

**FORM A**

**Format of covering letter of the annual audit report to be filed with the Stock exchanges**

1.	Name of the Company:	Himalaya Granites Limited
2.	Annual financial statements for the year ended	31 <sup>st</sup> March 2014
3.	Type of Audit observation	Un-qualified
4.	Frequency of observation	Not Applicable
5.	Signed by-	
	Mr. Ramesh Kumar Haritwal, Managing Director & CEO	<b>For HIMALAYA GRANITES LTD.</b>  Managing Director & C.E.O.
	M/s. D. Dhandaria & Company, Auditors of the Company	<b>For D. DHANDARIA &amp; COMPANY</b> Chartered Accountants ICAI Firm Reg. No. <b>306147E</b>  (Dindayal Dhandaria) Partner Membership No. <b>010928</b>
	Mr. Mahesh Kumar Malpani, Audit Committee Chairman	

**Note:** Owing to vacancy in the position of Chief Financial Officer of the Company, Mr. Ramesh Kumar Haritwal, Managing Director & CEO of the Company is also heading the finance function of the Company and therefore the Form A has not been signed by the Chief Financial Officer, as required.

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**ANNUAL  
REPORT  
2013-14**

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**HIMALAYA GRANITES LIMITED**



Corporate Information as on 30th May, 2014

**BOARD OF DIRECTORS**

Mr. Saurabh Mittal, Non-Executive Chairman  
Mr. Ramesh Kumar Haritwal, Managing Director & CEO  
Mr. Beni Gopal Saraf  
Mr. Mahesh Kumar Malpani  
Mr. Pradip Manharlal Domadia

**AUDIT COMMITTEE**

Mr. Mahesh Kumar Malpani, Chairman  
Mr. Ramesh Kumar Haritwal  
Mr. Beni Gopal Saraf

**AUDITORS**

M/s. D. Dhandaria & Company  
Thana Road, Tinsukia, Assam - 786125

**STAKEHOLDERS' RELATIONSHIP COMMITTEE**

Mr. Beni Gopal Saraf, Chairman  
Mr. Mahesh Kumar Malpani

**REGISTRARS & SHARE TRANSFER AGENTS**

M/s. S.K. Infosolutions Pvt. Ltd.  
34/1A, Sudhir Chatterjee Street  
Kolkata - 700 006  
Phone : (033)2219-4815/6797  
Fax : (033) 2219-4815

**NOMINATION & REMUNERATION COMMITTEE**

Mr. Pradip Manharlal Domadia, Chairman  
Mr. Mahesh Kumar Malpani  
Mr. Beni Gopal Saraf

**REGISTERED OFFICE**

Panchalam Village, Melpettai Post, Tindivanam,  
Tamilnadu-604 307  
CIN: L13206TN1987PLC015161  
Telefax: 044-26693378  
Website: [www.hgl.co.in](http://www.hgl.co.in)  
Email: [prakash.corp@greenply.com](mailto:prakash.corp@greenply.com)



## NOTICE

NOTICE is hereby given that the 26th Annual General Meeting of the members of the Company will be held on Tuesday, 30th September, 2014 at 1:00 P.M. at the Registered Office of the Company at Panchalam Village, Melpettai Post, Tindivanam, Tamilnadu - 604 307 to transact the following businesses:

### Ordinary Business :

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2014 including the Audited Balance Sheet as at March 31, 2014 and Statement of Profit & Loss for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.
2. To appoint a director in place of Mr. Saurabh Mittal (DIN 00273917), who retires by rotation at this Annual General Meeting and being eligible, offers himself for re-appointment.
3. To appoint auditors and fix their remuneration and in this connection, to consider and if thought fit, to pass, with or without modification(s), the following as an **Ordinary Resolution** :  

“**RESOLVED THAT** pursuant to Sections 139, 142 and other applicable provisions of the Companies Act, 2013 and the allied rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) M/s. D. Dhandaria & Company, Chartered Accountants (Registration No. 306147E), the retiring auditors be and are hereby appointed as Statutory Auditors of the Company to hold office as such from the conclusion of this Annual General Meeting (AGM) till the conclusion of the 29th AGM subject to ratification by shareholders at every AGM held after this AGM, at such remuneration as may be fixed by the Board of Directors of the Company, based on the recommendation of the Audit Committee, in addition to the reimbursement of all out-of-pocket expenses in connection with the audit of the financial statements of the Company.”

### Special Business :

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

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and applicable provisions of Listing Agreement with the Stock Exchange(s), Mr. Mahesh Kumar Malpani (DIN: 02603222), who was appointed as an Independent Director liable to retire by rotation and whose term expires at this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby re-appointed as an Independent Director of the Company not liable to retire by rotation and to hold office for a term of 5 (five) consecutive years from the date of this Annual General Meeting up to the conclusion of the 31st Annual General Meeting of the Company in the calendar year 2019.”
5. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution** :  

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and applicable provisions of Listing Agreement with the Stock Exchange(s), Mr. Beni Gopal Saraf (DIN: 00267858), who was appointed as an Independent Director liable to retire by rotation and whose term expires at this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby re-appointed as an Independent Director of the Company not liable to retire by rotation and to hold office for a term of 5 (five) consecutive years from the date of this Annual General Meeting up to the conclusion of the 31st Annual General Meeting of the Company in the calendar year 2019.”



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

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and applicable provisions of Listing Agreement with the Stock Exchange(s), Mr. Pradip Manharlal Domadia (DIN: 05292129), who was appointed as an Independent Director liable to retire by rotation and whose term expires at this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby re-appointed as an Independent Director of the Company not liable to retire by rotation and to hold office for a term of 5 (five) consecutive years from the date of this Annual General Meeting up to the conclusion of the 31st Annual General Meeting of the Company in the calendar year 2019.”

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

“**RESOLVED THAT** pursuant to the applicable provisions of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and other applicable laws, the terms and conditions of appointment of Mr. Ramesh Kumar Haritwal (DIN: 01486666), currently holding office as Managing Director and CEO of the Company and not liable to retire by rotation be revised such that Mr. Ramesh Kumar Haritwal shall be liable to retire by rotation and continue as Managing Director and CEO of the Company, other terms and conditions of his appointment remaining unaltered.”

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

“**RESOLVED THAT** pursuant to Section 14 and other applicable provisions, if any, of the Companies Act, 2013, and allied rules thereunder (including any statutory modification(s), or re-enactment(s) thereof for the time being in force), the draft regulations contained in the Articles of Association submitted to this meeting be and are hereby approved and adopted in substitution, and to the entire exclusion, of the regulations contained in the existing Articles of Association of the Company.

**RESOLVED FURTHER THAT** Mr. Saurabh Mittal and Mr. Ramesh Kumar Haritwal, Directors of the Company be and are hereby severally authorized to modify the Articles of Association and to perform all acts, deeds and things, execute documents, and make all filings, as may be necessary to give effect to the above resolution and to take all such steps for giving any such direction as may be necessary or desirable and to settle any questions or difficulties whatsoever that may arise for the purpose of giving effect to this resolution.”

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

“**RESOLVED THAT** pursuant to Section 188 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and applicable provisions of Listing Agreement with the Stock Exchange(s), if any, consent of the members be and is hereby accorded to the Board of Directors of the Company to enter into contracts or arrangements with the following related party, during the financial year 2014-15 or thereafter, up to the maximum amounts, as mentioned below on such terms and conditions as the Board may think proper and beneficial for the Company -

Sl. No.	Name of Related Party	Nature of Transaction	Value of Transaction
1	Greenply Industries Limited	Lease/Leave and License agreement in respect of immovable property	Monthly Rent of ₹ 3,85,000/- with 5% increase every year.

**RESOLVED FURTHER THAT** Mr. Saurabh Mittal and Mr. Ramesh Kumar Haritwal, Directors of the Company be and are hereby severally authorised to do and perform all such acts, deeds, matters and things as may be considered necessary to give effect to the resolution.”

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

“**RESOLVED THAT** pursuant to Section 188 and other applicable provisions, if any, of the Companies Act, 2013 and the



rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and applicable provisions of Listing Agreement with the Stock Exchange(s), if any, consent of the members be and is hereby accorded to the Board of Directors of the Company to enter into contracts or arrangements with the following related party, during the financial year 2014-15 or thereafter, up to the maximum amounts, as mentioned below on such terms and conditions as the Board may think proper and beneficial for the Company -

Sl. No.	Name of Related Party	Nature of Transaction	Value of Transaction
1	Greenlam Industries Limited	Lease/Leave and License agreement in respect of immovable property	Monthly Rent of ₹ 3,85,000/- with 5% increase every year.

**RESOLVED FURTHER THAT** Mr. Saurabh Mittal and Mr. Ramesh Kumar Haritwal, Directors of the Company be and are hereby severally authorised to do and perform all such acts, deeds, matters and things as may be considered necessary to give effect to the resolution.”

By Order of the Board  
For **Himalaya Granites Limited**

**Ramesh Kumar Haritwal**  
Managing Director & CEO

Place : Kolkata  
Dated : 30th May, 2014

**Registered Office :**  
Panchalam Village  
Melpettai Post, Tindivanam,  
Tamilnadu - 604 307

#### NOTES :

1. A Statement pursuant to Section 102 of the Companies Act, 2013, relating to the Special Business to be transacted at the Meeting is annexed hereto.
2. **A member entitled to attend and vote at the Annual General Meeting (the “Meeting”) is entitled to appoint a proxy to attend and vote on a poll instead of himself/herself and the proxy need not be a member of the Company. The instrument appointing the proxy, in order to be effective, should be deposited, duly completed and signed, at the registered office of the Company not less than forty-eight hours before the commencement of the Meeting. A proxy form is sent herewith.**  
**A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.**
3. The Register of Members and Share Transfer Books of the company will remain closed from 2nd September, 2014 to 4th September, 2014 (both days inclusive).
4. Corporate members intending to send their authorised representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting.
5. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
6. Queries on accounts of the Company, if any may please be sent to the Company at least seven days in advance of the meeting so that the answers may be made readily available at the meeting.
7. Members are requested to promptly notify any change in their address to the Share Transfer Agents M/s. S. K. Infosolutions Pvt. Ltd., 34/1A, Sudhir Chatterjee Street, Near Girish Park Metro Station, Kolkata-700 006, Phone:(033) 2219-4815/6797, Fax: (033) 2219-4815
8. Members are requested to bring their attendance slip along with their copies of annual reports to the meeting.



9. Members holding shares in physical form are advised to make nomination in respect of their shareholding in the Company.
10. Company's shares are listed on BSE Ltd. and listing fees for the financial year 2014-15 has been paid to the said Stock Exchange.
11. Pursuant to the provisions of Section 205A and 205C of the Companies Act, 1956, the final dividend for the year ended 31st March, 2006 remaining unpaid or unclaimed for a period of seven years from the date of transfer of the same to the unpaid dividend account, has been transferred to the Investor Education and Protection Fund established by the Central Government. No claim shall lie against the Investor Education and Protection Fund or the Company in respect of individual amount(s) so credited to the Investor Education and Protection Fund.
12. The final dividend for the financial year ended 31st March, 2007, which remain unclaimed for a period of seven years, will be transferred by the Company to the Investor Education and Protection Fund, as per the applicable provisions of the Companies Act, 1956 or the Companies Act, 2013. Please be informed that the due month for transferring the unclaimed final dividend for the financial year ended March 31, 2007 to Investor Education and Protection Fund is October, 2014. Shareholders, who have not yet encashed their final dividend warrants for the financial year ended 31st March, 2007 are requested to make their claim to the Company's Share Transfer Agent immediately. The Company has uploaded the details of unpaid and unclaimed dividend amounts lying with the Company as on September 27, 2013 (date of last Annual General Meeting) on the website of the Company ([www.hgl.co.in](http://www.hgl.co.in)), and also on the website of the Ministry of Corporate Affairs.
13. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company/Registrars and Share Transfer Agents.
14. Relevant documents referred to in the accompanying notice/explanatory statement including the Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013 are open for inspection by the members at the registered office of the Company on all working days, except Saturdays, between 11:00 a.m. and 1:00 p.m. up to the date of the ensuing Annual General Meeting. Further, the Notice for this 26th Annual General Meeting along with requisite documents and the Annual Report for the financial year ended March 31, 2014 shall also be available on the Company's website, [www.hgl.co.in](http://www.hgl.co.in)
15. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013 read with Rules issued thereunder will be available for inspection by the members at the Annual General Meeting.
16. Brief resume of the directors proposed to be appointed/re-appointed, nature of their expertise in specific functional areas, names of companies in which they hold directorships and memberships / chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under Clause 49 of the Listing Agreement with the Stock Exchange, are provided in the Report on Corporate Governance forming part of the Annual Report.
17. In keeping with the Ministry of Corporate Affairs' Green Initiative measures, the Company hereby requests members who have not registered their email addresses so far, to register their email addresses for receiving all communication including annual report, notices, circulars etc. from the Company electronically.
18. Electronic copy of the Notice of the aforesaid Annual General Meeting (AGM) of the Company *inter-alia* indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to all the Members whose email IDs are registered with the Company's Registrar and Share Transfer Agents/Depository Participants(s) for communication purposes. The physical copies of the Notice of the aforesaid AGM of the Company *inter alia* indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to all the members of the Company.
19. In accordance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and applicable provisions of the listing agreements with Stock Exchanges, the Company has engaged the services of CDSL to provide e-voting facility to all the members to enable



them to cast their votes electronically in respect of all the business to be transacted at the aforesaid Annual General Meeting. Members who cast their vote through e-voting mechanism shall not be able to vote at the Annual General Meeting.

20. The Board of Directors of your Company has appointed Mr. Dilip Kumar Sarawagi, Practicing Company Secretary, Proprietor of M/s. DKS & Co., of 173, M. G. Road, 1st Floor, Kolkata - 700 007 as the Scrutinizer for conducting the e-voting process in a fair and transparent manner.
21. The instructions for shareholders voting electronically are as under:
  - (i) The voting period begins at 10:00 a.m. on September 24, 2014 and ends at 10:00 p.m. on September 25, 2014. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of September 1, 2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
  - (ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com) during the voting period
  - (iii) Click on "Shareholders" tab.
  - (iv) Now, select the "COMPANY NAME" from the drop down menu and click on "SUBMIT"
  - (v) Now Enter your User ID
    - a. For CDSL: 16 digits beneficiary ID,
    - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
    - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
  - (vi) Next enter the Image Verification as displayed and Click on Login.
  - (vii) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
  - (viii) If you are a first time user follow the steps given below:

<b>For Members holding shares in Demat Form and Physical Form</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>Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. The sequence number of such members have been provided in the electronic voting particulars given along with the hard copy of the attendance slip.</li> <li>In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</li> </ul>
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	<ul style="list-style-type: none"> <li>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</li> <li>Please enter the DOB or Dividend Bank Details in order to login. If 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 (v).</li> </ul>

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) Members holding shares in physical form will then directly reach the Company selection screen. However,





members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for Himalaya Granites Limited, on which you choose to vote.
- (xiii) 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.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xv) 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.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xviii) If de-mat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) Note for Institutional Shareholders
  - Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)
  - After receiving the login details they have to create a 'compliance user' which would 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 should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.co.in](http://www.evotingindia.co.in) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

By Order of the Board  
For **Himalaya Granites Limited**

**Ramesh Kumar Haritwal**  
Managing Director & CEO

Place : Kolkata  
Dated : 30th May, 2014

**Registered Office :**  
Panchalam Village  
Melpettai Post, Tindivanam,  
Tamilnadu - 604 307



## EXPLANATORY STATEMENT PURSUANT TO THE PROVISIONS OF SECTION 102 OF THE COMPANIES ACT, 2013

As required under Section 102 of the Companies Act, 2013 the following Explanatory Statement sets out all material facts relating to the Special Business set out from Item No. 4 to Item No. 10 of the accompanying Notice dated May 30, 2014.

### Item Nos. 4 to 6

The modality of appointment of Independent Directors has been introduced for the first time under the provisions of Companies Act, 2013 with effect from 1st April, 2014. However, your Company, being a listed company, by virtue of Clause 49 of the Listing Agreement with Stock exchange, was required to appoint requisite number of Independent Directors on the Board of Directors of the Company. Accordingly, Mr. Mahesh Kumar Malpani, Mr. Beni Gopal Saraf and Mr. Pradip Manharlal Domadia, Directors of the Company, whose appointments as directors have already been approved by the Board of Directors and Members of the Company, are presently acting as Independent Directors in compliance with the Listing Agreement requirements. However, their terms of appointment are such that they are liable to retire by rotation as per the Companies Act, 1956. Further, in keeping with the original terms of appointment, Mr. Mahesh Kumar Malpani is liable to retire by rotation at the ensuing annual general meeting.

Section 149 of the Companies Act, 2013, *inter-alia*, provides that an Independent Director shall hold office for a term up to five consecutive years on the Board of a company and their office will not be subject to retirement by rotation. It is further clarified that any previous tenure of an Independent Director on the date of commencement of the Companies Act, 2013 shall not be counted as a term of appointment of Independent Director.

Based on the declarations received from Mr. Mahesh Kumar Malpani, Mr. Beni Gopal Saraf and Mr. Pradip Manharlal Domadia, Directors of the Company in terms of Section 149 (7) of the Companies Act, 2013, the Board is of the opinion that Mr. Mahesh Kumar Malpani, Mr. Beni Gopal Saraf and Mr. Pradip Manharlal Domadia fulfill the criteria of being appointed as Independent Directors as stipulated in Section 149 (6) and other applicable provisions of the Companies Act, 2013 and Rules made thereunder. The Board is also of the opinion that the proposed Directors are independent of the management. The Company has received notice(s) under Section 160 along with requisite deposit(s) from member(s) proposing their re-appointment as Independent Directors at the ensuing Annual General Meeting.

Details in respect of the aforesaid Directors are furnished in the Corporate Governance Report. All are possessing diversified knowledge and experience in their respective fields. Your Board considers that their continued association with the Company would be of immense benefit to the Company.

Consequently, the Board of Directors recommends for approval of the shareholders the re-appointment of Mr. Mahesh Kumar Malpani, Mr. Beni Gopal Saraf and Mr. Pradip Manharlal Domadia, as Independent Directors of the Company on such terms that they shall continue to hold office as non-rotational directors for a term of five (5) consecutive years, effective from the date of this AGM.

Copy of draft letter(s) for appointment of the above named persons as Independent Directors setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company on all working days, except Saturday, between 11:00 a.m. and 1:00 p.m. up to the date of the ensuing Annual General Meeting.

Concerned Directors and their relatives are interested in their respective resolutions being related to their own appointments. Other than the aforesaid, none of the Directors and Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the Resolutions as set out in item nos.4 to 6 of the accompanying Notice.

The Board recommends the resolutions set forth in item nos. 4, 5 and 6 for the approval of members.

### Item No. 7

Mr. Ramesh Kumar Haritwal is presently holding office as Managing Director and CEO of the Company not liable to retire by rotation. With a view to ensure compliance with the provisions of Companies Act, 2013, it is proposed that the terms of his appointment be changed to the effect that he shall be liable to retire by rotation and continue as Managing Director and CEO of the Company. However, all the other terms and conditions of his appointment as approved at the annual general meeting held on September 28, 2012 shall remain unaltered.



Mr. Ramesh Kumar Haritwal and his relatives may be deemed to be concerned or interested in the proposed resolution. Other than the aforesaid, none of the Directors and Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution.

The Board recommends the resolution set forth in item no. 7 for the approval of members.

**Item No. 8**

The existing Articles of Association of the Company (“Existing Articles”) was adopted based on the provisions of the Companies Act, 1956. With the implementation of the Companies Act, 2013 and its allied rules, the provisions of Companies Act, 1956 are getting repealed in a phased manner.

The Board of Directors of the Company believes that it is desirable that the relevant clauses in the Articles of Association of the Company be revised so that they fully reflect not only the law governing the Company and rules and regulations made thereunder, but must also be in conformity with the provisions of the Companies Act, 2013 and Rules made thereunder and must also comply with the listing agreement with the Stock Exchanges and SEBI Guidelines.

Since the required alterations, deletions, insertions etc. to the Existing Articles would be numerous; it is felt prudent to entirely substitute the Existing Articles and adopt the new Articles of Association (New Articles).

Pursuant to the provisions of Section 14 of the Companies Act, 2013 and the rules made thereunder alteration of Articles of Association requires approval of the members of the Company by way of passing a Special Resolution at a general meeting.

The Company will furnish a copy of the New Articles on demand to every member. A copy of the draft New Articles to be adopted, as referred to in the notice / explanatory statement hereto, will be made available to the Members for inspection at the Registered Office of the Company between 11:00 a.m. and 1:00 p.m. on any working day except Saturday till the date of this Meeting. Members may also download the copy of the New Articles from the website of the Company at the link: [www.hgl.co.in](http://www.hgl.co.in). In addition, a copy of the New Articles will be placed for inspection by members at the Meeting.

None of the Directors or Key Managerial Personnel of the Company, and/or their relatives are, in any way, concerned or interested, financially or otherwise, in the proposed resolution.

Your Board recommends passing of the resolution under Item no. 8 of the notice as a Special Resolution.

**Item No. 9**

Your Company has entered into lease/leave and license agreement with a related party Greenply Industries Limited for letting out one of its factory shed in accordance with the applicable provisions of the Companies Act, 1956 and your Company proposes to renew the said agreements, from time to time, with increase up to 5% in rent per year over the then existing rent.

Considering the provisions of Section 188 of the Companies Act, 2013 and the rules made thereunder and the revised Clause 49 of the Equity Listing Agreement which will come into effect from October 1, 2014, your Board of Directors is of the view that it would be in the best interests of the Company to seek shareholders’ approval at the ensuing annual general meeting for the related party transactions/ arrangements enumerated above. In keeping with the requirements of the rules framed under the Companies Act, 2013, brief particulars of the existing lease/leave and license agreements are provided herein below :

Sr. No.	Name of related party	Property Address	Nature of Relationship of related party with the Company	Present Rent per month & Security Deposit	Name of the director or key managerial personnel who is related
1	Greenply Industries Limited	Factory Shed No. 1, Panchalam Village, Melpettai Post, Tindivanam Tamilnadu – 604307	Promoter Group Company of Himalaya Granites Limited and Mr. Saurabh Mittal, along with his relatives, holds more than 2% of paid-up share capital of Greenply Industries Limited.	Rent : ₹ 3,85,000/- Security Deposit: Nil	Mr. Saurabh Mittal



The above lease/leave and license agreement will be renewed, as and when due, for a period of 11 months on each occasion or for such period as may be deemed prudent to the Board of your Company and the rent shall be increased up to 5% per annum over the previous rent.

Your Company has obtained Registered Valuer’s Reports containing the prevailing market rent of the above property and the same will be made available to the Members for inspection at the Registered Office of the Company on all working days, except on Saturdays, between 11:00 a.m. and 1:00 p.m.

Mr. Saurabh Mittal, Director of the Company and his relatives are interested in the proposed resolution no. 9.

None of the other Directors or Key Managerial Personnel of the Company, and/or their relatives are, in any way, concerned or interested, financially or otherwise, in the proposed resolutions.

Members are also hereby informed that pursuant to the provisions of Section 188 of the Companies Act, 2013, no member of the Company shall participate in the resolution, if such member is a related party.

Your Board recommends passing of the resolution under Item no. 9 of the Notice as Special Resolution.

**Item No. 10**

Your Company has entered into lease/leave and license agreement with a related party Greenply Industries Limited for letting out one of its factory shed in accordance with the applicable provisions of the Companies Act, 1956 and your Company proposes to renew the said agreements, from time to time, with increase up to 5% in rent per year over the then existing rent as mentioned in item no. 9 above. The said factory shed is being used by Greenply Industries Limited in connection with the business of their Decorative Business (comprising of Laminates and allied products). A composite Scheme of Arrangement under Sections 100 to 104 and 391 to 394 of the Companies Act, 1956 between Greenply Industries Limited and Greenlam Industries Limited and their respective Shareholders and Creditors for demerger of Decorative Business of Greenply Industries Limited to Greenlam Industries Limited is pending for approval of the Hon’ble Gauhati High Court. Greenlam Industries Limited has sought consent of Himalaya Granites Limited to allow them to use the said factory shed in the same terms and conditions of arrangement/agreement between Greenply Industries Limited and Himalaya Granites Limited in respect of the said factory shed just prior to effective of the Scheme.

Considering the provisions of Section 188 of the Companies Act, 2013 and the rules made thereunder and the revised Clause 49 of the Equity Listing Agreement which will come into effect from October 1, 2014, your Board of Directors is of the view that it would be in the best interests of the Company to seek shareholders’ approval at the ensuing annual general meeting to allow Greenlam Industries Limited to use the said factory shed in place of Greenply Industries Limited and to enter into lease/leave and license agreement with Himalaya Granites Limited or to modify the existing lease/leave and license agreement with Greenply Industries Limited as may be considered convenient. In keeping with the requirements of the rules framed under the Companies Act, 2013, brief particulars of the proposed lease/leave and license agreements to be executed with Greenlam Industries Limited are provided herein below :

Sr. No.	Name of related party	Property Address	Nature of Relationship of related party with the Company	Present Rent per month & Security Deposit	Name of the director or key managerial personnel who is related
1	Greenlam Industries Limited	Factory Shed No. 1, Panchalam Village, Melpettai Post, Tindivanam Tamilnadu – 604307	Post effective of the above Scheme, Mr. Saurabh Mittal, along with his relatives, will hold more than 2% of paid-up share capital of Greenlam Industries Limited.	Rent: For the unexpired period of the term of lease/leave and license agreement executed with Greenply Industries Limited prior to effective of the said Scheme, the rent shall beat par with the terms of the said lease/leave and license agreement with Greenply Industries Limited. For subsequent periods the rent shall be increased up to 5% per annum. Security Deposit: Nil	Mr. Saurabh Mittal



The above lease/leave and license agreement will be renewed, as and when due, for a period of 11 months on each occasion or for such period as may be deemed prudent to the Board of your Company and the rent shall be increased up to 5% per annum over the previous rent.

Mr. Saurabh Mittal, Director of the Company and his relatives are interested in the proposed resolution no. 10.

None of the other Directors or Key Managerial Personnel of the Company, and/or their relatives are, in any way, concerned or interested, financially or otherwise, in the proposed resolutions.

Members are also hereby informed that pursuant to the provisions of Section 188 of the Companies Act, 2013, no member of the Company shall participate in the resolution, if such member is a related party.

Your Board recommends passing of the resolution under Item no. 10 of the Notice as Special Resolution.

By Order of the Board  
For **Himalaya Granites Limited**

**Ramesh Kumar Haritwal**  
Managing Director & CEO

Place : Kolkata  
Dated : 30th May, 2014

**Registered Office :**  
Panchalam Village  
Melpettai Post, Tindivanam,  
Tamilnadu - 604 307



## DIRECTORS' REPORT

Your Directors present herewith the 26th Annual Report together with the Audited Accounts of your Company for the year ended 31st March, 2014.

### FINANCIAL HIGHLIGHTS :

(₹ in Lacs)

Particulars	2013-14	2012-13
Revenue from Operation	1.47	2.52
Other Income	77.80	119.15
Profit/(Loss) before Finance Cost, Depreciation & Amortization Expenses and Tax Expenses	9.19	47.75
Less :		
a) Finance Cost	—	—
b) Depreciation & Amortization Expenses	20.35	24.33
<b>Profit/(loss)Before Tax</b>	<b>(11.16)</b>	<b>23.42</b>
Provision for Tax	—	—
Deferred Tax Release	11.90	11.00
<b>Profit/(loss)After Taxation</b>	<b>0.74</b>	<b>34.42</b>
Balance Brought Forward from earlier years	(165.61)	(200.03)
<b>Balance carried to Balance Sheet</b>	<b>(164.87)</b>	<b>(165.61)</b>

### REVIEW OF OPERATIONS

During the year under review, your Company continued to let out part of its factory shades. Further, in accordance with the approval of the members under Section 293(1)(a) of the Companies Act, 1956 obtained vide resolution passed through postal ballot on 29th December, 2009, the Company is in the process of selling out the plant and machinery of the Unit situated at Panchalam Village, Melpettai Post, Tindivanam, Tamilnadu – 604 307.

### TRANSFER TO GENERAL RESERVE

In view of the accumulated losses, no transfer is proposed to the General Reserve.

### DIVIDEND

Considering the gloomy prospects and financial position of the Company, your directors did not recommend any dividend.

### DIRECTORS

Your Company has received declarations from the Independent Directors Mr. Mahesh Kumar Malpani, Mr. Beni Gopal Saraf and Mr. Pradip Manharlal Domadia confirming that they meet the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Companies Act, 2013 and under Clause 49 of the Listing Agreement with the Stock Exchange.

None of the directors of your Company is disqualified under the provisions of Section 274(1)(g) of the Companies Act, 1956 and Section 164(2)(a) & (b) of the Companies Act, 2013.

Your Company has received requisite notices in writing from member(s) proposing Mr. Mahesh Kumar Malpani, Mr. Beni Gopal Saraf and Mr. Pradip Manharlal Domadia for appointment as Independent Directors for a term of 5 (five) consecutive years, not liable to retire by rotation. Mr. Saurabh Mittal, being a Non-Executive Promoter Director of the Company, retires at the ensuing Annual General Meeting and being eligible offers himself for re-appointment. With a view to ensure compliance with the provisions of the Companies Act, 2013, your Directors propose to change the terms of appointment of Mr. Ramesh Kumar Haritwal to make him a director liable to retire by rotation.

### AUDITORS AND THEIR REPORT

M/s. D. Dhandaria & Company, Chartered Accountants, statutory auditors of the Company, hold office until the conclusion of the ensuing Annual General Meeting and are eligible for re-appointment. The Company received a certificate from them to the effect that the re-appointment, if made, would be within the limits prescribed under Section 141(3)(g) of the Companies Act, 2013 and that they are not disqualified for such re-appointment.

The Notes on Financial Statements referred to in the Auditors' Report are self-explanatory and, therefore, do not call for further clarification.

**COMPLIANCE CERTIFICATE**

The compliance certificate for the year ended 31st March, 2014, in accordance with provisions of Section 383A (1) of the Companies Act, 1956 read with the Companies (Compliance Certificate) Rules, 2001, is annexed to this report which being self-explanatory needs no comments.

**DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956, with respect to Directors' responsibility statement, it is hereby confirmed that:

- 1) In preparation of the annual accounts, applicable accounting standards were followed.
- 2) The Directors had selected such accounting policies and applied them consistently and made reasonable and prudent judgments and estimates to provide a true and fair view of the state of affairs of the company at the end of the financial year and of the profit of the Company for the financial year.
- 3) The Directors had taken proper and sufficient care to maintain adequate accounting records in accordance with the provisions of the Companies Act, 1956, to safeguard the company's assets and for preventing and detecting fraud and other irregularities.
- 4) The Directors had prepared the annual accounts on a going concern basis.

**PUBLIC DEPOSITS**

The Company did not invite or accept any deposits from the public under Section 58A of the Companies Act, 1956.

**CORPORATE GOVERNANCE REPORT**

A detailed report on Corporate Governance, pursuant to Clause 49 of the Listing agreement with the Stock Exchange, along with Auditors' certificate on compliance with the mandatory recommendation on Corporate Governance, is annexed to this report.

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

The Management Discussion and Analysis report, pursuant to Clause 49 of the Listing Agreement with the Stock Exchange, for the year under review is given as a separate statement in the Annual Report.

**CEO AND CFO CERTIFICATION**

The CEO & CFO certificate as required under Clause 49 of the Listing Agreement signed by the Managing Director & CEO only is attached with the Annual Report. The Managing Director & CEO also gives quarterly certification on financial results while placing the financial results before the Board in terms of Clause 41 of the Listing Agreement.

**CODE OF CONDUCT FOR DIRECTORS AND SENIOR MANAGEMENT PERSONNEL**

The Managing Director & CEO of the Company has given a declaration that all directors and the senior management personnel concerned have affirmed compliance with the code of conduct with reference to the year ended on 31st March 2014. The declaration is attached with the annual report.

**PARTICULARS OF EMPLOYEES**

The Company had no employee of the category indicated under Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975, as amended from time to time.

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

The particulars regarding conservation of energy, technology absorption, as required under Section 217(1)(e) of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 are annexed hereto and form part of this report. There was no foreign exchange earnings and outgo during the year under review.

**ACKNOWLEDGEMENT**

Your Directors take this opportunity to express their appreciation for the support and co-operation received from the Government of India, State Governments and Shareholders.

On behalf of the Board of Directors  
For **Himalaya Granites Limited**

Place : Kolkata  
Dated : 30th May, 2014

**Saurabh Mittal**  
Non-executive Chairman



## Annexure to the Directors' Report

DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION AS REQUIRED UNDER THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF THE BOARD OF DIRECTORS') RULES, 1988.

### A. CONSERVATION OF ENERGY :

#### Energy Conservation measures taken

Since there was no manufacturing activity of the Company during the year under review, the Company had not taken any steps for conservation of energy :

	2013-14	2012-13
<b>I. POWER &amp; FUEL CONSUMPTION</b>		
<b>Electricity</b>		
<b>Purchased:</b>		
Units	17033	20746
Total Amount (₹)	1,67,659	1,34,436
Rate per Unit (₹)	9.84	6.48
<b>II. CONSUMPTION PER UNIT OF PRODUCTION:</b>		
Units	<b>Sq.Mtr. Cbm.</b>	<b>Sq.Mtr. Cbm.</b>
a) Granite Monuments		
b) Dimensional Granite Blocks		
Electricity Consumption (Unit):		
a) Granite Monuments	Nil	Nil
b) Dimensional Granite Blocks	N.A	N.A

### B. TECHNOLOGY ABSORPTION :

Since there was no manufacturing activity of the Company during the year under review, the Company had not taken any steps towards Research & Development and Technology Absorption, Adoption & Innovation. Also there was no expenditure on R & D during the year under review.

On behalf of the Board of Directors  
For **Himalaya Granites Limited**

Place : Kolkata  
Dated : 30th May, 2014

**Saurabh Mittal**  
Non-executive Chairman



**COMPLIANCE CERTIFICATE**

CIN : L13206TN1987PLC015161  
Authorised Capital : ₹ 40,000,000/-  
Paid up Capital : ₹ 30,050,000/-

TO  
THE MEMBERS  
**M/s. HIMALAYA GRANITES LIMITED**  
PANCHALAM VILLAGE  
MELPETTAI POST  
TINDIVANAM  
TAMIL NADU- 604307

I have examined the registers, records, books and papers of **M/s. HIMALAYA GRANITES LIMITED** as required to be maintained under the Companies Act, 1956 and the Companies Act, 2013, as applicable, (hereinafter referred to as 'the Act') and the rules made there under and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended **31st March, 2014**. In my opinion and to the best of my information and according to the examinations carried out by me and explanations furnished to me by the Company, its officers and agents, I certify that in respect of the aforesaid financial year:

1. The Company has kept and maintained all registers as stated in **Annexure "A"** to this certificate as per the provisions of the Act and the rules made thereunder and all entries therein have been duly recorded.
2. The Company has duly filed the forms and returns as stated in **Annexure "B"** to this certificate with the Registrar of Companies, Regional Director, Central Government, Company law board or other Authorities within the time prescribed under the Act and the rules made thereunder.
3. The company is a Public Limited Company and hence comments are not required.
4. The Board of Directors duly met **4 (Four)** times on 30.05.2013, 14.08.2013, 14.11.2013 and 14.02.2014 in respect of which meetings proper notices were given and the proceedings were properly recorded and signed including the circular resolutions passed in the Minutes Books maintained for the purpose.
5. The company has closed its Register of Members from 24.09.2013 to 27.09.2013 both days inclusive during the financial year ending 31.03.2014 and have complied with the provisions of Section 154 of the Companies Act, 1956.
6. The Annual General Meeting for the Financial Year ended on 31st March, 2013 was held on dated 27.09.2013 after giving due notice to the member of the company and the resolution passed there at were duly recorded in the minutes book of the company maintained for the purpose.
7. No Extra Ordinary General Meeting was held during the financial year under review.
8. The company has not granted loans or given advances to companies, firms or parties referred to in the Section 295 of the Companies Act, 1956 or Section 185 of the Companies Act, 2013, as applicable.
9. The Company has not entered into any contracts falling within the purview of Section 297 of the Companies Act, 1956.
10. The Company has made necessary entries in the register maintained under Section 301 of the Companies Act, 1956.
11. As there were no instances falling within the purview of Section 314 of the Companies Act, 1956, the Company has not obtained any approvals from the Board of Directors, members or the Central Government, as the case may be.
12. The Company has not issued any duplicate certificates during the financial year.
13. The company has:
  - (i) delivered all certificate on lodgment thereof for transfer/transmission or any other purposes in accordance with the provisions of the Act:
  - (ii) & (iii) not declared the dividend during the year under review.



- (iv) no amount in unpaid dividend account, application money due for refund, matured deposit, matured debenture and the interest accrued thereon which have remained unclaimed or unpaid for a period of seven years for transfer to Investor Education and Protection Fund.
- (v) duly complied with requirements of Section 217 of the Companies Act, 1956.
14. The Board of Directors of the company is duly constituted and there was no appointment of director, additional director, alternate director to fill casual vacancies during the year.
15. The Company has not appointed any Managing Director / Whole time Director / Manager as referred to under Section 269 of the Companies Act, 1956 during the financial year.
16. The Company has not appointed any sole-selling agent during the financial year.
17. During the year Company was not required to obtain approval of the Registrar of companies or such other authorities prescribed under the various provisions of the Act.
18. The Directors have disclosed their interest in other firms/ Companies, wherever required, to the Board of Directors pursuant to the provisions of the Act and the rules made thereunder.
19. The Company has not issued any shares during the financial year and complied with the provisions of the Act.
20. The Company has not bought back shares during the financial year.
21. There was no redemption of Preference shares / debentures during the financial year.
22. There were no transactions necessitating the Company to keep in abeyance the rights to dividend, right shares and bonus shares pending registration of transfer of shares during the financial year.
23. The Company has not invited / accepted any public deposits including any unsecured loans falling within the purview of Section 58A and 58AA read with the Companies (Acceptance of Deposit) Rules, 1975, the applicable directions issued by the Reserve Bank of India/ any other authority in this regard during the financial year.
24. The amount borrowed by the company from directors, members, public financial institutions, banks and others during the financial year ending 31.3.2014 is within the borrowing limits of the company and the resolution as per Section 293(1)(d) of the Companies Act, 1956 passed in duly convened general meeting.
25. The loans and investments made by the Company or the guarantee given or securities provided by the Company to other bodies corporate, if any, has been entered in the register kept for that purposes in accordance with the provisions of Section 372A of the Companies Act, 1956.
26. The Company has not altered the provisions of the Memorandum with respect to situation of the Company's Registered Office from one state to another state during the year under scrutiny.
27. The Company has not altered the provisions of the Memorandum with respect to the objects of the Company during the year under scrutiny.
28. The Company has not altered the provisions of the Memorandum with respect to the name of the Company during the year under scrutiny.
29. The Company has not altered the provisions of the Memorandum with respect to the Authorized share capital of the Company during the financial year.
30. The Company has not altered its Articles of Association during the financial year.
31. There was no prosecution initiated against or show cause notices received by the Company for alleged offences under the Act, Hence, no fines and penalties or any other punishment imposed on the Company during the financial year.
32. The Company has not received any money as security from its employees during the year under certification.
33. The company has deposited both employees and employers contribution to Provident Fund with prescribed authorities pursuant to Section 418 of the Act.

Place: Kolkata  
Date: 30.05.2014

**PRAMOD KUMAR PAL**  
Company Secretary  
C.O.P. No.: 8425



### Annexure A

#### Registers as maintained by the Company:

1. Register of Managing Director, Director Manager (under Section 303 of the Companies Act, 1956)
2. Register of Contracts (under Section 301 of the Companies Act, 1956)
3. Register of Investment, Loan made, Guarantee given (under Section 372A of the Companies Act, 1956)
4. Register of Share Certificate, Application and Allotment
5. Register of Directors Shareholding (under Section 307 of the Companies Act, 1956)
6. Register of Members (under Section 150 of the Companies Act, 1956)
7. Register of charges (under Section 143 of the Companies Act, 1956)
8. Register of fixed assets

### Annexure B

Forms and Returns as filed by the Company with the Registrar of Companies, Regional Director, Central Government or other authorities during the Financial Year ending on 31st March 2014

1. Form No.23AC & ACA-XBRL (Annual Accounts) under Section 220 of the Companies Act, 1956 filed on 26.10.2013 for the financial year ended 31.03.2013.
2. Form No.20B (Annual Return) under Section 159 of the Companies Act, 1956 filed on 19.11.2013 for the AGM held on 27.09.2013.
3. Form No.66 (Compliance Certificate) under Section 383A of the Companies Act, 1956 filed on 03.10.2013 for the financial year ended 31.03.2013.
4. Form 5 INV under Rule-3# filed on 05.12.2013.
5. Form 1 INV under Rule-3\* filed on 25.11.2013.

# Rule 3 of the Investor Education and Protection Fund (Uploading of information regarding unpaid and Unclaimed amounts lying with companies) Rules, 2012.

\*Rule 3 of the Investor Education and Protection Fund (Awareness and Protection of Investors) Rules, 2001.

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT****INDUSTRY STRUCTURE AND DEVELOPMENT**

During the year under review, your Company continued to let out part of its factory shades. Further, in accordance with the approval of the members under Section 293(1)(a) of the Companies Act, 1956 obtained vide resolution passed through postal ballot on 29th December, 2009, the Company is in the process of selling out the plant and machinery of the Unit situated at Panchalam Village, Melpettai Post, Tindivanam, Tamilnadu – 604 307.

**OPPORTUNITIES AND THREATS**

The management could not tap any opportunity during the year under review.

**OUTLOOK**

Your directors are exploring alternate avenues to make the Company operative.

**RISK AND CONCERN**

The closure of the Company's unit has posed a challenge for the Company to resume operation.

**INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY**

The company has an adequate internal control system. An audit committee headed by non-executive independent Director periodically reviews the audit observation and the corrective remedial measures taken in this respect.

**HUMAN RESOURCES DEVELOPMENT**

The production facilities of the Company continue to remain close since 27th February, 2008 and there are no pending dues of its workers.

**CAUTIONARY STATEMENT**

Certain statements in the directors' report and management discussion and analysis reflecting the company's projections, estimates, objectives and expectations may constitute 'forward looking statements' within the meaning of applicable laws and regulations. Actual results may differ from such projections, estimates, objectives and expectations due to economic and climatic conditions effecting government regulations, policies, taxations and other factors on which the company does not have any direct control.

On behalf of the Board of Directors  
For **Himalaya Granites Limited**

Place : Kolkata  
Dated : 30th May, 2014

**Saurabh Mittal**  
Non-executive Chairman

**CORPORATE GOVERNANCE REPORT** for the year ended 31.03.2014

(As required under Clause 49 of the Listing Agreement entered into with the Stock Exchange)

**1. Company's philosophy on the Code of Corporate Governance**

Your Company believes that good Corporate Governance contemplates that corporate actions balance the interests of all shareholders and satisfy the tests of accountability, transparency and fair play. Further, your company firmly believes that a sound governance process represents the foundation of corporate excellence.

**2. Board of Directors****Composition**

As on 31st March, 2014, your Company's Board comprises five directors headed by a Non-Executive Chairman as below:

- One Non-executive Director representing Promoter Director.
- Three Non-executive independent Directors.
- One Executive Director.

**Board Meetings**

During the financial year ended 31st March 2014, four Board Meetings were held on 30th May 2013, 14th August 2013, 14th November 2013 and 14th February 2014.

The composition of the Board of Directors and their attendance at the Board Meetings during the year and at the last Annual General Meeting and also the number of other Boards or Board Committees in which the Directors are holding the position of member/Chairperson are as follows :

Name of the directors and Director Identification Number(DIN)	Category of Directorship	No. of Board Meetings		Attendance at last AGM	No. of outside directorship held		No. of outside committees	
		Held	Attd.		Public	Private	Member	Chairman
Mr. Saurabh Mittal (DIN 00273917)	Non-Executive Chairman, Promoter Director	4	1	No	2	9*	2	-
Mr. Ramesh Kumar Haritwal (DIN 01486666)	Managing Director & CEO	4	4	Yes	-	-	-	-
Mr. Beni Gopal Saraf (DIN 00267858)	Non-Executive-Independent Director	4	4	No	-	1	-	-
Mr. Mahesh Kumar Malpani (DIN 02603222)	Non-Executive-Independent Director	4	4	Yes	-	2	-	-
Mr. Pradip Manharlal Domadia (DIN 05292129)	Non- Executive-Independent Director	4	4	No	-	-	-	-

\*Including directorship held in foreign company.


**Information supplied to the Board of Directors :**

During 2013-14, all necessary information, as required under the applicable provisions of the Companies Act, 1956, the Companies Act, 2013, Listing Agreement and other applicable laws and rules were placed and discussed at the board meetings.

**Details of Directors seeking appointment/re-appointment at the forthcoming Annual General Meeting :**

Name	Mr. Saurabh Mittal	Mr. Beni Gopal Saraf	Mr. Mahesh Kumar Malpani	Mr. Pradip Manharlal Domadia
Father's Name	Mr. Shiv Prakash Mittal	Mr. Shyam Lal Saraf	Late Satnarayan Malpani	Mr. Manharlal Amratlal Domadia
Date of Birth	6th October, 1975	28th June, 1947	5th September, 1953	25 July, 1952
Date of Appointment	2nd January, 1996	31st January, 2005	26 March, 2009	30 May, 2012
Expertise in specific functional area	Mr. Saurabh Mittal has rich and diverse experience spanning operations, finance, import, export, investor relations and corporate affairs.	Mr. Beni Gopal Saraf has vast knowledge in the area of finance, marketing and administration.	Mr. Mahesh Kumar Malpani has vast experience in the area of Administration and Finance.	Mr. Pradip Manharlal Domadia has vast knowledge in the area of Corporate Governance and during his long professional career of over 35 years he has handled various financial, auditing, accounting, secretarial, taxation and legal matters.
Qualification	B.Com	B.com	B.Com	B.com, LLB, FCA & FCS
List of outside directorship held excluding alternate directorship	<ol style="list-style-type: none"> <li>1. Greenply Industries Limited</li> <li>2. Greenlam Industries Limited</li> <li>3. Greenply Leasing and Finance Private Limited</li> <li>4. Prime Properties Private Limited</li> <li>5. Greenlam VT Industries Private Limited</li> <li>6. S. M. Safeinvest Pvt. Ltd.</li> <li>7. Greenlam Asia Pacific Pte. Ltd.</li> <li>8. Greenlam America, Inc.</li> <li>9. Greenlam Europe (UK) Ltd.</li> <li>10. Greenlam Holding Co. Ltd.</li> <li>11. Greenlam Asia Pacific (Thailand) Co. Ltd.</li> </ol>	<ol style="list-style-type: none"> <li>1. Shriswasti Clothings Pvt. Ltd</li> </ol>	<ol style="list-style-type: none"> <li>1. Mitsan Agencies Private Limited</li> <li>2. Showan Agencies Private Limited</li> </ol>	Nil



Chairman/ Member of the Committee of the Board of Directors of the Company	Chairman : Nil Member: Nil	<u>Chairman:</u> Share Transfer & Investor Grievance Committee <u>Member:</u> Remuneration Committee Audit Committee	<u>Chairperson:</u> Audit Committee <u>Member:</u> Share Transfer & Investors Grievance Committee Remuneration Committee	<u>Chairman:</u> Remuneration Committee <u>Member:</u> Nil
Chairman/ Member of the Committee of the Board of Directors of other companies in which he is a director	<u>Chairman</u> : Nil <u>Member</u> (Greenply Industries Ltd.): Share Transfer & Investor Grievance Committee Operational Committee	<u>Chairman</u> : Nil <u>Member</u> : Nil	<u>Chairman</u> : Nil <u>Member</u> : Nil	<u>Chairman</u> : Nil <u>Member</u> : Nil
Number of shares held in the company	10000 Equity shares	Nil	NIL	700 Equity Shares

**Details of Directors whose terms of appointment are proposed to be revised at the forthcoming Annual General Meeting :**

Name	Mr. Ramesh Kumar Haritwal
Father's Name	Mr. Chandra Prakash Haritwal
Date of Birth	1 September, 1963
Date of Appointment	31 May, 2007
Expertise in specific functional area	Mr. Ramesh Kumar Haritwal has vast experience in the Granite Industry. He also possesses knowledge in the area of finance, administration and marketing.
Qualification	B.Com
List of outside directorship held excluding alternate directorship	Nil
Chairman/Member of the Committee of the Board of Directors of the Company	Chairman: Nil Member: Audit Committee
Chairman/Member of the Committee of the Board of Directors of other companies in which he is a director	Chairman : Nil Member: Nil
Number of shares held in the company	200 Equity shares



### Disclosures of relationships between directors

Name of the Directors	Category of Directorship	Relationship between directors
Mr. Saurabh Mittal	Non-Executive Chairman-Promoter Director	None
Mr. Ramesh Kumar Haritwal	Managing Director & CEO	None
Mr. Beni Gopal Saraf	Non-Executive- Independent Director	None
Mr. Mahesh Kumar Malpani	Non-Executive- Independent Director	None
Mr. Pradip Manharlal Domadia	Non-Executive- Independent Director	None

### 3. Code of conduct

Pursuant to Clause 49(I)(D) of the Stock Exchange Listing Agreement, the Board of Directors has adopted the Code of Conduct for the directors and senior management ("the Code"). The Code has been made available on the Company's website [www.hgl.co.in](http://www.hgl.co.in). A declaration signed by the Managing Director & CEO of the Company, is attached with the Annual Report.

### 4. Audit Committee

#### Composition:

The Company's Audit Committee comprises two non-executive independent directors, and one executive non-promoter director.

Mr. Mahesh Kumar Malpani, Chairman

Mr. Beni Gopal Saraf, Member

Mr. Ramesh Kumar Haritwal, Member

The members of the committee are well versed in matters relating to finance, accounts and general management practices.

#### The Powers and Role of the Audit Committee :

##### Powers:

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

##### Role:

- Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
- Approval of payment to statutory auditors for any other services rendered by them.
- Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
  - a) Matters required in the Director's Responsibility Statement to be included in the Board's report in terms of section 217 (2AA) of the Companies Act, 1956.
  - b) Changes, if any, in accounting policies and practices and reasons for the same.
  - c) Major accounting entries involving estimates based on the exercise of judgment by the management.
  - d) Significant adjustments made in the financial statements arising out of audit findings.
  - e) Compliance with listing and other legal requirements relating to financial statements.





- f) Disclosure of any related party transactions.
- g) Qualifications in the draft audit report.
- Reviewing, with the management, the quarterly financial statements before submission to the Board for approval.
- Reviewing, with the management, the statement of uses/application of fund raised through an issue (public issue, right issues, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public/rights issue, and making the appropriate recommendation to the Board to take up steps in this matter.
- Reviewing, with the management, performance of statutory and internal auditors, the adequacy of the internal control systems.
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- Discussion with internal auditors any significant finding and follow up there on.
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors.
- To review the functioning of the Whistle Blower mechanism, in case it is existing.
- Approval of appointment of CFO (i.e. the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.
- Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

**Review of information by the Audit Committee :**

The Audit Committee will mandatorily review the following information :

- Management discussion and analysis of financial condition and results of operations;
- Statement of significant related party transactions (as defined by the audit committee), submitted by management;
- Management letters/letters of internal control weaknesses issued by the statutory auditors
- Internal audit reports relating to internal control weaknesses; and
- The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.

**Meetings and Attendance during the year :**

During 2013-14, four meetings were held on 30th May 2013, 14th August 2013, 14th November, 2013 and 14th February, 2014. The meetings are generally held before finalisation of quarterly and annual accounts.

Name of the Members	Category	No. of Meetings	
		Held	Attended
Mr. Mahesh Kumar Malpani	Non-executive independent director	4	4
Mr. Beni Gopal Saraf	Non-executive independent director	4	4
Mr. Ramesh Kumar Haritwal	Managing Director & CEO	4	4



## 5. Subsidiary Companies

The Company does not have any subsidiaries.

## 6. Remuneration Committee

### Composition:

Mr. Pradip Manharlal Domadia, Chairman

Mr. Mahesh Kumar Malpani, Member

Mr. Beni Gopal Saraf, Member

All the above member directors are Non-executive Independent Directors

### Terms of reference:

- To determine the Company's policy on the remuneration package for Executive Directors and any compensation payment.
- To discuss, approve the remuneration package of Executive Directors.

### Meetings and attendance:

There was no meeting of the Committee during 2013-14.

### Remuneration Policy, details of remuneration and other terms of appointment of Directors

In framing the remuneration policy, the committee takes into consideration the remuneration practices prevailing in the industry and performance of the concerned executives. The remuneration package is as per the provisions of the Companies Act, 1956. No sitting fees are paid to the Executive Directors for attending the Board meetings or committee meetings. The necessary approvals were obtained from the shareholders wherever required.

There was no materially relevant pecuniary relationship or transactions of the non-executive directors vis-a'-vis the company, which may affect the independence of the directors. The Company has not granted any stock option to its directors.

### (I) Executive Director

The details of remuneration to Executive director for the year ended 31st March, 2014 is as follows and the same is within the ceiling prescribed within the applicable provisions of the Companies Act, 1956.

Name and designation	Service Contract/Notice period*	Salary (₹)	Perquisite & other allowances (₹)
Mr. Ramesh Kumar Haritwal, Managing Director & CEO	Re-appointed as Managing Director & CEO for three years w.e.f. 01.06.2012	14,69,016.00	NIL

\* The appointment may be terminated by either party by giving three months' notice or salary in lieu thereof or by mutual consent.

### (II) Non-Executive Directors

The details of sitting fees payable to Non-executive Directors for the financial year 2013-14 are as follows :

Name	Service Contracts/ Notice Period	Sitting Fees Paid (₹)	No. of shares held in the Company
Mr. Beni Gopal Saraf	Retire by rotation	2000	NIL
Mr. Saurabh Mittal	Retire by rotation	500	10000
Mr. Mahesh Kumar Malpani	Retire by rotation	2000	NIL
Mr. Pradip Manharlal Domadia	Retire by rotation	2000	700

**7. Share Transfer and Investors' Grievance Committee****Composition:**

The Share Transfer and Investors Grievance Committee comprise of two Non-executive independent directors.

Mr. Beni Gopal Saraf, Chairman

Mr. Mahesh Kumar Malpani, Member

Mr. Ramesh Kumar Haritwal, Managing Director & CEO of the Company designated as Compliance Officer. The Committee deals with matters relating to approval of transfers and transmissions, issue of duplicate share certificates, split and consolidation of certificates, dematerialization and rematerialisation requests and monitoring of shareholder complaints.

The table gives the number of complaints received, resolved and pending during the year 2013-14.

**Number of complaints :**

Received	Resolved	Pending
Nil	Nil	Nil

**Meetings and attendance:**

There was no meeting of the Committee during 2013-14.

**8. General Body Meetings**

i. The details of last three Annual General Meeting of the Shareholders are as under :

Financial Year	Date of AGM	Venue	Time
31.03.2013	27.09.2013	Panchalam Village, Melpettai Post, Tindivanam, Tamilnadu – 604 307	1:00 P.M.
31.03.2012	28.09.2012	Panchalam Village, Melpettai Post, Tindivanam, Tamilnadu – 604 307	1:00 P.M.
31.03.2011	29.09.2011	Panchalam Village, Melpettai Post, Tindivanam, Tamilnadu – 604 307	1:00 P.M.

ii. Special Resolutions passed at the last three Annual General Meetings:

- At the Twenty-five Annual General Meeting held on : 27th September, 2013: NIL
- At the Twenty-fourth Annual General Meeting held on : 28th September, 2012: NIL
- At the Twenty- third Annual General Meeting held on : 29th September, 2011: NIL

iii. No special resolution was passed through postal ballot during the last year. Also no special resolution is proposed to be conducted through postal ballot so far.

**9. Disclosures**

- a) The company does not have related party transactions, which may have potential conflict with the interest of the company at large. Further, the statutory disclosure requirements relating to related party transactions have been complied with the Annual Accounts.
- b) The financial statements have been made in accordance with the accounting standards so as to represent a true and fair view of the state of affairs of the company.
- c) The company laid down procedures to inform Board members about the risk assessment and minimization procedures, which are periodically reviewed.



- d) No penalties or strictures have been imposed on the company by the stock exchange or SEBI, or any statutory authority on any matter related to the capital market during the last three years.
- e) The company complied with all the mandatory requirements as prescribed **except that the company has not filled up the vacancy caused by resignation of the Chief Financial Officer during 2010-11 as required by Clause 49(II)(D)(12A)** as stipulated in the Listing Agreement and made considerable progress towards adopting the non-mandatory requirements. The Company does not have a whistleblower policy. However, no person has been denied access to the Audit Committee.
- f) In addition to Directors report, a Management Discussion and Analysis Report form part of the Annual Report to the shareholders. All Key Managerial Personnel and Senior Management have confirmed that they do not have any material, financial and commercial interest in transactions with the Company that may have a potential conflict with the interest of the Company at large.

#### 10. Adoption of non-mandatory requirements

The Company has complied with the non-mandatory requirements of Clause 49 of the Listing Agreement with regards to constitution of Remuneration Committee.

#### 11. Means of Communication

The quarterly/half yearly/annual financial results of the company are sent to the Stock Exchange immediately after they are approved by the Board of Directors. These are also published in the prescribed performa within 48 hours of the conclusion of the meeting of the Board in which they are considered in English Newspaper circulating in the whole or substantially the whole of India, and in one vernacular newspaper of the state where the registered office of the Company is situated. In addition, these results are simultaneously posted on Company's website [www.hgl.co.in](http://www.hgl.co.in)

##### Details about the means of communication :

Recommendation	Compliance
Quarterly/Annual results	Published in leading newspapers
Newspapers wherein results are normally published	Business Standard/Financial Express (English daily) and Dinamalar/Malai Murasu/Tamil Sudar/Makkal Kural (Tamil daily).
Any website, where displayed	<a href="http://www.hgl.co.in">www.hgl.co.in</a>
Whether it also displays official news releases and presentation made to Institutional Investors and analysts	No specific presentation was made to analysts during the year.

##### General Shareholders' Information

i. Date, time & venue of the Annual General Meeting	Tuesday, 30th September, 2014 At 1:00 P.M. at the Registered Office of the Company at Panchalam Village Melpettai Post, Tindivanam Tamilnadu-604 307
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ii. Financial Year	Financial year of the company is from 1st April to 31st March. Publication of results for the financial year 2014-15 (tentative and subject to change) First quarter results: On or before 14th August, 2014 Second quarter and half year results: On or before 14th November, 2014 Third quarter results: On or before 14th February, 2015 Fourth quarter results and results for the year ending 31st March, 2015 : On or before 30th May, 2015.
iii. Book Closure Period	From 2nd September, 2014 to 4th September, 2014 (both days inclusive)
iv. Listing of equity shares at stock exchange	BSE Limited (BSE) Floor 25, P. J. Towers Dalal Street, Fort, Mumbai-400001
v. Stock code	BSE : 513723

vi. Market price data for the financial year 2013-14.

Month	At BSE	
	High (₹)	Low(₹)
April 2013	Not Available*	Not Available*
May 2013	Not Available*	Not Available*
June 2013	35.00	35.00
July 2013	Not Available*	Not Available*
August 2013	Not Available*	Not Available*
September 2013	Not Available*	Not Available*
October 2013	Not Available*	Not Available*
November 2013	36.75	36.75
December 2013	35.00	35.00
January 2014	35.00	35.00
February 2014	35.50	34.50
March 2014	34.50	34.50

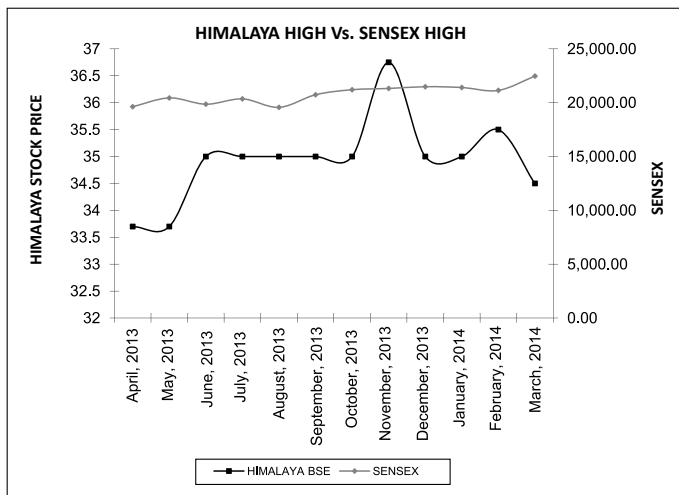
*\*There was no trading of the shares of the Company at Stock Exchange during April 2013 to May 2013 and July 2013 to October 2013.*

vii. E-mail ID for Investors: investors@hgl.co.in

viii. Corporate Identity Number (CIN) : L13206TN1987PLC015161



ix. Performance of the company's Share on BSE.



Note: The closing price of the shares for March, 2013 is taken in the graph for April, 2013 & May, 2013 and the closing price for June, 2013 is taken in the graph for July, 2013 to October, 2013 as there was no trading of shares of the Company at the Stock Exchange during April, 2013 and May, 2013 and July, 2013 to October, 2013.

- x. Registrars & Share Transfer Agents M/s. S. K. Infosolutions Pvt. Ltd.  
34/1A, Sudhir Chatterjee Street  
Kolkata – 700 006  
Phone: (033) 2219-4815/6797  
Fax: (033) 2219-4815

- xi. Share Transfer System The Company has a committee of the Board of Directors called Share Transfer and Investors' Grievance Committee, which meets as and when required to approve the transfer of shares. The formalities for transfer of shares in the physical form are completed and the share certificates are dispatched to the transferee within 15 days of receipt of the transfer documents, provided the documents are complete and the shares under transfer are not under dispute.

xii. Distribution of shareholding as on 31st March, 2014

Equity shares held	Number of Shareholders	Percent of Shareholders	Number of Shares held	Percent of Shares held
1-500	1130	90.62	138759	4.62
501-1000	59	4.73	50920	1.70
1001-2000	20	1.60	30670	1.02
2001-3000	5	0.40	12057	0.40
3001-4000	1	0.09	3100	0.10
4001-5000	3	0.24	13903	0.46
5001-10000	7	0.56	49410	1.64
10001-50000	9	0.72	197550	6.57
50001-100000	4	0.32	226147	7.53
100001 & above	9	0.72	2282484	75.96
<b>Total</b>	<b>1247</b>	<b>100.00</b>	<b>3005000</b>	<b>100.00</b>



- xiii. Dematerialisation of Shares and Liquidity      The Company's equity shares are tradable compulsorily in electronic form and are available for trading in the depository systems of both National Securities Depository Ltd.(NSDL) and Central Depository Services (India) Ltd. (CDSL). The International Securities Identification Number (ISIN) of the Company, as allotted by NSDL and CDSL is **INE 464C01016**. Nearly **97.10%** of total equity shares have been dematerialized as on 31st March, 2014
- xiv. Outstanding ADRs/GDRs      Not Applicable
- xv. Plant Location:      Panchalam Village  
Melpettai Post  
Tindivanam-604 307
- xvi. Address for correspondence:      M/s. S. K. Infosolutions Pvt. Ltd.  
34/1A, Sudhir Chatterjee Street  
Kolkata – 700 006  
Phone:(033)2219-4815/6797  
Fax-(033) 2219-4815  
Contact Person: Mr. Dilip Bhattacharya, Director  
Email: agarwalskc@rediffmail.com

On behalf of the Board of Directors  
For **Himalaya Granites Limited**

**Saurabh Mittal**

Non-executive Chairman

Place : Kolkata

Dated : 30th May, 2014

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**DECLARATION BY THE MANAGING DIRECTOR AND CEO UNDER CLAUSE 49 OF THE LISTING AGREEMENT REGARDING COMPLIANCE WITH CODE OF CONDUCT**

To  
The Members of  
**Himalaya Granites Limited**

In accordance with Clause 49(I)(D) of the Listing Agreement with the Stock Exchanges, I hereby confirm that, all the Directors and Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct, as applicable to them, for the financial year ended on 31st March, 2014.

Place : Kolkata

Dated : 30th May, 2014

**Ramesh Kumar Haritwal**  
Managing Director & CEO



AUDITOR'S CERTIFICATE

To  
The Members of  
**Himalaya Granites Limited**

We have examined the compliance of Corporate Governance by Himalaya Granites Limited for the year ended 31st March, 2014, as stipulated in Clause 49 of the Listing Agreement of the said company with stock exchanges.

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

We certify that the Company has complied with the conditions of Corporate Governance ***except that the Company has not filled up the vacancy caused by resignation of the Chief Financial Officer during the year 2010-11 as required by Clause 49(II)(D)(12A) as stipulated in the above-mentioned Listing Agreement.***

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

For **D. DHANDARIA & COMPANY**  
Chartered Accountants  
ICAI Firm Reg. No. **306147E**

(Dindayal Dhandaria)  
Partner

Membership No. **010928**

Place of Signature : Kolkata  
Dated : 30th May, 2014





**CERTIFICATION BY CHIEF EXECUTIVE OFFICER PURSUANT TO CLAUSE 49 OF THE LISTING AGREEMENT**

To  
The Board of Directors  
**Himalaya Granites Limited**

- (a) I have reviewed the financial statements and the cash flow statement for the financial year ended on 31st March, 2014 and that to the best of my knowledge and belief:
- i. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - ii. 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.
- (b) There are, to the best of my knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- (c) I accept responsibility for establishing and maintaining internal controls for financial reporting and that I have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and I have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which I am aware and the steps I have taken or propose to take to rectify these deficiencies.
- (d) I have indicated to the Auditors and the Audit Committee that there are no
- i. significant changes in internal control over financial reporting during the year;
  - ii. significant changes in accounting policies during the year; and
  - iii. instances of significant fraud of which I have become aware and the involvement therein of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Place: Kolkata  
Date: 30th May, 2014

**Ramesh Kumar Haritwal**  
Managing Director & CEO

**Note:**

***This certificate is given by the Managing Director & CEO, who is also heading the finance function of the Company, as there is no Chief Financial Officer in the Company.***

**Independent Auditors' Report**

To  
The Members of  
**Himalaya Granites Limited**

**Report on the Financial Statements**

We have audited the accompanying financial statements of M/s. Himalaya Granites Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2014, the Statement of Profit and Loss and Cash Flow Statement for the year ended, and a summary of significant accounting policies and other explanatory information.

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

The Company's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Principles generally accepted in India including Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956 ("the Act") read with the General Circular number 15/2013 dated 13th September, 2013, issued by the Ministry of Corporate Affairs, in respect of Section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditors' Responsibility**

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

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

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

**Opinion**

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

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



**Report on other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by Section 227(3) of the Act, we report that:
  - (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
  - (c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement comply with Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956 ("the Act") read with the General Circular number 15/2013 dated 13th September, 2013, issued by the Ministry of Corporate Affairs, in respect of Section 133 of the Companies Act, 2013.
  - (e) On the basis of the written representations received from the directors as on March 31, 2014, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2014, from being appointed as a director in terms of Section 274(1) (g) of the Act.

**For D. DHANDARIA & COMPANY**  
Chartered Accountants  
ICAI Firm Reg. No. **306147E**

(Dindayal Dhandaria)  
Partner

Membership No. **010928**

Place of Signature : Kolkata  
Dated : 30th May, 2014

**ANNEXURE TO INDEPENDENT AUDITORS' REPORT**

Referred to in Paragraph 1 under the heading of "Report on Other Legal and Regulatory Requirements"

**1. In respect of its Fixed Assets :**

- (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) A substantial portion of the fixed assets have been physically verified by the management during the year and there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) As the company has not disposed off any major part of the fixed assets, the going concern status of the company is not affected.

**2. In respect of its Inventories :**

- (a) As explained to us, the inventory has been physically verified during the year by the management at reasonable intervals.
  - (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
  - (c) In our opinion and according to the information and explanations given to us, the Company has maintained proper records of its inventory and no material discrepancies were noticed on physical verification of inventories as compared to the book records.
3. (a) As informed to us, the Company has not granted any loans, secured and unsecured, to companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956 and as such clauses 4 (iii)(a) to (iii)(d) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the Company.
- (b) As informed to us, the Company has not taken any loans, secured or unsecured from companies, firms or other parties covered in the register maintained under section 301 of the Act and as such clauses 4 (iii)(e) to (iii)(g) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the Company.
4. In our opinion and according to the information and explanations given to us, there is adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control system;
5. In respect of the contracts or arrangements referred to in section 301 of the Companies Act, 1956 :
- (a) According to the information and explanations given to us, we are of the opinion that the particulars of contracts or arrangements referred to in section 301 of the Act have been entered in the register required to be maintained under that section; and
  - (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of such contracts or arrangements have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.
6. The Company has not accepted any deposits from the public during the year. Therefore, the provisions of clause (vi) of paragraph 4 of the order are not applicable to the company.
7. In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
8. In respect of the Company, no cost records have been prescribed by the Central Government under section 209 (1) (d) of the Companies Act, 1956.
9. According to the information and explanation given to us in respect of statutory and other dues:
- (a) The Company has generally been regular in depositing with appropriate authorities undisputed statutory dues



including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income Tax, VAT, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and Other Material Statutory Dues applicable to it with the appropriate authorities though there has been a slight delay in few cases.

Further, since the Central Government has till date not prescribed the amount of cess payable under section 441A of the Companies Act, 1956, we are not in a position to comment upon the regularity or otherwise of the Company in depositing the same.

- (b) According to information and explanations given to us, no undisputed amount payable in respect of Provident Fund, Investor Education and Protection Fund, Employees State Insurance, Income Tax, Wealth Tax, Service Tax, VAT, Sales Tax, Custom Duty, Excise Duty, Cess and Other Undisputed Statutory Dues were outstanding at the year end, for a period of more than six months from the date they become payable.
  - (c) According to information and explanation given to us, there was no disputed amount to be deposited by the Company.
10. The Company has accumulated losses at the year-end but has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
  11. As the Company has not borrowed any funds from the Financial Institutions or Banks or Debenture Holders, the provision of the clause 4 (xi) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the Company.
  12. The Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
  13. In our opinion, the Company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the Company.
  14. In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the Company.
  15. According to information and explanations given to us, the Company has not given guarantees for loans taken by others from banks or financial institutions.
  16. According to information and explanations given to us, no term loans were taken by the Company during the year.
  17. According to the information and explanations given to us and on overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long term investment.
  18. According to the information and explanations given to us, the Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Act during the year and hence the question of disclosure and verification of end use of such money does not arise.
  19. According to the information and explanations given to us, the Company has not issued any debentures.
  20. The Company has not raised money by public issue during the year and hence the question of disclosure and verification of end use of such money does not arise.
  21. According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the course of our audit.

**For D. DHANDARIA & COMPANY**  
Chartered Accountants  
ICAI Firm Reg. No. **306147E**

(Dindayal Dhandaria)  
Partner

Membership No. **010928**

Place of Signature : Kolkata  
Dated : 30th May, 2014



## Balance Sheet as at 31st March, 2014

Particulars	Note No.	As at 31st March, 2014		As at 31st March, 2013	
		₹	₹	₹	₹
<b>EQUITY AND LIABILITIES :</b>					
<b>Shareholders' Funds :</b>					
Share Capital	1	30050000		30050000	
Reserves & Surplus	2	68106867		68033334	
			98156867		98083334
<b>Non-current Liabilities :</b>					
Deferred Tax Liabilities (Net)	3		2045791		3235881
Other Long Term Liabilities	4		400000		—
Long Term Provisions	5		256729		243029
<b>Current Liabilities :</b>					
Trade Payables	6		1477025		1359543
Other Current Liabilities	7		404675		771464
<b>TOTAL :</b>			<b>102741087</b>		<b>103693251</b>
<b>ASSETS :</b>					
<b>Non-Current Assets :</b>					
<b>Fixed Assets :</b>					
Tangible Assets	8		29355686		33798960
Long Term Loans & Advances :	9		681073		647303
<b>Current Assets :</b>					
Inventories	10	505197		940466	
Trade Receivables	11	9873141		10548029	
Cash & Bank Balances	12	7548957		7225345	
Short Term Loans & Advances	13	54777033		50533148	
			72704328		69246988
<b>TOTAL :</b>			<b>102741087</b>		<b>103693251</b>

Significant Accounting Policies

Notes on Financial Statements 1 to 25

AS PER OUR ANNEXED REPORT OF EVEN DATE.

For **D. DHANDARIA & COMPANY**  
Chartered Accountants  
ICAI Firm Reg. No. **306147E**

(Dindayal Dhandaria)  
Partner

Membership No. **010928**

**Saurabh Mittal**  
Non-Executive Chairman

**Ramesh Kumar Haritwal**  
Managing Director & CEO

Place of Signature : Kolkata  
Dated : 30th May, 2014

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

Particulars	Note No.	For the year ended 31st March, 2014		For the year ended 31st March, 2013	
		₹	₹	₹	₹
<b>INCOME :</b>					
Revenue Form Operations	14		147400		251550
Other Income	15		7780355		11915436
<b>Total Revenue</b>			<b>7927755</b>		<b>12166986</b>
<b>EXPENDITURE :</b>					
Stock in Process and Stock in Trade	16		435269		394710
Employees Benefits Expense	17		2377427		2248041
Finance Costs			—		—
Depreciation and Amortization Expense			2035211		2433130
Other Expenses	18		4196405		4749555
<b>Total Expenditure</b>			<b>9044312</b>		<b>9825436</b>
Profit/(Loss) Before Tax			(1116557)		2341550
<b>Tax Expense</b>					
Current Tax	23		—		—
Release of Deferred Tax			1190090		1100417
			1190090		1100417
<b>Profit/(Loss) for the Year</b>			<b>73533</b>		<b>3441967</b>
<b>Earnings per Equity Share of face value of ₹ 10/- each</b>	25				
Basic & Diluted (in ₹)			0.02		1.15
Significant Accounting Policies					
Notes on Financial Statements	1 to 25				
AS PER OUR ANNEXED REPORT OF EVEN DATE.					

For **D. DHANDARIA & COMPANY**  
Chartered Accountants  
ICAI Firm Reg. No. **306147E**

(Dindayal Dhandaria)  
Partner  
Membership No. **010928**

**Saurabh Mittal**  
Non-Executive Chairman

**Ramesh Kumar Haritwal**  
Managing Director & CEO

Place of Signature : Kolkata  
Dated : 30th May, 2014



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

Particulars	For the year ended 31st March, 2014		For the year ended 31st March, 2013	
	₹	₹	₹	₹
<b>A. CASH FLOW ARISING FROM OPERATING ACTIVITIES:</b>				
Net Profit before Tax and Extraordinary items		(1116557)		2341550
Add:				
a) Depreciation	2035211		2433130	
b) Interest	—		—	
c) Loss on Sale/Discard of Fixed Assets	1827906		1550803	
d) Gratuity	62705		55823	
		<u>3925822</u>		<u>4039756</u>
		2809265		6381306
Less:				
a) Interest Income	3367412		3185120	
b) Rental Income	—		—	
		<u>3367412</u>		<u>3185120</u>
Operating Profit before Working Capital Changes		(558147)		3196186
Less:				
Adjustments for :				
a) Trade and other Receivables	3602767		9304522	
b) Inventories	(435269)		(394710)	
c) Trade Payables	(150693)		126979	
		<u>3016805</u>		<u>9036791</u>
Cash Inflow (+)/Outflow (-) from Operations		(3574952)		(5840605)
Less : Gratuity Paid		49005		—
<b>Net Cash Inflow (+)/Outflow (-) in course of Operating Activities</b>		<b><u>(3623957)</u></b>		<b><u>(5840605)</u></b>
<b>B. CASH FLOW ARISING FROM INVESTING ACTIVITIES:</b>				
<b>INFLOW</b>				
a) Sale of Fixed Assets	626214		908480	
b) Sale of Investments	—		—	
c) Interest Received	3367412		3185120	
		<u>3993626</u>		<u>4093600</u>
Less: OUTFLOW				
a) Acquisition of Fixed Assets	46057		—	
b) Acquisition of Investments	—		—	
		<u>46057</u>		<u>—</u>
<b>Net Cash Inflow (+) / Outflow (-) in course of Investing Activities</b>		<b><u>3947569</u></b>		<b><u>4093600</u></b>



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

Particulars	For the year ended 31st March, 2014		For the year ended 31st March, 2013	
	₹	₹	₹	₹
<b>C. CASH FLOW ARISING FROM FINANCING ACTIVITIES:</b>				
INFLOW				
a) Borrowings	—		—	
		—		—
DEDUCT : OUTFLOW				
a) Repayment of Borrowings	—		—	
b) Dividend & Corporate Dividend Tax Paid	—		—	
		—		—
Net Cash Outflow/(Inflow ) in course of Financing Activities		—		—
Net Increase/ (Decrease) in Cash/Cash Equivalents (A+B+C)		323612		(1747005)
ADD : Balance at the beginning of the year		7225345		8972350
<b>Cash / Cash Equivalents at the close of the Year</b>		<b>7548957</b>		<b>7225345</b>
AS PER OUR ANNEXED REPORT OF EVEN DATE.				

For **D. DHANDARIA & COMPANY**  
Chartered Accountants  
ICAI Firm Reg. No. **306147E**

(Dindayal Dhandaria)  
Partner  
Membership No. **010928**

**Saurabh Mittal**  
Non-Executive Chairman

**Ramesh Kumar Haritwal**  
Managing Director & CEO

Place of Signature : Kolkata  
Dated : 30th May, 2014



## Notes to Financial Statements for the year ended 31st March, 2014

### SIGNIFICANT ACCOUNTING POLICIES

#### 1 DISCLOSURE OF ACCOUNTING POLICIES (AS - 1):

##### 1.1 Accounting concepts & Basis of Preparation :

The financial Statements are prepared in accordance with the Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the accrual basis. GAAP comprises mandatory accounting standards as prescribed by the Companies (Accounting Standards) Rules, 2006, the Companies Act, 1956, read with the General Circular number 15/2013 dated 13th September, 2013 in respect of Section 133 of the Companies Act, 2013 and General Circular number 08/2014 dated 04th April 2014 of the Ministry of Corporate Affairs and guidelines issued by the Securities and Exchange Board of India (SEBI). Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use. The Company's management evaluates all recently issued or revised accounting standards on an on-going basis. Where changes are made in presentation, the comparative figures of the previous year are regrouped and re-arranged accordingly.

##### 1.2 Use of Estimates :

The preparation of financial statements in conformity with Generally Accepted Accounting Principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

#### 2 VALUATION OF INVENTORIES (AS - 2):

- 2.1 Stock of Raw Materials, Consumables and Stores and spare are valued at cost. Cost represents purchase price and other costs for bringing inventories upto their present location and condition and is generally determined on weighted average basis.
- 2.2 Finished goods are valued at lower of cost and net realisable value.

#### 3 CASH FLOW STATEMENT (AS - 3):

Cash flows are reported using indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flow from regular revenue generating, financing and investing activities of the Company is segregated. Cash and cash equivalents in the balance sheet comprise cash at bank (excluding pledged term deposits), cash/cheques in hand and short term investments with an original maturity of three months or less.

#### 4 CONTINGENCIES AND EVENTS OCCURRING AFTER BALANCE SHEET DATE (AS - 4) :

Disclosure of contingencies as required by the accounting standard is furnished in the Notes on accounts.

#### 5 DEPRECIATION (AS - 6):

- 5.1 Depreciation on Fixed Assets is provided for on straight line method in accordance with and generally at the rates specified in Schedule XIV to the Companies Act, 1956.
- 5.2 Depreciation in respect of additions to assets has been charged on pro rata basis with reference to the period of use of such assets.

#### 6 REVENUE RECOGNITION (AS - 9) :

- 6.1 Revenue from sale of goods and services rendered is recognized from passage of title which generally coincides with delivery of materials and rendering of services to the customers.



## Notes to Financial Statements for the year ended 31st March, 2014

**6.2** Interest income is recognized from time proportion basis taking into account the amount outstanding and rate applicable.

**6.3** Rental income is recognised on accrual basis.

### **7 ACCOUNTING FOR FIXED ASSETS (AS - 10) :**

Fixed assets are stated at cost less accumulated depreciation. Cost includes borrowing costs and all incidental expenditure net of CENVAT, Service Tax Input Credit and VAT input credit, wherever applicable.

### **8 EMPLOYEE BENEFITS (AS - 15) :**

**8.1** Short-term employee benefits are recognised as an expense at the undiscounted amount in the Statement of Profit and Loss for the year in which the related service is rendered.

**8.2** Post Employment and other long term employee benefits are charged off in the year in which the employee has rendered services. The amount charged off is recognised at the present value of the amounts payable determined using actuarial valuation techniques. Actuarial gains and losses in respect of past employment and other long term benefits are charged to the Statement of Profit and Loss.

### **9 RELATED PARTY DISCLOSURES (AS - 18):**

Disclosure of related parties as required by the accounting standard is furnished in the Notes on accounts.

### **10 EARNINGS PER SHARE (AS - 20):**

Basic earnings (loss) per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

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

### **11 ACCOUNTING FOR TAXES ON INCOME (AS - 22):**

Income-tax expenses comprises current tax and deferred tax charge or release. The deferred tax charge or credit is recognised using current tax rates. Where there is unabsorbed depreciation or carry forward losses, deferred tax assets are recognised only if there is virtual certainty of realisation of such assets based on expected future profits. Other deferred tax assets are recognised only to the extent there is reasonable certainty of realisation in future. Such assets are reviewed as at each Balance Sheet date to reassess realisation.

### **12 PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS (AS - 29):**

**12.1** Provisions are made for present obligations arising as a result of past events.

**12.2** Contingent liabilities are not provided for but are disclosed by way of Notes on Accounts.

**12.3** Contingent assets are neither accounted for nor disclosed by way of Notes on Accounts.

### **13 VAT, SERVICE TAX & EDUCATION CESS**

Various expenses are accounted for after deducting the refunds receivable in respect of VAT, Service Tax & Education cess.



## Notes to Financial Statements for the year ended 31st March, 2014

	As at 31st March, 2014		As at 31st March, 2013	
	Number	₹	Number	₹
<b>1. SHARE CAPITAL :</b>				
<b>1.1 Authorised</b>				
Equity Shares of ₹ 10 each	4000000	40000000	4000000	40000000
<b>1.2 Issued, Subscribed And Fully Paid up :</b>				
Equity Shares of ₹ 10 each	3005000	30050000	3005000	30050000
<b>1.3 The reconciliation of the number of shares outstanding</b>				
Equity Shares at the beginning of the year	3005000	30050000	3005000	30050000
Add : Allotted during the year	-	-	-	-
Total	3005000	30050000	3005000	30050000

### 1.4 Terms/Rights attached to the Equity Shares

The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. This distribution will be in proportion to the number of equity shares held by the shareholders.

### 1.5 Name of The Shareholders holding more than 5% Shares

	Number	%	Number	%
<b>Equity Shares</b>				
Rajesh Mittal	621250	20.67%	621250	20.67%
Greenply Industries Ltd.	380583	12.66%	380583	12.66%
S.M.Management Pvt. Ltd.	214117	7.13%	214117	7.13%
Saurabh Mittal & Shobhan Mittal on Behalf of Trade Combines, Partnership Firm	312400	10.40%	312400	10.40%
Anirudha Bubna Trust	398091	13.25%	398091	13.25%

**Notes to Financial Statements** for the year ended 31st March, 2014

	As at 31st March, 2014		As at 31st March, 2013	
	₹	₹	₹	₹
<b>2 RESERVES &amp; SURPLUS :</b>				
<b>Capital Reserve</b>				
As per last Balance Sheet		1500000		1500000
<b>Securities Premium Account</b>				
As per last Balance Sheet		20000000		20000000
<b>General Reserve</b>				
As per last Balance Sheet		63094248		63094248
<b>Surplus</b>				
Loss as per last Balance Sheet	(16560914)		(20002881)	
Add/(Less) : Profit/(Loss) for the year	73533	(16487381)	3441967	(16560914)
<b>TOTAL</b>		<b>68106867</b>		<b>68033334</b>
		<b>As at</b>		<b>As at</b>
		<b>31st March, 2014</b>		<b>31st March, 2013</b>
		₹		₹
<b>3 DEFERRED TAX LIABILITIES (NET) :</b>				
Deferred Tax Liabilities				
Depreciation		2125120		3310977
Less : Deferred Tax Assets				
Provision for Gratuity / Others		79329		75096
Deferred Tax Liabilities (Net)		2045791		3235881
<b>4 OTHER LONG TERM LIABILITIES :</b>				
<b>Others</b>				
Security Deposit from Tenant		400000		—
<b>5 LONG TERM PROVISIONS :</b>				
Provisions for Employee Benefits (unfunded)				
For Gratuity		256729		243029
<b>6 TRADE PAYABLES :</b>				
Sundry Creditors for Goods , Expenses etc		1477025		1359543



## Notes to Financial Statements for the year ended 31st March, 2014

	As at 31st March, 2014	As at 31st March, 2013
	₹	₹
<b>7 OTHER CURRENT LIABILITIES :</b>		
Unclaimed Dividends	27051	102025
For Expenses	287305	589278
Statutory Dues	90319	80161
<b>Total</b>	<b>404675</b>	<b>771464</b>

7.1 Amount due and outstanding to be credited to the Investor Education and Protection Fund ₹ Nil (Previous Year ₹ Nil)

### 8 FIXED ASSETS :

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	Cost as at 01/04/2013	Additions During the year	Deductions During the year	Cost as at 31/03/2014	Upto 31/03/2013	For the year	Adjustment	Upto 31/03/2014	As at 31/03/2014	As at 31/03/2013
	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹
<b>OWN ASSETS</b>										
<b>Tangible Assets</b>										
Land & Developments	1132849	-	-	1132849	-	-	-	-	1132849	1132849
Building (Factory)	33711409	-	-	33711409	19037600	1125960	-	20163560	13547849	14673809
Building (Others)	13033495	-	2653645	10379850	2959606	190495	816862	2333239	8046611	10073889
Plant & Equipments	35620762	-	650658	34970104	28691608	620619	377334	28934893	6035211	6929154
Vehicles	941044	-	831228	109816	564064	27476	487215	104325	5491	376980
Electrical Fittings	278252	-	-	278252	187111	13217	-	200328	77924	91141
Furniture & Fittings	3280864	46057	-	3326921	2759726	57444	-	2817170	509751	521138
Office Equipments	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>87998675</b>	<b>46057</b>	<b>4135531</b>	<b>83909202</b>	<b>54199715</b>	<b>2035211</b>	<b>1681411</b>	<b>54553516</b>	<b>29355686</b>	<b>33798960</b>
Previous Year's Total	99759002	-	11760327	87998675	61067629	2433130	9301044	54199715	33798960	-

	As at 31st March, 2014	As at 31st March, 2013
	₹	₹
<b>9 LONG TERM LOANS &amp; ADVANCES :</b>		
<b>Unsecured, Considered good</b>		
Security deposits	681073	647303
<b>10 INVENTORIES :</b>		
Stock in Process (at cost)	-	435269
Finished Goods (lower of cost or net realisable value)	402304	402304
Stores & Spares (at cost)	102893	102893
<b>Total</b>	<b>505197</b>	<b>940466</b>

**Notes to Financial Statements** for the year ended 31st March, 2014

	As at 31st March, 2014	As at 31st March, 2013
	₹	₹
<b>11 TRADE RECEIVABLES :</b>		
11.1 Outstanding for a period exceeding six months from due date	9623241	10548029
Others	249900	—
<b>Total</b>	<b>9873141</b>	<b>10548029</b>
11.2 Secured, considered good	—	—
Unsecured, considered good	9873141	10548029
<b>Total</b>	<b>9873141</b>	<b>10548029</b>
<b>12 CASH &amp; BANK BALANCES :</b>		
12.1. <b>Cash &amp; Cash Equivalents</b>		
Balances with Banks	888359	1167830
Balances with Banks - unpaid dividend	27051	102025
Cash on Hand	4069977	4037745
	<b>4985387</b>	<b>5307600</b>
12.2. <b>Other Bank Balances</b>		
Term Deposits with Banks		
Maturity within 12 months	2563570	1917745
<b>Total</b>	<b>7548957</b>	<b>7225345</b>
<b>13 SHORT TERM LOANS &amp; ADVANCES :</b>		
<b>Unsecured, Considered good</b>		
Advance to Staff & workers	284781	297663
Advance for expenses	85147	70147
Sales Tax Advance	25000	25000
Security Deposit for Rented premises	180000	180000
Advance against purchases	4369406	4369406
Other Receivables	40714101	36759639
Prepaid expenses	698435	696175
Advance Payment of Income Tax (Less Provision)	8420163	8135118
<b>Total</b>	<b>54777033</b>	<b>50533148</b>







## Notes to Financial Statements for the year ended 31st March, 2014

### 17.1 DISCLOSURES REGARDING EMPLOYEE BENEFITS :

Defined Contribution Plan: Employee benefits in the form of Provident Fund is considered as defined contribution plan and the contributions to Employees' Provident Fund Organisation established under The Employees' Provident Fund and Miscellaneous Provisions Act 1952, is charged to the Statement of Profit and Loss of the year when the contributions to the respective funds are due.

Defined Benefit Plan : Retirement benefits in the form of Gratuity are considered as defined benefit obligations and are provided for on the basis of third party actuarial valuation, using the projected unit credit method, as at the date of the Balance Sheet. As the Company has not funded its liability, it has nothing to disclose regarding plan assets and its reconciliation. Defined Benefit Obligation at the year end amounted to ₹ 256729 (previous year ₹ 243029).

Actuarial assumptions	For the year ended	For the year ended
	31st March, 2014	31st March, 2013
	IALM 2006-2008	IALM 2006-2008
Mortality Table		
Discount Rate (per annum)	8.25	8.25
Expected rate of return on plan assets (per annum)	–	–
Rate of escalation in salary (per annum)	5	5

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market.

The above information is certified by the actuary.

Para 132 of Accounting Standard 15 (revised 2005) does not require any specific disclosures except where expense resulting from compensated absence is of such size, nature or incidence that its disclosure is relevant under Accounting Standard 5 or Accounting Standard 18. In the opinion of the management the expense resulting from compensated absence is not significant and hence no disclosures are prepared under various paragraphs of AS 15 (revised 2005).



## Notes to Financial Statements for the year ended 31st March, 2014

	For the year ended 31st March, 2014	For the year ended 31st March, 2013
	₹	₹
<b>18 OTHER EXPENSES :</b>		
Rent	363500	327500
Rates & Taxes	191076	157506
Insurance Charges	44036	354628
Electricity charges	167659	134436
Repairs to Building	239883	113192
Printing & Stationery	280954	274250
Telephone Expenses	26238	55584
Travelling Expenses	29398	16934
Vehicle Expenses	36002	92682
Security Service Charges	564183	557400
Directors' Sitting Fees	7304	7304
Bank Charges	12749	7093
Auditors' Remuneration	133708	164607
Loss on Sale of Fixed Assets	448568	241689
Value of Assets Discarded	1379338	1309114
Other General Expenses	271809	935636
	<b>4196405</b>	<b>4749555</b>
<b>18.1 AUDITORS' REMUNERATION</b>		
Audit Fees	95506	95506
Certification Fees	38202	69101
	<b>133708</b>	<b>164607</b>
<b>19 CONTINGENT LIABILITIES AND COMMITMENTS :</b>		
<b>19.1 Contingent liabilities</b>		
a. Disputed Demand of Income Tax in Appeal ₹ NIL (Previous Year ₹ 7637154)		
<b>20 INFORMATION REGARDING MICRO, SMALL AND MEDIUM ENTERPRISES :</b>		
As the Company has not procured any supply of materials, the provisions of Micro, Small and Medium Enterprises Act, 2006 are not applicable.		
<b>21 SEGMENT REPORTING (UNDER ACCOUNTING STANDARD AS - 17 ISSUED BY ICAI) :</b>		
As there is neither more than one business segment nor more than one geographical segment, segment information as per AS - 17 is not required to be disclosed.		

**Notes to Financial Statements** for the year ended 31st March, 2014**22 RELATED PARTY (DISCLOSURE AS PER ACCOUNTING STANDARD AS - 18 ISSUED BY ICAI) :****A) Related parties with whom transactions have taken place during the year****Key Managerial Personnel**

- i) Sri Ramesh Kumar Haritwal, Managing Director & CEO
- ii) Sri Saurabh Mittal, Non - Executive Chairman

**Enterprise owned/influenced by Key managerial personnel or their relatives**

- i) Greenply Industries Ltd.

**Note :** Related Party Relationship is as identified by the Company and relied upon by the Auditors

**B) Transactions during the year :**

Particulars	Key Management Personnel		Enterprise owned/influenced by Key managerial personnel or their relatives	
	2013-14	2012-13	2013-14	2012-13
	₹	₹	₹	₹
<b>Received towards service rendered</b>				
Greenply Industries Limited	-	-	4270000	4200000
<b>Remuneration paid</b>				
Ramesh Haritwal	1469016	1409016	-	-
<b>Meeting Fees</b>				
Saurabh Mittal	500	1000	-	-

**23 CURRENT TAX :**

In view of brought forward losses, provision for income tax is not considered necessary



## Notes to Financial Statements for the year ended 31st March, 2014

24 Figures have been rounded off to the nearest rupee.

	<u>For the year ended 31st March, 2014</u>	<u>For the year ended 31st March, 2013</u>
<b>25 EARNINGS PER SHARE :</b>		
a) Calculation of weighted average number of equity shares of ₹ 10 each		
No of Shares at the beginning of the year	3005000	3005000
Total no. of equity shares outstanding at the end of the year	3005000	3005000
Weighted average number of equity shares outstanding during the year	3005000	3005000
b) Net Profit (after tax, available for equity shareholders)	73533	3441967
c) BASIC & DILUTED EARNINGS PER SHARE (Face value ₹ 10 per share)	0.02	1.15

AS PER OUR ANNEXED REPORT OF EVEN DATE

For **D. DHANDARIA & COMPANY**  
Chartered Accountants  
ICAI Firm Reg. No. **306147E**

(Dindayal Dhandaria)  
Partner

Membership No. **010928**

Place of Signature : Kolkata  
Dated : 30th May, 2014

**Saurabh Mittal**  
Non-Executive Chairman

**Ramesh Kumar Haritwal**  
Managing Director & CEO

**Form No. MGT - 11****PROXY FORM**

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

CIN	L13206TN1987PLC015161
Name of Company	<b>HIMALAYA GRANITES LIMITED</b>
Registered Office	Panchalam Village, Melpettai Post, Tindivanam, Tamilnadu - 604 307 Telefax : (044-26693378), Website : www.hgl.co.in, Email : prakash.corp@greenply.com

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

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

- Name : \_\_\_\_\_ Address : \_\_\_\_\_  
Email Id : \_\_\_\_\_ Signature: \_\_\_\_\_, or failing him
- Name : \_\_\_\_\_ Address : \_\_\_\_\_  
Email Id : \_\_\_\_\_ Signature: \_\_\_\_\_, or failing him
- Name : \_\_\_\_\_ Address : \_\_\_\_\_  
Email Id : \_\_\_\_\_ Signature: \_\_\_\_\_

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 26th Annual General Meeting of the company, to be held on Tuesday, 30th September 2014 at 1:00 p.m. at "Panchalam Village, Melpettai Post, Tindivanam, Tamilnadu - 604 307 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolutions
1	To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2014 including the Audited Balance Sheet as at March 31, 2014 and Statement of Profit & Loss for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.
2	To appoint a director in place of Mr. Saurabh Mittal (DIN 00273917), who retires by rotation at this Annual General Meeting and being eligible, offers himself for re-appointment.
3	To appoint M/s. D. Dhandaria & Company, Chartered Accountants (Registration No. 306147E) as a Statutory Auditor of the Company and to fix their remuneration.
4	To appoint Mr. Mahesh Kumar Malpani (DIN : 02603222), as an Independent Director of the Company.
5	To appoint Mr. Beni Gopal Saraf (DIN : 00267858), as an Independent Director of the Company.
6	To appoint Mr. Pradip Manharlal Domadia (DIN: 05292129), as an Independent Director of the Company.
7	To revise the terms and conditions of appointment of Mr. Ramesh Kumar Haritwal (DIN: 01486666), Managing Director & CEO of the Company.
8	To approve and adopt new Articles of Association of the Company.
9	To approve the contracts/arrangements of the Company for Lease/Leave and License agreement with Greenply Industries Limited in respect of immovable property of the Company under Section 188 of the Companies Act, 2013.
10	To approve the contracts/arrangements of the Company for Lease/Leave and License agreement with Greenlam Industries Limited in respect of immovable property of the Company under Section 188 of the Companies Act, 2013.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ of 2014.

Signature of the Shareholder : \_\_\_\_\_

Signature of the proxy holder(s) : \_\_\_\_\_

Affix Revenue Stamp
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**Note :**

- This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.



**ANNUAL REPORT  
2013-14**

*if undelivered please return to :*

**HIMALAYA GRANITES LIMITED**  
16A, SHAKESPEARE SARANI  
KOLKATA - 700 071



## HIMALAYA GRANITES LIMITED

(CIN : L13206TN1987PLC015161)

Regd. Office : Panchalam Village, Melpettai Post, Tindivanam, Tamilnadu - 604 307  
Telefax : 044-26693378, Email : prakash.corp@greenply.com, Website : www.hgl.co.in

### ATTENDANCE SLIP

Only Shareholders or Proxies will be allowed to attend the meeting

Registered Folio / DP ID & Client ID :

Name and Address of the Shareholder :

Joint Holder(s) :

No. of Shares :

I / We hereby record my / our presence at the 26th Annual General Meeting of the Company being held on Tuesday, 30th September, 2014 at 1:00 p.m at Panchalam Village, Melpettai Post, Tindivanam, Tamilnadu - 604 307.

Signature of Shareholder(s) 1. \_\_\_\_\_  
2. \_\_\_\_\_

Signature of Proxyholder \_\_\_\_\_

#### Note :

- Shareholders attending the meeting in person or by Proxy are requested to complete the attendance slip and hand it over at the entrance of the meeting venue.

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### ELECTRONIC VOTING PARTICULARS

EVSN	Sequence Number
140902004	

**Note :** Please read the note no. 18, 19 and 21 to the Notice of the 26th Annual General Meeting dated 30th May, 2014, being sent herewith, in respect of the instructions for voting through electronic means. The voting period starts from 10:00 a.m. on September 24, 2014 and ends at 10:00 p.m. on September 25, 2014.