines stands cancelled and has been reverted back to the Company. The Tribunal has directed Simplot to return the Pieces and Penals removed from French Fry & Potato Specialty Lines. Company Proposes to file an appeal in Singapore Highcourt to Challenge the amount awarded. However company has shown the amount in contingent liability and on conclusion of appeal will pass the necessary entries to add the value of the French Fry & Potato Specialty Lines into assets.

**k. COVID-19** has had an impact on the business operations of the company, as on the signing date.

The operations of growing Mushroom have been affected which results decline in turnover. This however does not affect the concept of "Going Concern" for the company.

Further there has been no impairment in the value of Inventories or Financial assets and Non-financial instruments for the company.

**l. 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 20

**For Sharma Kumar & Associates  
Chartered Accountants  
Firm Registration No. 030842N**

SD/-  
**(Kailash Sharma)  
Partner**

**Membership no. 543197  
UDIN: 21543197AAAANM5296  
Dated: 12.06.2021  
Place : Delhi**

For and on behalf of the Board

SD/-  
Man Mohan Malik  
Chairman & Managing Director  
DIN:00696077

SD/-  
Shamsher Ali  
CFO

SD/-  
Sangita Malik  
Director  
DIN:02428506

SD/-  
Surabhi Maheshwari  
Company Secretary



**Form No. AOC-2**

**(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)**

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

**Details of contracts or arrangements or transactions not at arm's length basis:**

The Company has not entered in any contract or arrangement or transactions with its related parties which is not at arm's length during the Financial Year 2020-21.

**Details of material contracts or arrangement or transactions at arm's length basis:**

In accordance with the requirements of IND AS 24, name of the related party, related party relationship, outstanding balances including commitments where control exists and with whom transactions have taken place during reported periods, are reported as under:

**(i) Related party name and relationship:**

Particulars	Designation
Mr. M.M. Malik	Managing Director
Mrs. Sangita Malik	Whole Time Director

**(ii) Enterprises over which key management personnel / shareholders and their relatives have significant influence (With whom transactions have taken place):**

Particulars	Designation
Doon Valley Foods Pvt. Ltd.	Managing Directors

**(iii) Transactions carried out with Related Parties referred in point (i) & (ii) above in ordinary course of Business**

Nature of Transactions	(Rs. in Lakhs)	
	As at 31 <sup>st</sup> March, 2020	As at 31 <sup>st</sup> March, 2021
<b>M.M. Malik ( Managing Director)</b> Remuneration paid	60	60
<b>Sangita Malik</b> Remuneration paid	19	19
<b>Doon Valley Foods Pvt. Ltd.</b> Purchases of Raw Material	361	385

**For and on behalf of the Board of Directors  
Himalaya Food International Limited**

Sd/-  
Man Mohan Malik

Chairman cum Managing Director

DIN: 00696077

Date: 12.06.2021

Place: : Poanta Sahib

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