

HIMALAYA GRANITES LIMITED

Regd. Office : Panchalam Village, Melpettai Post,
Villupuram Dist., Tindivanam - 604 307, Tamil Nadu, India.
CIN : L13206TN1987PLC015161
Telephone : +91 4147-290021
E-mail : investors@hgl.co.in
Website : www.hgl.co.in



HIMALAYA GRANITES

HGL/2020-21
September 08, 2019

The Manager

BSE Limited,
Department of Corporate Services,
Floor 25, P. J. Towers, Dalal Street,
Mumbai - 400 001
Fax No. 022-2272-3121/1278/1557/3354
Email: corp.relations@bseindia.com

BSE Scrip Code: 513723

Sub: Annual Report for the Financial Year 2019-20

Dear Sir/ Madam,

Pursuant to Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith a copy of Annual Report of the Company for the financial year 2019-20 which is being sent to the members of the Company for their adoption at the 32nd Annual General Meeting of the Company to be held on Wednesday, September 30, 2020 at 09:00 a.m. am through Video Conferencing/Other Audio Visual Means.

The copy of Annual Report for the financial year 2019-20 is also posted on the website of the Company i.e. www.hgl.co.in.

This is for your information and records.

Thanking You,
Yours faithfully,

For **HIMALAYA GRANITES LIMITED**

HARIOM PANDEY
COMPANY SECRETARY

Encl: As above

**ANNUAL
REPORT
2019-20**



HIMALAYA GRANITES LIMITED

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Ramesh Kumar Haritwal, Managing Director & CEO
Mr. Mahesh Kumar Malpani, Independent Director
Mr. Shalabh Jalan, Independent Director
Ms. Mathangi Ramanujam, Non-Executive Director

AUDIT COMMITTEE

Mr. Mahesh Kumar Malpani, Chairman
Mr. Ramesh Kumar Haritwal
Mr. Shalabh Jalan

NOMINATION AND REMUNERATION COMMITTEE

Mr. Mahesh Kumar Malpani, Chairman
Mr. Shalabh Jalan
Ms. Mathangi Ramanujam

STAKEHOLDERS' RELATIONSHIP COMMITTEE

Mr. Shalabh Jalan, Chairman
Mr. Mahesh Kumar Malpani

CHIEF FINANCIAL OFFICER

Mr. Jayasankar Ramalingam

COMPANY SECRETARY

Mr. Hariom Pandey

STATUTORY AUDITORS

M/s. S.P. Shaw & Co.
Chartered Accountants
Sagar Court, 7 Garstin Place,
2nd Floor, Kolkata-700001

REGISTERED OFFICE

Panchalam Village, Melpettai Post, Tindivanam,
Tamil Nadu - 604 307
CIN: L13206TN1987PLC015161
Telephone: +91 4147-290021
Website: www.hgl.co.in
Email:investors@hgl.co.in

REGISTRAR & SHARE TRANSFER AGENT

M/s. S. K. Infosolutions Pvt. Ltd.
34/1A, Sudhir Chatterjee Street
Kolkata - 700 006
Phone: +91 33-22194815/22196797
Fax: +91 33-22194815

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Directors' Report for the financial year 2019-20

Dear Shareholders,

Your Directors have the pleasure in presenting the 32nd Annual Report on the business and operations of the Company and the Audited Financial Statements of the Company for the financial year ended March 31, 2020.

1. FINANCIAL HIGHLIGHTS

(Amount in ₹)

Particulars	2019-20	2018-19
Revenue from Operations	58,11,250	55,12,500
Other Income	2,54,628	21,92,306
Profit/(Loss) before Finance Cost, Depreciation & Amortization Expenses and Tax Expenses	(3,79,61,395)	12,75,018
Less : Finance Cost	-	-
Less : Depreciation & Amortization Expenses	11,97,185	12,68,883
Profit/(loss) before tax	(3,91,58,580)	6,135
Less: Provision for Taxation	-	-
Profit/(loss) for the year	(3,91,58,580)	6,135
Add: Other Comprehensive Income (Net of Taxes)	9,378	(64,862)
Total Comprehensive Income (Net of Taxes)	(3,91,49,202)	(58,727)
Balance brought forward from earlier years	(3,75,25,808)	(3,74,67,081)
Balance carried to Balance Sheet	(7,66,75,010)	(3,75,25,808)

2. STATE OF AFFAIRS OF THE COMPANY AND FUTURE OUTLOOK

During the year under review, your Company continued to let out part of its factory sheds and office space. During the financial year 2019-20, your Company posted total Income of ₹ 60,65,878/- as against ₹ 77,04,806/- in the financial year 2018-19. The Company reported a loss of ₹ 3,91,58,580/- (before other comprehensive income) during the financial year 2019-20 as against post-tax profit of ₹ 6,135/- (before other comprehensive income) in the financial year 2018-19. The Company has made provisions of ₹ 3,80,31,357 during the financial year 2019-20, against the outstanding Loan given to other body corporate (including interest receivable thereon till the FY 2018-19). Keeping in view the doubtful nature of receipt of the said amount, your management decided not to account for the interest on such loan from the FY 2019-20 onwards. Your Directors are exploring avenues for the growth of the Company and are hopeful of improving the operations of the Company in near future.

3. DIVIDEND

Considering the losses incurred by the Company in the current financial year and accumulated losses, your Directors have not recommended any dividend for the financial year under review.

4. SUBSIDIARIES AND ITS PERFORMANCE

Your Company had no subsidiaries, Joint Venture or Associate Company during the year under review.

5. TRANSFER TO GENERAL RESERVE

In view of the losses during the financial year ended March 31, 2020, no amount is proposed to be transferred to the General Reserve.

6. IMPACT OF COVID-19 PANDEMIC

Due to the COVID-19 outbreak, the Offices of the Company were closed in line with the Government's directives and employees of the Company were advised to work from home. The Employees of the Company have resumed working from offices in adherence to the safety norms as issued by the Government from time to time.



The Company earns its major revenues from rental activities. Considering the nature of business of the Company, there is no major impact of the COVID 19 pandemic on the business operations of the Company. None of the assets of the Company has been impacted or impaired. However, the recovery of an outstanding Loan given to other body corporate (including accrued interest thereon) seems doubtful to the Company and accordingly the Company has made necessary provisions for the same for the financial year ended March 31, 2020.

7. BOARD OF DIRECTORS

During the financial year 2019-20, Mr. Beni Gopal Saraf [DIN: 00267858], Independent Director of the Company expressed his unwillingness for being reappointed as Independent Director and completed his tenure on conclusion of the 31st Annual General Meeting held on 27.09.2019. Further, Mr. Shalabh Jalan [DIN: 01089278] was appointed as Independent Director of the Company effective from 30.08.2019. There was no other change in the composition of Board of Directors of the Company.

For the financial year 2019-20, the Company has received declarations from all the Independent Directors viz. Mr. Mahesh Kumar Malpani [DIN: 02603222], Mr. Beni Gopal Saraf [DIN: 00267858] and Mr. Shalabh Jalan [DIN: 01089278] confirming that they meet the criteria of independence as prescribed under sub-section (6) of Section 149 of the Companies Act, 2013 and Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company, Mr. Ramesh Kumar Haritwal [DIN: 01486666], Managing Director & CEO of the Company, will retire by rotation at the ensuing Annual General Meeting (AGM) and being eligible offers himself for re-appointment. The Board recommends his re-appointment at the ensuing AGM.

None of the Directors of your Company are disqualified from being appointed as a director under the provisions of Section 164(2)(a) & (b) of the Companies Act, 2013.

All the Independent Directors of the Company have complied with the requirement of inclusion of their names in the Data bank of Independent Directors maintained by Indian Institute of Corporate Affairs.

Further, in the opinion of Board of Directors, the Independent Directors of the Company appointed/ re-appointed during the financial year 2019-20 are persons of integrity and possess relevant expertise and experience.

8. CHANGES IN SHARE CAPITAL

During the year under review, there was no change in the share capital of the Company. However, equity shares of the Company were sub-divided from face value of ₹ 10/- each to face value of ₹ 5/- each and accordingly the number of equity shares in the authorised share capital were sub-divided from 40,00,000 equity shares of ₹ 10/- each to 80,00,000 equity shares of ₹ 5/- each. Also issued, subscribed and fully paid-up equity shares of the Company have been sub-divided from 23,16,784 of ₹ 10/- each to 46,33,568 of ₹ 5/- each.

9. KEY MANAGERIAL PERSONNEL

The details of the Key Managerial Personnel of the Company are provided as under:

1. Mr. Ramesh Kumar Haritwal (Managing Director & CEO)
2. Mr. Jayasankar Ramalingam (Chief Financial Officer)
3. Mr. Hariom Pandey (Company Secretary)

During the financial year 2019-20, there was no change in the Key Managerial Personnel of the Company.

10. MEETINGS OF THE BOARD

During the financial year 2019-20, six (6) meetings of the Board of Directors of the Company were held on May 29, 2019, August 14, 2019, August 30, 2019, October 18, 2019, November 11, 2019 and February 13, 2020. The



composition of the Board of Directors and their attendances at the Board Meetings held during the financial year 2019-20 were as below:

Name of the Directors and Director Identification Number [DIN]	Category of Directorship	No. of Board Meetings	
		Held	Attended
Mr. Ramesh Kumar Haritwal [DIN:01486666]	Managing Director & CEO	6	6
Mr. Mahesh Kumar Malpani [DIN:02603222]	Non-Executive- Independent Director	6	6
Mr. Beni Gopal Saraf* [DIN:00267858]	Non-Executive- Independent Director	3	3
Mr. Shalabh Jalan# [DIN:01089278]	Non-Executive- Independent Director	3	3
Ms. Mathangi Ramanujam[DIN: 07095686]	Non-Executive Director	6	6

* Mr. Beni Gopal Saraf, completed his tenure as Director on the conclusion of 31st AGM held on September 27, 2019.

Mr. Shalabh Jalan, appointed as Director of the Company effective from August 30, 2019.

11. PERFORMANCE EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and Regulation 25(3)&(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Independent Directors in their meeting held on February 13, 2020 have evaluated the performance of Non-Independent Directors after considering the views of the Executive and Non-Executive Directors, Board as a whole and assessed the quality, quantity and timeliness of flow of information between the Company’s Management and the Board. The Nomination and Remuneration Committee has also carried out evaluation of performance of every Director of the Company. On the basis of evaluation made by the Independent Directors and the Nomination and Remuneration Committee and by way of individual and collective feedback from the Non-Independent Directors, the Board has carried out the Annual Performance Evaluation of the Directors individually as well as evaluation of the working of the Board as a whole and Committees of the Board.

The criteria for evaluation are outlined below:

a. For Independent Directors:

- Knowledge and skills
- Professional conduct
- Duties, role and functions
- Compliance with Code of Business Ethics and Code of Conduct of the Company
- Rendering independent and unbiased opinion and judgements
- Attendance and active participation in meetings of Board and Committees of the Board and Members of the Company
- Assistance in implementing corporate governance practices
- Updation of skills and knowledge
- Information regarding external environment
- Raising of concerns, if any, to the Board
- Study of agenda in depth prior to Meeting
- Contribution towards the formulation and implementation of strategy for achieving the goals of the Company

b. For Executive & Non-Executive Directors:

- Performance as Team Leader/Member
- Evaluating business opportunity and analysis of Risk Reward Scenarios



- Professional conduct and Integrity
 - Sharing of Information with the Board
 - Attendance and active participation in the Board and Committee of the Board and Meetings of Members of the Company
 - Whether difference of opinion was voiced in the meeting
 - Whether Executive Directors were able to answer the queries raised by Independent Directors
 - Compliance with Code of Business Ethics and Code of Conduct of the Company
 - Assistance in implementing corporate governance practices
 - Independent view on key appointments and strategy formulation
 - Review of integrity of financial information and risk management
 - Updation of skills and knowledge
 - Information regarding external environment
 - Raising of concerns, if any, to the Board
 - Assistance in formulation of statutory and non-statutory policies for the Company
 - Ensures implementation of decisions of the Board
 - Ensures compliance with applicable legal and regulatory requirements
 - Alignment of Company's resources and budgets to the implementation of the organization's strategic plan
 - Creativity and innovations in creating new products
 - Understanding of the business and products of the Company
- c. For Committees of the Board:**
- Adequate and appropriate written terms of reference
 - Volume of business handled by the committee set at the right level?
 - Whether the committees work in an 'inclusive' manner
 - Effectiveness of the Board's Committees with respect to their role, composition and their interaction with the Board
 - Are the committees used to the best advantage in terms of management development, effective decision, etc.
 - Attendance and active participation of each member in the meetings
 - Review of the action taken reports and follows up thereon
- d. For Board of Directors as a whole:**
- Setting of clear performance objectives and how well it has performed against them
 - Contribution to the testing and development and strategy
 - Contribution to ensuring robust and effective risk management
 - Composition of the Board and its committees appropriate with the right mix of knowledge and skills sufficient to maximize performance in the light of future strategy
 - Effectiveness of inside and outside Board relationship



- Responding to the problems or crises that have emerged
- Relationship between Board and its Committees and between committees themselves
- Communication with employees and others
- Updation with latest developments in regulatory environments and the market in which the Company operates
- Role and functioning of the Board on the matters pertaining to financial reporting and internal controls
- Contribution of the Board for ensuring that the Company is adhere to the statutory and regulatory compliances as applicable to the Company

The Directors expressed their satisfaction with the evaluation process.

12. AUDIT COMMITTEE

As on March 31, 2020, the Audit Committee of the Company comprises of three members with two Independent Directors namely Mr. Mahesh Kumar Malpani (Chairman), Mr. Shalabh Jalan and one Executive Director namely Mr. Ramesh Kumar Haritwal, Managing Director & CEO. The Committee, *inter alia*, reviews the Internal Control System and reports of Internal Auditors and compliance of various Regulations. The Committee also reviews the Financial Statements before they are placed before the Board. The brief terms of reference of the Committee and the details of the Committee meetings are provided herein below:

Terms of References of Audit Committee are as follows:

Powers of Audit Committee:

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

Role of Audit Committee:

The role of the Audit Committee shall include the following:

1. 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;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors except those which are specifically prohibited;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - i. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013;
 - ii. Changes, if any, in accounting policies and practices and reasons for the same;
 - iii. Major accounting entries involving estimates based on the exercise of judgment by management;
 - iv. Significant adjustments made in the financial statements arising out of audit findings;
 - v. Compliance with listing and other legal requirements relating to financial statements;
 - vi. Disclosure of any related party transactions;
 - vii. Modified opinion(s) in the draft audit report
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;



6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized 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 or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
7. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the Company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the Company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. 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;
14. Discussion with internal auditors of any significant findings and follow up there on;
15. 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;
16. 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;
17. 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;
18. To review the functioning of the Whistle Blower mechanism;
19. Approval of appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate;
20. Carrying out any other function as may be referred to by the Board or mandated by regulatory provisions from time to time;
21. Reviewing the utilization of loans and/or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans/advances/investments.

Review of information by Audit Committee:

1. The Audit Committee shall mandatorily review the following information:
 - a. Management discussion and analysis of financial condition and results of operations;
 - b. Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
 - c. Management letters / letters of internal control weaknesses issued by the statutory auditors;
 - d. Internal audit reports relating to internal control weaknesses;
 - e. The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the Audit Committee; and
 - f. Statement of deviations:
 - i) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulations 32(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.



- ii) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Meetings and attendance:

During the financial year 2019-20, five (5) meetings of the Audit Committee were held on May 29, 2019, August 14, 2019, August 30, 2019, November 11, 2019 and February 13, 2020 and the attendance of the Committee Members were as under:

Name of the Committee Members	Category	No. of Meetings	
		Held	Attended
Mr. Mahesh Kumar Malpani	Non-Executive -Independent Director	5	5
Mr. Beni Gopal Saraf*	Non-Executive -Independent Director	3	3
Mr. Shalabh Jalan#	Non-Executive -Independent Director	2	2
Mr. Ramesh Kumar Haritwal	Executive- Non- Promoter Director	5	5

* Mr. Beni Gopal Saraf, completed his tenure as Director on the conclusion of 31st AGM held on September 27, 2019.

Mr. Shalabh Jalan, appointed as Director of the Company effective from August 30, 2019.

13. NOMINATION AND REMUNERATION COMMITTEE

As on March 31, 2020, the Nomination and Remuneration Committee of the Company comprises of three members namely Mr. Mahesh Kumar Malpani (Chairman), Mr. Shalabh Jalan and Ms. Mathangi Ramanujam. The brief terms of reference of the Committee and the details of the Committee meetings are provided herein below:

Terms of Reference of Nomination and Remuneration Committee:

The Nomination and Remuneration Committee shall be responsible for, among other things, as may be required by the Company from time to time, the following:

1. To formulate criteria for:
 - a. determining qualifications, positive attributes and independence of a director;
 - b. evaluation of independent directors and the Board of Directors.
2. To devise the following policies on:
 - a. remuneration including any compensation related payments of the directors, key managerial personnel and other employees and recommend the same to the board of the Company;
 - b. board diversity laying out an optimum mix of executive, independent and non-independent directors keeping in mind the needs of the Company.
3. To identify persons who are qualified to:
 - a. become directors in accordance with the criteria laid down, and recommend to the Board the appointment and removal of directors;
 - b. be appointed in senior management in accordance with the policies of the Company and recommend their appointment or removal to the HR Department and to the Board.
4. To carry out evaluation of the performance of every director of the Company;
5. To specify the manner for effective evaluation of performance of Board, its committees and individual directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance;



6. To express opinion to the Board that a director possesses the requisite qualification(s) for the practice of the profession in case the services to be rendered by a director are of professional nature.
7. To carry out such other business as may be required by applicable law or delegated by the Board or considered appropriate in view of the general terms of reference and the purpose of the Nomination and Remuneration Committee.
8. To decide whether to extend or continue the term of appointment of the independent director, on the basis of report of performance evaluation of independent directors;
9. To recommend to the board, all remuneration, in whatever form, payable to senior management.

Meetings and attendance:

During the financial year 2019-20, two (2) meeting of the Nomination and Remuneration Committee were held on May 29, 2019 and August 30, 2019 and the attendance of the Committee Members were as under:

Name of the Committee Members	Category	No. of Meetings	
		Held	Attended
Mr. Mahesh Kumar Malpani	Non-Executive -Independent Director	2	2
Mr. Beni Gopal Saraf*	Non-Executive -Independent Director	2	2
Mr. Shalabh Jalan#	Non-Executive -Independent Director	-	-
Ms. Mathangi Ramanujam	Non-Executive -Director	2	2

* Mr. Beni Gopal Saraf, completed his tenure as Director on the conclusion of 31st AGM held on September 27, 2019.

Mr. Shalabh Jalan, appointed as Director of the Company effective from August 30, 2019.

Summary on Remuneration Policy of the Company

The Board of Directors has adopted the Remuneration Policy on the recommendation of the Nomination and Remuneration Committee in compliance with Section 178 of the Companies Act, 2013 and Regulation 19 read with Part D of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. This Policy applies to all the "Executives" of the Company and is valid for all employment agreements entered into after the approval of the Policy and for changes made to existing employment agreements thereafter. In keeping with the provisions of Section 178, the remuneration structure of the Company comprises of fixed remuneration (including fixed supplements), performance-based remuneration (variable salary) pension schemes, where applicable, other benefits in kind and severance payment, where applicable. Further, the Policy states that the Non-Executive Directors and Independent Directors of the Company may receive remuneration only by way of fee and reimbursement of expenses for participation in meetings of the Board or Committee thereof and profit related commission, as may be permissible by the applicable law. Additionally, the Policy also lays down the overall selection criteria for the Executives of the Company which is based on broad heads such as competencies, capabilities, compatibility, strong interpersonal skills, commitment among others.

14. STAKEHOLDERS' RELATIONSHIP COMMITTEE

As on March 31, 2020, the Stakeholders' Relationship Committee of the Company consists of two Independent Directors namely Mr. Shalabh Jalan (Chairman) and Mr. Mahesh Kumar Malpani as member of the Committee. The brief terms of reference of the Committee and the details of the Committee meetings are provided herein below:

Terms of Reference for the Stakeholders' Relationship Committee:

- i. To ensure proper and timely attendance and redressal of grievances of security holders of the Company in relation to:
 - a. Transfer/transmission of shares,



- b. Non-receipt of annual reports,
 - c. Non-receipt of declared dividends,
 - d. Issue of new/duplicate certificates,
 - e. General meetings,
 - f. All such complaints directly concerning the shareholders / investors as stakeholders of the Company; and
 - g. Any such matters that may be considered necessary in relation to shareholders and investors of the Company.
- ii. Reviewing the measures taken for effective exercise of voting rights by shareholders.
 - iii. Reviewing the adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.
 - iv. Reviewing the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividend and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.
 - v. Formulation of procedures in line with the statutory guidelines to ensure speedy disposal of various requests received from the shareholders from time to time;
 - vi. To review and / or approve applications for transfer, transmission, transposition and mutation of share certificates including issue of duplicate certificates and new certificates on split / sub-division / consolidation / renewal and to deal with all related matters;
 - vii. To review and approve requests of dematerialization and rematerialisation of securities of the Company and such other related matters;
 - viii. Appointment and fixing of remuneration of RTA and overseeing their performance;
 - ix. Review the status of the litigation(s) filed by/against the security holders of the Company;
 - x. Review the status of claims received for unclaimed shares;
 - xi. Recommending measures for overall improvement in the quality of investor services;
 - xii. Monitoring implementation and compliance with the Company’s Code of Conduct for Prohibition of Insider Trading in pursuance of SEBI (Prohibition of Insider Trading) Regulations, 2015;
 - xiii. Review the impact of enactments/ amendments issued by the MCA/ SEBI and other regulatory authorities on matters concerning the investors in general;
 - xiv. Such other matters as per the directions of the Board of Directors of the Company and/ or as required under Regulation 20 read with Part D of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, from time to time.

Meetings and attendance:

During the financial year 2019-20, one (1) meetings of Stakeholders’ Relationship Committee was held on February 13, 2020 and the attendance of Committee Members were as under:

Name of the Committee members	Category	No. of meetings	
		Held	Attended
Mr. Shalabh Jalan	Non-executive -Independent Director	1	1
Mr. Mahesh Kumar Malpani	Non-executive -Independent Director	1	1

The table below gives the number of Shareholders Complaints received, resolved and pending during the financial year 2019-20.

**Number of Complaints:**

Received	Resolved	Pending
Nil	Nil	Nil

15. INDEPENDENT DIRECTORS AND THEIR MEETING

As on March 31, 2020 there were two (2) Independent Directors in the Company as per following details:

Mr. Mahesh Kumar Malpani, [DIN: 02603222]

Mr. Shalabh Jalan, [DIN: 01089278]

During the year under review, one (1) meeting of Independent Directors was held on February 13, 2020, where both the Independent Directors of the Company were present.

16. VIGIL MECHANISM

Pursuant to the provisions of Section 177(9) & (10) of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a 'Whistle Blower Policy' to establish Vigil Mechanism for Directors and employees to report genuine concerns has been framed. The Policy is revised from time to time to realign it with applicable regulations or organisations suitability. The latest policy is available on the website of the Company. This Policy provides a process to disclose information, confidentially and without fear of reprisal or victimization, where there is reason to believe that there has been serious malpractice, fraud, impropriety, abuse or wrong doing within the Company. The Company ensures that no personnel have been denied access to the Audit Committee.

17. RISK MANAGEMENT

The Company is taking necessary steps to identify, assess, monitor and mitigate various risks to its key business objectives. Major risks to be identified by the business and functions, if any, would be systematically addressed through mitigating actions on a continuous basis.

18. STATEMENT IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS

The Directors had laid down internal financial controls procedures to be followed by the Company which ensure compliance with various policies, practices and statutes. The Audit Committee of the Board, from time to time, evaluated the internal financial control of the Company with regard to-

1. Systems have been laid to ensure that all transactions are executed in accordance with management's general and specific authorization. There are well-laid manuals for such general or specific authorization.
2. Systems and procedures exist to ensure that all transactions are recorded as necessary to permit preparation of financial statements in conformity with generally accepted accounting principles or any other criteria applicable to such statements, and to maintain accountability for aspects and the timely preparation of reliable financial information.
3. Access to assets is permitted only in accordance with management's general and specific authorization. No assets of the Company are allowed to be used for personal purposes, except in accordance with terms of employment or except as specifically permitted.
4. The existing assets of the Company are verified/checked at reasonable intervals and appropriate action is taken with respect to differences, if any.
5. Proper systems are in place for prevention and detection of frauds and errors and for ensuring adherence to the Company's policies.



19. CORPORATE SOCIAL RESPONSIBILITY

During the year under review, the compliance under Section 135 of the Companies Act, 2013 was not applicable to the Company. Further, considering the financial position and other factors, your Company could not take any initiative in this regard.

20. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

Related party transactions that were entered into during the financial year 2019-20, were on arm's length basis and in ordinary course of business. The particulars of material related party transactions which were entered into on arm's length basis are provided in Form AOC- 2 as required under Section 134(3)(h) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014 which is annexed herewith as "Annexure-I". There are no materially significant related party transactions made by the Company which may have potential conflict with the interest of the Company.

21. DIRECTORS' RESPONSIBILITY STATEMENT

In terms of the provisions of Section 134(3)(c) read with 134(5) of the Companies Act, 2013, the Directors state that:

- a) In preparation of the annual accounts for the financial year ended March 31, 2020, the applicable Indian Accounting Standards have been followed along with proper explanation relating to material departures;
- b) The Directors have selected such Accounting Policies as listed in the Financial Statements and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give true and fair view of the state of affairs of the Company at the end of the financial year as on March 31, 2020 and of the profit / loss of the Company for that period;
- c) The Directors have taken proper and sufficient care for maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) The Directors have prepared the annual accounts on a going concern basis;
- e) The Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively;
- f) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

22. MATERIAL CHANGES AND COMMITMENTS, AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There have been no material changes and commitments affecting the financial position of the Company since the close of financial year i.e. March 31, 2020 and upto the date of this report except which has been disclosed elsewhere in this report.

23. CHANGE IN THE NATURE OF BUSINESS

During the year under review, there has been no change in the nature of business of the Company except that the Company had included the business of renting activities in its main objects pursuant to Special Resolution passed by the members of the Company at the Annual General Meeting held on September 27, 2019.

24. ALTERATION IN THE MEMORANDUM OF ASSOCIATION OF THE COMPANY

The Company has amended its Memorandum of Association pursuant to Special Resolution passed by the members of the Company at the Annual General Meeting held on September 27, 2019, with respect to the following:

- a) The existing title to Part A of Clause III of the Memorandum of Association of the Company i.e. "MAIN OBJECTS TO BE PURSUED BY THE COMPANY ON ITS INCORPORATION" be and is hereby renamed as:



“THE OBJECTS TO BE PURSUED BY THE COMPANY ON ITS INCORPORATION ARE”;

- b) The existing title to Part B of Clause III of the Memorandum of Association of the Company i.e. “OBJECTS INCIDENTAL OR ANCILLARY TO THE ATTAINMENT OF THE MAIN OBJECTS” be and is hereby renamed as:
- “MATTERS WHICH ARE NECESSARY FOR FURTHERANCE OF THE OBJECTS SPECIFIED IN CLAUSE III (A) ARE”
- c) The existing Part C of Clause III of Memorandum of Association i.e. “OTHER OBJECTS OF THE COMPANY NOT INCLUDED IN (A) & (B) ABOVE” be and is hereby deleted along with all the objects mentioned thereunder except for point no.11 which shall be shifted to “Clause III(A)” as point no. 7 with a modification, as mentioned below:
- “7. To sell, lease or let out its land, building, office, factory sheds, building, guesthouse and land appurtenant thereto, wholly or partly, which are not in the immediate requirement of the Company to any person, firm, company, etc. either individually or in any combination thereof.”
- d) The existing Clause IV of the Memorandum of Association of the Company “The liability of the members is limited” be and is hereby substituted by the following Clause:
- “The liability of the member(s) is limited and this liability is limited to the amount unpaid, if any, on the shares held by them.”
- e) Other requisite amendments in the Memorandum of Association which are required in order to align the same with the provisions of the Companies Act, 2013.

Further, the Equity shares of the Company were sub-divided from face value of ₹ 10/- each to face value of ₹ 5/- each and accordingly the number of equity shares in the authorised share capital were sub-divided from 40,00,000 equity shares of ₹ 10/- each to 80,00,000 equity shares of ₹ 5/- each vide Ordinary Resolution passed by the members of the Company at the Annual General Meeting held on September 27, 2019.

25. PUBLIC DEPOSITS

The Company did not invite or accept any deposits from the public in terms of Chapter V of the Companies Act, 2013, during the period under review or otherwise.

26. LISTING OF SHARES

The Equity Shares of the Company are listed on the BSE Limited (BSE) with scrip code No. 513723. The Company confirms that the annual listing fees to the stock exchange for the financial year 2020-21 have been duly paid.

27. LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT, 2013

Details of Loans granted, Guarantees given and Investments made, if any, during the year under review, covered under the provisions of Section 186 of the Companies Act, 2013 are given in the Financial Statement of the Company forming part of this Annual Report.

28. AUDITORS AND THEIR REPORT

(a) Statutory Auditors:

The shareholders of the Company at the 31st Annual General Meeting (AGM) held on September 27, 2019, have approved the appointment of M/s. S. P. Shaw & Co., Chartered Accountants (ICAI Firm Registration No. 314229E), as the Statutory Auditors of the Company pursuant to Section 139 of the Companies Act, 2013 for a term of 5 years from the conclusion of 31st AGM till the conclusion of 36th AGM to be held in financial year 2024-25.

The Statutory Auditors' Report on the Financial Statements of the Company for the financial year ended March 31, 2020 forms part of this Annual report.



(b) Secretarial Auditors:

The Board of Directors of the Company at their meeting held on February 13, 2020 appointed Mr. Dilip Kumar Sarawagi, Practicing Company Secretary, Proprietor of M/s. DKS & Co., having office at 173, M.G. Road, 1st Floor, Kolkata-700007, for conducting the Secretarial Audit of the Company for the financial year 2019-20.

The Secretarial Audit Report in Form MR-3 for the financial year ended March 31, 2020 is annexed herewith as “Annexure-II”.

(c) Cost Auditors:

Your Company was not required to appoint Cost Auditor for the financial year ended March 31, 2020. Further, pursuant to sub-section (1) of Section 148 of the Companies Act, 2013, the maintenance of Cost Records as specified by the Central Government is not required by the Company and accordingly such accounts and records are not made and maintained by the Company.

(d) Internal Auditors:

The Board of Directors has appointed M/s. AS & Associates, Cost Accountants, as Internal Auditors of the Company to carry out internal audit of the Company. The Audit Committee periodically reviews the Internal Audit report.

29. RESPONSE TO AUDITORS’ REMARKS

There is no qualification, reservation, adverse remark or disclaimer by the Statutory Auditors or by the Secretarial Auditors in their Statutory Audit Report and Secretarial Audit Report, respectively and hence, no explanation or comments of the Board is required in this matter.

30. EXTRACT OF ANNUAL RETURN

The extract of Annual Return as required under Section 134(3)(a) of the Companies Act, 2013 read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014, is provided in Form No. MGT- 9 is annexed herewith as “Annexure-III” to this report.

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

Since the Company’s operations are pertaining to renting activities, your Company has no such scope relating to conservation of energy and technology absorption as stipulated in Rule 8(3) of Companies (Accounts) Rules, 2014. There has been no Technology absorption by the Company during last three Financial years. Further, there was no Foreign Exchange Earnings and outgo during the year under review.

32. PARTICULARS OF EMPLOYEES

The information required under Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is annexed herewith as “Annexure-IV”.

33. FRAUD REPORTING

There was no fraud reported by the Auditors of the Company under Section 143(12) of the Companies Act, 2013, to the Audit Committee or the Board of Directors during the year under review.

34. CONSTITUTION OF INTERNAL COMPLAINTS COMMITTEE AND DISCLOSURES UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013

There were less than 10 (Ten) employees in the Company during the year under review including the Directors and KMPs and hence the provisions with respect to constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 were not applicable to the Company. Further, no complaint was filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 during the year under review.



35. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS / COURTS/ TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND THE COMPANY'S OPERATIONS IN FUTURE

During the period under review, there were no significant and material orders passed by any regulator /court / tribunal impacting the going concern status and the Company's operations in future.

36. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management Discussion and Analysis Report for the financial year 2019-20, pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is given as a separate statement in the Annual Report.

37. NON-APPLICABILITY OF CORPORATE GOVERNANCE REPORT AS PER THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

The compliance with the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, regarding Corporate Governance Report, is not mandatory to your Company presently. In view of the same, the Corporate Governance Report is not provided in the Annual Report.

38. DISCLOSURES WITH RESPECT TO DEMAT SUSPENSE ACCOUNT/ UNCLAIMED SUSPENSE ACCOUNT

- (a) Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year: **Nil**
- (b) Number of shareholders who approached the Company for transfer of shares from suspense account during the year: **Nil**
- (c) Number of shareholders to whom shares were transferred from suspense account during the year: **Nil**
- (d) Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year: **Nil**
- (e) The voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares: **Not applicable**

39. DISCLOSURE REGARDING COMPLIANCE OF APPLICABLE SECRETARIAL STANDARDS

The Company has complied with all the mandatorily applicable Secretarial Standards issued by The Institute of Company Secretaries of India and approved by the Central Government under Section 118(10) of the Companies Act, 2013.

40. ACKNOWLEDGEMENT

Your Directors place on record their sincere thanks and appreciation to financial institutions, vendors, clients, investors, Central Government, State Governments, other regulatory authorities and other stakeholders for their continuing support and Co-operation.

For and on behalf of the Board of Directors

Place: Tindivanam

Date: June 30, 2020

Ramesh Kumar Haritwal
Managing Director & CEO
[DIN: 01486666]

Mathangi Ramanujam
Non-Executive Director
[DIN: 07095686]



Form No. AOC-2

[Pursuant to clause (h) of sub-section (3) of Section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014]

1. **Details of contracts or arrangements or transactions not at arm’s length basis: Nil**
2. **Details of material contracts or arrangement or transactions at arm’s length basis are given below:**

Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transaction	Duration of the contracts/ arrangements/transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board, if any	Amount paid as advance, if any
Greenlam Industries Limited (Mr. Saurabh Mittal is Promoter and holding more than 2% of Paid-up share capital in both the Companies)	Agreement in respect of immovable property of the Company	For the period of 11 months w.e.f. June 01, 2018	Monthly Rent of ₹ 4,63,050/-	30 th May, 2018	Nil
		For the period of 11 months w.e.f. May 01, 2019	Monthly Rent of ₹ 4,86,200/-	14 th February, 2019	Nil

The Company has obtained approval of its Shareholders by passing Special Resolution at the 26th Annual General Meeting of the Company held on September 30, 2014, in respect of the above said transaction for the financial year 2014-15 or thereafter with an increase in rent by 5% every year.

For and on behalf of the Board of Directors

Place: Tindivanam
Date: June 30, 2020

Ramesh Kumar Haritwal
Managing Director & CEO
[DIN: 01486666]

Mathangi Ramanujam
Non-Executive Director
[DIN: 07095686]



Annexure-II

**SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH 2020**

[Pursuant to Section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To
The Members,
HIMALAYA GRANITES LIMITED
CIN: L13206TN1987PLC015161
Panchalam Village,
Melpettai Post, Tindivanam,
Tamil Nadu - 604 307

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **HIMALAYA GRANITES LIMITED** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2020 complied with the applicable statutory provisions and adhered to good corporate practices and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by Company for the financial year ended on 31st March, 2020 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings:- (Not applicable to the Company during the period under review);
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009:- (Not applicable to the Company during the period under review);
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999:- (Not applicable to the Company during the period under review);
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008:- (Not applicable to the Company during the period under review);



- (f) The Securities and Exchange Board of India (Registrars to an issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009:- (Not applicable to the Company during the period under review);
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998:- (Not applicable to the Company during the period under review);

(vi) Other Laws applicable specifically to the Company:

The management confirms that there are no other Laws applicable specifically to the Company.

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with BSE Limited pursuant to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as applicable.

We report that during the year under review, the Company has complied with the provisions of the Acts, rules, regulations, standards and guidelines mentioned above.

We further report that based on the information provided and the representation made by the Company taken on record by the Board of Directors of the Company, in our opinion, adequate systems and processes exist in the Company to monitor and ensure compliance with provisions of applicable laws.

We further report that Compliance by the Company of applicable financial laws like direct and indirect tax laws and maintenance of financial records and books of accounts has not been reviewed in this audit since the same has been subject to review by statutory financial audit and other designated professionals.

We further report that:

1. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors and Committees of the Board that took place during the period under review were carried out in compliance with the provisions of the Companies Act, 2013 and rules made thereunder.
2. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
3. As per the minutes of the meeting duly recorded and signed by the Chairman the decisions of the Board were unanimous and no dissenting views have been recorded.

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

for DKS & Co.

Place: KOLKATA
Date: 24th June, 2020

DILIP KUMAR SARAWAGI
Mem. No. ACS: 13020 C. P. No.: 3090
UDIN: A013020B000375107

NOTE:

*This report is to be read with my letter of even date which is annexed as **Annexure A** and forms an integral part of this report.*



'Annexure A'

To
The Members,
HIMALAYA GRANITES LIMITED
CIN: L13206TN1987PLC015161
Panchalam Village,
Melpettai Post, Tindivanam,
TAMILNADU - 604 307

My report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial audit reports based on the audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for my opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

for **DKS & Co.**

Place: KOLKATA
Date: 24th June, 2020

DILIP KUMAR SARAWAGI
Mem. No. ACS: 13020 C. P. No.: 3090
UDIN: A013020B000375107



FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN
As on financial year ended on March 31, 2020

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

I. REGISTRATION & OTHER DETAILS:

1	CIN	L13206TN1987PLC015161
2	Registration Date	DECEMBER 11, 1987
3	Name of the Company	HIMALAYA GRANITES LIMITED
4	Category/Sub-category of the Company	Public Company limited by shares
5	Address of the Registered office & contact details	Panchalam Village, Melpettai Post, Tindivanam, Tamil Nadu- 604 307 Telephone No.: +91 4147-290021 Website: www.hgl.co.in Email: investors@hgl.co.in
6	Whether listed company	Yes, Listed at BSE Limited
7	Name, Address & contact details of the Registrar & Share Transfer Agent	S. K. Infosolutions Private Limited, 34/1A, Sudhir Chatterjee Street, Kolkata - 700 006 Telephone No.: +91 33- 22194815/6797 Fax No.: +91 33- 22194815 Website: www.skcinfo.com Email: skcdilip@gmail.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

All the business activities contributing 10% or more of the total turnover of the Company shall be stated:-

Sl. No.	Name and Description of main products / services	NIC Code (2008) of the Product/service	% to total turnover of the company*
1	Letting out of immovable properties	68100	95.80%
2	Credit Granting	64920	4.20%

* Figures have been stated on the basis of the gross turnover of the Company.

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

The Company has no subsidiary, holding and associate Company during the year under review.



IV. SHARE HOLDING PATTERN: [Equity Share Capital Breakup as percentage of Total Equity]

(A) Category-wise Share Holding:

Category of Shareholders	No. of Shares held at the beginning of the year [As on April 01, 2019]				No. of Shares held at the end of the year [As on March 31, 2020]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters & Promoter Group									
(1) Indian									
a) Individual/ HUF	1716950	-	1716950	74.11	3464738	-	3464738	74.77	0.66
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt.(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corporate	100	-	100	0.00	200	-	200	0.00	0.00
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Sub-Total (A)(1):-	1717050	-	1717050	74.11	3464938	-	3464938	74.78	0.67
(2) Foreign									
a) NRIs-Individual	-	-	-	-	-	-	-	-	-
b) Others-Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corporate	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other	-	-	-	-	-	-	-	-	-
Sub-Total (A)(2):-	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A)= (A)(1) +(A)(2)	1717050	-	1717050	74.11	3464938	-	3464938	74.78	0.67
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt.(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	-	-	-	-	-	-	-	-	-
2. Non-Institutions									
a) Bodies Corporate									
i) Indian	143792	3900	147692	6.37	285938	7800	293738	6.34	(0.04)
ii) Overseas	-	-	-	-	-	-	-	-	-



Category of Shareholders	No. of Shares held at the beginning of the year [As on April 01, 2019]				No. of Shares held at the end of the year [As on March 31, 2020]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	150419	71126	221545	9.56	280046	133852	413898	8.93	(0.63)
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	229647	-	229647	9.91	459294	-	459294	9.91	0.00
c) Others									
Non Resident Indians	750	-	750	0.03	1500	-	1500	0.03	0.00
Trust	100	-	100	0.00	200	-	200	0.00	0.00
Foreign Company	-	-	-	-	-	-	-	-	-
Sub-total (B)(2):-	524708	75026	599734	25.89	1026978	141652	1168630	25.22	(0.67)
Total Public Shareholding (B)=(B)(1)+ (B)(2)	524708	75026	599734	25.89	1026978	141652	1168630	25.22	(0.67)
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	2241758	75026	2316784	100.00	4491916	141652	4633568	100.00	0.00

B) Shareholding of Promoters & Promoter Group:

Sl. No.	Shareholders' Name	Category	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
			No. of Shares	% of total Shares of the Company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged/ encumbered to total shares	
1	Mr. Saurabh Mittal	Promoter	1647600	71.12	-	3383538	73.02	-	1.90
2	Mr. Shiv Prakash Mittal	Promoter	12500	0.54	-	25000	0.54	-	0.00
3	Ms. Parul Mittal	Promoter Group	28750	1.21	-	56200	1.21	-	0.00
4	Greenply Leasing & Finance Pvt. Ltd.	Promoter Group	100	0.00	-	0	0.00	-	0.00
5	S. M. Safeinvest Pvt. Ltd.	Promoter Group	0	0.00	-	200	0.00	-	0.00

**C) Change in Promoters & Promoter Group Shareholding:**

Sl. No.	Particulars	Category	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
			No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	Mr. Saurabh Mittal	Promoter				
	At the beginning of the year		1647600	71.12	1647600	71.12
	Changes during the year:					
	Acquired 28750 Shares on 18.07.2019				1676350	72.36
	Acquired 14554 Shares on 25.09.2019				1690904	72.98
	Acquired 865 Shares on 27.09.2019				1691769	73.02
At the end of the year			3383538	73.02		
2	Mr. Shiv Prakash Mittal	Promoter				
	At the beginning of the year		12500	0.54	12500	0.54
	Changes during the year		No Change during the year			
	At the end of the year				25000	0.54
3	Ms. Parul Mittal	Promoter Group				
	At the beginning of the year		28100	1.21	28100	1.21
	Changes during the year		No Change during the year			
	At the end of the year				56200	1.21
4	Greenply Leasing & Finance Private Limited	Promoter Group				
	At the beginning of the year		100	0.00	100	0.00
	Changes during the year:					
	Transferred 200 Shares on 14.02.2020				0	0.00
At the end of the year			0	0.00		
5	S. M. Safeinvest Private Limited	Promoter Group				
	At the beginning of the year		0	0.00	0	0.00
	Changes during the year:					
	Acquired 200 Shares on 14.02.2020				200	0.00
	At the end of the year				200	0.00

D) Shareholding Pattern of top ten Shareholders:**[Other than Directors, Promoters & Promoter Group and Holders of GDRs and ADRs]:**

Sl. No.	For each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the Year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	SANGEETHA S				
	At the beginning of the year	0	0.00	0	0.00
	Changes during the year:				
	Acquired 91990 Shares on 08.11.2019			91990	3.97
At the end of the year			183980	3.97	
2	SANJEEV KRISHNA BHALOTIA				
	At the beginning of the year	72353	3.12	72353	3.12
	Changes during the year	No Change during the year			
	At the end of the year			144706	3.12



Sl. No.	For each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the Year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
3	MONET SECURITIES PRIVATE LIMITED				
	At the beginning of the year	62126	2.68	62126	2.68
	Changes during the year	No Change during the year			
	At the end of the year			124252	2.68
4	SANJEEV BUBNA				
	At the beginning of the year	50202	2.16	50202	2.16
	Changes during the year	No Change during the year			
	At the end of the year			100404	2.16
5	USHA POLYCHEM INDIA PVT LTD				
	At the beginning of the year	37849	1.63	37849	1.63
	Changes during the year	No Change during the year			
	At the end of the year			75698	1.63
6	PLYLAM ENTERPRISES PVT. LTD.				
	At the beginning of the year	20250	0.87	20250	0.87
	Changes during the year	No Change during the year			
	At the end of the year			40500	0.87
7	ALKESH GULAB WADHWANI				
	At the beginning of the year	15102	0.65	15102	0.65
	Changes during the year	No Change during the year			
	At the end of the year			30204	0.65
8	M.PRASAD & CO LIMITED				
	At the beginning of the year	12400	0.54	12400	0.54
	Changes during the year	No Change during the year			
	At the end of the year			24800	0.54
9	RAJ KUMARI				
	At the beginning of the year	5300	0.23	5300	0.23
	Changes during the year	No Change during the year			
	At the end of the year			10600	0.23
10	PRIYANKA NAGWAN				
	At the beginning of the year	5000	0.22	5000	0.22
	Changes during the year	No Change during the year			
	At the end of the year			10000	0.22

Note: The above dates of transfers/acquisitions are based on the weekly Benpose provided by the Depositories/ Registrar & Share Transfer Agent.



E) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	For each of the Directors and Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the Year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Mr. Ramesh Kumar Haritwal, Managing Director & CEO				
	At the beginning of the year	200	0.01	200	0.01
	Changes during the year	No Change during the year			
	At the end of the year			400	0.01
2.	Mr. Mahesh Kumar Malpani, Independent Director				
	At the beginning of the year	Nil	Nil	Nil	Nil
	Changes during the year	No Change during the year			
	At the end of the year			Nil	Nil
3.	Mr. Shalabh Jalan, Independent Director				
	At the beginning of the year	2739	0.12	2739	0.12
	Changes during the year	No Change during the year			
	At the end of the year			5478	0.12
4.	Ms. Mathangi Ramanujam, Non-Executive Director				
	At the beginning of the year	Nil	Nil	Nil	Nil
	Changes during the year	No Change during the year			
	At the end of the year			Nil	Nil
5.	Mr. Hariom Pandey, Company Secretary				
	At the beginning of the year	Nil	Nil	Nil	Nil
	Changes during the year	No Change during the year			
	At the end of the year			Nil	Nil
6.	Mr. Jayasankar Ramalingam, Chief Financial Officer				
	At the beginning of the year	Nil	Nil	Nil	Nil
	Changes during the year	No Change during the year			
	At the end of the year			Nil	Nil

Note: The total shareholding of the Directors, KMPs, Promoters, Promoters group and top 10 shareholders has not been changed in absolute terms except the acquisitions made by them as per table iv(b), iv(c) and iv(d) above. Further, the Variation in no. of shares at the end of the year was due to sub-division of face value of equity shares from Rs. 10/- each to face value of Rs. 5/- each effective from the record date i.e. November 11, 2019.



V) INDEBTEDNESS:

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

(Amount in ₹)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	Nil	Nil	Nil	Nil
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	Nil	Nil	Nil	Nil
Total (i+ii+iii)	Nil	Nil	Nil	Nil
Change in Indebtedness during the financial year				
Addition	Nil	Nil	Nil	Nil
Reduction	Nil	Nil	Nil	Nil
Net Change	Nil	Nil	Nil	Nil
Indebtedness at the end of the financial year				
i) Principal Amount	Nil	Nil	Nil	Nil
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	Nil	Nil	Nil	Nil
Total (i+ii+iii)	Nil	Nil	Nil	Nil

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

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

(Amount in ₹)

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount
		Mr. Ramesh Kumar Haritwal, Managing Director & CEO	
	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	21,20,004	21,20,004
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	Nil	Nil
	(c) Profits in lieu of salary under section 17(3) of the Income- tax Act, 1961	Nil	Nil
	Stock Option	Nil	Nil
	Sweat Equity	Nil	Nil
	Commission - as % of profit - others	Nil Nil -	Nil Nil -
	Others (Contribution to Provident Fund)	1,80,000	1,80,000
	Total (A)	23,00,004	23,00,004
		-	-
	Ceiling as per the Act [^]	N.A.	N.A.
		-	-

[^] During the year under review, the Company had inadequate profits. Hence, the above remuneration has been paid on the basis of effective capital of the Company as per Section 197 read with Schedule V of the Companies Act, 2013.

**B. Remuneration to other Directors**

(Amount in ₹)

Sl. No.	Particulars of Remuneration	Name of Directors				Total Amount
		Mr. Mahesh Kumar Malpani, Independent Director	Mr. Beni Gopal Saraf, Independent Director	Mr. Shalabh Jalan, Independent Director	Ms. Mathangi Ramanujam, Non-Executive Director	
1	Independent Directors					
	Fee for attending Board and committee meetings	3500	1500	2000	N.A.	7000
	Commission	Nil	Nil	Nil	N.A.	Nil
	Others, please specify	Nil	Nil	Nil	N.A.	Nil
	Total (1)	3500	1500	2000	N.A.	7000
2	Other Non-Executive Directors					
	Fee for attending Board and committee meetings	N.A.	N.A.	N.A.	3000	3000
	Commission	N.A.	N.A.	N.A.	Nil	Nil
	Others	N.A.	N.A.	N.A.	Nil	Nil
	Total (2)	N.A.	N.A.	N.A.	3000	3000
	Total (B)=(1+2)	3500	1500	2000	3000	10000[^]
	Total Managerial Remuneration					23,10,004[#]
	Overall Ceiling as per the Act					N.A.*

[#]Total remuneration to the Managing Director & CEO, and other directors (being the total of A & B).

*During the year under review, the Company had inadequate profits. Hence, the above remuneration has been paid on the basis of effective capital of the Company as per Section 197 read with Schedule V of the Companies Act, 2013.

[^]The sum total of sitting fees does not include the amount of applicable GST Tax thereon.

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

(Amount in ₹)

Sl. No.	Particulars of Remuneration	Name of Key Managerial Personnel		Total Amount
		Mr. Jayasankar Ramalingam Chief Financial Officer	Mr. Hariom Pandey, Company Secretary	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	8,12,388	11,19,014	19,31,402
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	Nil	Nil	Nil
	(c) Profits in lieu of salary under section 17(3) of the Income-tax Act, 1961	Nil	Nil	Nil
2	Stock Option	Nil	Nil	Nil
3	Sweat Equity	Nil	Nil	Nil
4	Commission - as % of profit - others	Nil Nil	Nil Nil	Nil Nil
5	Others (Contribution to Provident Fund)	43,440	55,200	98,640
	Total	8,55,828	11,74,214	20,30,042



VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
B. DIRECTORS					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
C. OTHER OFFICERS IN DEFAULT					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil

For and on behalf of the Board of Directors

Place: Tindivanam
Date: June 30, 2020

Ramesh Kumar Haritwal
Managing Director & CEO
[DIN: 01486666]

Mathangi Ramanujam
Non-Executive Director
[DIN: 07095686]



Annexure-IV

A. Particulars of employees for the year ended March 31, 2020 as required under Section 197 of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:**i. The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2019-20 is as under:**

Sl. No.	Name of Director	Designation	Ratio of the remuneration of each director to the median remuneration of employees
1.	Mr. Ramesh Kumar Haritwal	Managing Director & CEO	2.0186
2.	Mr. Mahesh Kumar Malpani	Independent Director	0.0031
3.	Mr. Beni Gopal Saraf*	Independent Director	0.0013
4.	Mr. Shalabh Jalan#	Independent Director	0.0018
5.	Ms. Mathangi Ramanujam	Non-Executive Director	0.0026

* Mr. Beni Gopal Saraf, completed his tenure as Director on the conclusion of 31st AGM held on September 27, 2019.

Mr. Shalabh Jalan, appointed as Director of the Company effective from August 30, 2019.

ii. The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2019-20:

Sl. No.	Name of Director/KMP	Designation	% increase in Remuneration in the financial year 2019-20
1.	Mr. Ramesh Kumar Haritwal	Managing Director & CEO	4.07
2.	Mr. Mahesh Kumar Malpani	Independent Director	40.00
3.	Mr. Beni Gopal Saraf#	Independent Director	(40.00)
4.	Mr. Shalabh Jalan^	Independent Director	Not Applicable
5.	Ms. Mathangi Ramanujam	Non-Executive Director	50.00
6.	Mr. Hariom Pandey	Company Secretary	11.17*
7.	Mr. Jayasankar Ramalingam	Chief Financial Officer	10.00*

* On full entitlement basis.

Mr. Beni Gopal Saraf, completed his tenure as Director on the conclusion of 31st AGM held on September 27, 2019.

^ Mr. Shalabh Jalan, didn't received any remuneration during the financial year 2018-19 and hence percentage increase in his remuneration in the financial year 2019-20 cannot be determined.

iii. The percentage increase in the median remuneration of employees of the Company in the financial year:

During the financial year 2019-20, the median remuneration of employees of the Company was increased by 11.17%.

v. The number of permanent employees on the rolls of Company:

As on March 31, 2020, there were three permanent employees on the rolls of Company including Managing Director & CEO.

vi. Average percentile of increase made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

Average percentage increase in the salary of the Company's employees other than the managerial personnel during the financial year 2019-20 was approx. 10.58%. Total Managerial remuneration for the financial year 2019-20 was ₹ 23,10,004/- as against ₹ 22,10,030/- during the previous financial year 2018-19. The increase in the overall managerial remuneration during the financial year 2019-20 was 4.52%, such increase in managerial remuneration was due to increase in the remuneration of Mr. Ramesh Kumar Haritwal, Managing Director & CEO of the Company upon his re-appointment during the Financial year 2018-19 effective from 01.06.2018.



iii. Affirmation that the remuneration is as per the Remuneration Policy of the Company:

It is hereby affirmed that the remuneration paid during the year ended March 31, 2020 is as per the Remuneration Policy of the Company.

B. Particulars of employees for the year ended March 31, 2020 as required under Section 197 of the Companies Act, 2013 read with rule 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

Sl. No.	Name of the Employee	Age (years)	Designation	Remuneration Received (₹)	Qualification	Experience in years	Date of commencement of employment	Last employment
1.	Mr. Ramesh Kumar Haritwal	56	Managing Director & CEO	23,00,004	B.Com	28	31/05/2007	Greenply Industries Ltd.
2.	Mr. Hariom Pandey	31	Company Secretary	11,74,214	B.Com (H), CS, LL.B	09	08/06/2016	A2Z Infrastructure Ltd.
3.	Mr. Jayasankar Ramalingam	54	Chief Financial Officer	8,55,828	B.Com	33	01/01/2018	Greenlam Industries Ltd.

Notes:

1. Remuneration shown above includes salary, allowances, cost of accommodation, medical reimbursement, contribution to provident fund, annual commission and other perquisites as per the terms of employment. However, the above remuneration does not include provision for gratuity.
2. All the employees have requisite experience to discharge the responsibility assigned to them.
3. Nature and terms of employment are as per resolution/appointment letter.
4. None of the employees own 2% or more of the equity shares of the Company as on March 31, 2020.
5. Within the meaning of Section 2(77) of the Companies Act, 2013, none of the Director of the Company is related to the other.

For and on behalf of the Board of Directors

Place: Tindivanam
Date: June 30, 2020

Ramesh Kumar Haritwal
Managing Director & CEO
[DIN: 01486666]

Mathangi Ramanujam
Non-Executive Director
[DIN: 07095686]



Management Discussion and Analysis Report

INDUSTRY STRUCTURE AND DEVELOPMENT

During the year under review, your Company continued to let out part of its factory shed, situated at the registered office of the Company in the state of Tamil Nadu.

OPPORTUNITIES AND THREATS

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

SEGMENT WISE PERFORMANCE

The Company currently operates in only one Segment.

OUTLOOK

Your Directors are exploring avenues for the growth of the Company and are hopeful of improving the operations of the Company in near future.

RISK AND CONCERN

Since the Company does not have any outstanding borrowing and it operates in a very low scale renting activities, there is no major risk associated with its operations.

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

The Company has an adequate internal control system. The Audit Committee headed by Non-Executive Independent Director periodically reviews the audit observation(s) and the corrective remedial measures taken in this respect, whenever required.

FINANCIAL PERFORMANCE

During the financial year 2019-20, your Company posted total Income of the Company of ₹ 60,65,878/- in the financial year 2019-20 as against ₹ 77,04,806/- in the financial year 2018-19. The Company reported a post-tax loss of ₹ 3,91,58,580/- (before other comprehensive income) during the financial year 2019-20 as against post-tax profit of ₹ 6,135/- (before other comprehensive income) in the financial year 2018-19.

HUMAN RESOURCES DEVELOPMENT

Your Company recognizes its people as its greatest asset and constantly strive to create an ecosystem of continuous learning, collaboration, and work-life balance. The employee-friendly policies of the Company, ensure safe and secured environment for employees at workplace. Your Company constantly strive to upgrade the skills of employees and give them the edge to compete in the dynamic market and become future ready.

There were three permanent employees on the payroll of Company including Managing Director & CEO, as on March 31, 2020.

DETAILS OF SIGNIFICANT CHANGES IN KEY FINANCIAL RATIOS

Particulars	2019-20	2018-19
Current Ratio	8.30	74.58
Operating profit margin (%)	60.42	60.04
Net profit margin (%)	(673.84)	0.11
Return on Net worth (%)	(226.05)	0.01

Return on net worth: The Return on net worth has decreased in financial year 2019-20 as compared to financial year 2018-19, as the Company has incurred huge losses during the financial year 2019-20 on account of provisions against loans given to other body corporate and accrued interest thereon.



Further, there has been significant change in the current ratio and Net Profit margin (%), as the Company has incurred huge losses during the financial year 2019-20 on account of provisions against loans given to other body corporate and accrued interest thereon.

There are neither debtors (towards credit sales) nor Inventory in the Company as on March 31, 2020, hence Debtors Turnover ratio and Inventory Turnover ratio have not been disclosed in this report.

Interest Coverage ratio and Debt Equity ratio have not been disclosed in this report, as the Company has no debt as on March 31, 2020.

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.

For and on behalf of the Board of Directors

Place: Tindivanam
Date: June 30, 2020

Ramesh Kumar Haritwal
Managing Director & CEO
[DIN: 01486666]

Mathangi Ramanujam
Non-Executive Director
[DIN: 07095686]



Independent Auditor's Report

TO THE MEMBERS OF HIMALAYA GRANITES LIMITED

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

OPINION

We have audited the accompanying financial statements of **HIMALAYA GRANITES LIMITED** ("the Company"), which comprise the Balance Sheet as at 31 March 2020, the Statement of Profit and Loss (including Other Comprehensive Income, and Notes to the financial Statements), the Statement of Changes in Equity and the Statement of Cash Flow for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as the "financial statements").

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 Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Indian Accounting Standards ("Ind AS"), of the state of affairs of the Company as at 31 March 2020, and loss including total comprehensive loss, changes in equity and its cash flows for the year ended on that date.

BASIS OF OPINION

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

KEY AUDIT MATTERS

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

Key Audit Matter	Auditor's Response
<p>1. Transactions with related parties (Note 26)</p> <p>Income from Greenlam Industries Ltd., an enterprise owned/influenced by Key Management Personnel/ Director or their relatives</p> <p>We considered the related party transactions to be significant to the audit as the risk is that if these transactions are not conducted at arm's length, and/or the accounting treatment of the rights and obligations of these transactions are not correct, it could influence the results of the company.</p> <p>Furthermore, for financial reporting purposes, Ind AS 24 related party disclosures, requires complete and appropriate disclosure of transactions with related parties</p>	<p>Principal Audit Procedures</p> <p>We obtained an understanding of the process for identifying related party transactions , performed a walkthrough and evaluated the design of controls related to the material misstatement risk identified:</p> <ul style="list-style-type: none"> • We verified that the transactions are approved in accordance with internal procedures including involvement of key personnel at the appropriate level; • We evaluated the business rationale of the transactions; • We evaluated the rights and obligations as per the terms and conditions of the agreements and assessed whether the transactions were recorded appropriately; and



Independent Auditor’s Report (Contd.)

Key Audit Matter	Auditor’s Response
<p>2. Identification and ensuring appropriate provision/write off of bad and doubtful debts</p> <p>The key matter observed during the audit was identification of bad and doubtful debts and ensuring appropriate provision/write off of such debts. The issue was addressed by the management and made provision for loan and interest receivable thereon for Rs. 380.31 lakhs</p>	<p>Principal Audit Procedures</p> <p>In view of the significance of the matter we applied the following audit procedures in this area, among others to obtain sufficient appropriate audit evidence.</p> <p>We evaluated that the Company has performed sensitivity analysis on the assumptions used and based on current indicators of future economic conditions, the Company expects the carrying amount of all assets will be recovered except outstanding loan amount including interest receivable on intercorporate loan given to other body corporate and accordingly the Company has made provision for such outstanding loan including interest.</p> <p>We evaluated management’s assumptions on the impact of Covid-19 on the above matters.</p>

INFORMATION OTHER THAN THE FINANCIAL STATEMENT AND AUDITOR’S REPORT THEREON

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

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

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

MANAGEMENT’S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Company’s Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, total comprehensive loss, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including specified under section 133 of the Act, read with relevant rules issued there under. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

AUDITOR’S RESPONSIBILITY FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurances about whether the financial statements as a whole are free from



Independent Auditor's Report (Contd.)

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

As part of an audit in accordance with SA, we exercise professional judgement and maintain professional scepticism throughout the audit. We also,

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls
- Evaluate the appropriateness of accounting policies used and reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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



Independent Auditor's Report (Contd.)

OTHER MATTER

The comparative financial information for the year ended 31st March 2019 were audited by predecessor auditor: whose report dated 29th May 2019 expressed an unmodified opinion on those audited financial statement.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, based on our audit we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by the law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account.
 - (d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors as on 31 March 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
 - (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. There were no pending litigations which would impact the financial position in its financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **S.P.Shaw & Co.**
Chartered Accountants
ICAI Firm Reg. No. 314229E

(S P Shaw)

Partner

Membership No. 051927

UDIN: 20051927AAAABD8098

Place of Signature : Kolkata
Dated : 30th June 2020



Annexure 'A' to the Independent Auditor's Report

ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 under "Report on Other Legal and Regulatory Requirements" section of our report to the members of HIMALAYA GRANITES LIMITED of even date)

- i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
(b) All 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) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to information and explanations given by the management, the title deeds of immovable properties are held in the name of the Company.
- ii. The Company does not hold any physical inventories. Hence, clause 3(ii) of the order is not applicable.
- iii. According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii)(a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.
- iv. In our opinion and according to the information and explanations given to us, in respect of loans, investments, guarantees, and securities, the Company has complied with the provisions of Section 185 and 186 of the Act.
- v. The Company has not accepted any deposits during the year and does not have any unclaimed deposits as at March 31, 2020 and therefore, the provisions of the Clause 3(v) of the order are not applicable to the Company.
- vi. The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013 for the business activities carried out by the Company. Thus reporting under clause 3(vi) of the order is not applicable to the Company.
- vii. (a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, Goods and Services Tax, cess and other material statutory dues applicable to it.
(b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, Goods and Services Tax, cess and other material statutory dues were outstanding at the year end, for a period of more than six months from the date they became payable.
(c) According to the records of the Company, there were no dues outstanding of income-tax, Goods and Services Tax and cess on account of any dispute.
- viii. The Company has no dues to any bank, financial institution or government. It does not have any debentures. Hence, reporting under clause 3(viii) of the order is not applicable to the Company.
- ix. The Company has not raised money by way of initial public offer or further public offer (including debt instruments) or term loans and hence, reporting under clause (ix) of the order is not applicable to the Company.
- x. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year.
- xi. In our opinion and according to the information and explanations given to us, we report that the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Companies Act, 2013.
- xii. The Company is not a nidhi company and hence reporting under clause 3(xii) of the Order not applicable to the Company.



Annexure 'A' to the Independent Auditor's Report (Contd.)

- xiii. In our opinion and according to the information and explanations given to us, the company is in compliance with Section 177 and 188 of Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly paid convertible debentures and hence reporting under clause 3(xiv) of the Order is not applicable to the Company.
- xv. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with directors or persons connected to its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. According to the information and explanations given to us, The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **S.P.Shaw & Co.**
Chartered Accountants
ICAI Firm Reg. No. 314229E

(S P Shaw)
Partner

Membership No. 051927
UDIN: 20051927AAAABD8098

Place of Signature : Kolkata
Dated : 30th June 2020

Annexure 'B' to the Independent Auditor's Report

(Referred to in paragraph 2(f) under "Report on Other Legal and Regulatory Requirements" section of our report to the members of HIMALAYA GRANITES LIMITED of even date)

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

We have audited the internal financial controls over financial reporting of HIMALAYA GRANITES LIMITED ("the Company") as of 31 March 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

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

AUDITOR'S RESPONSIBILITY

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



Annexure 'B' to the Independent Auditor's Report (Contd.)

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

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

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

OPINION

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **S.P.Shaw & Co.**
Chartered Accountants
ICAI Firm Reg. No. 314229E

(S P Shaw)

Partner

Membership No. 051927
UDIN: 20051927AAAABD8098

Place of Signature : Kolkata

Dated : 30th June 2020



Balance Sheet as at 31st March, 2020

	Note	As at 31st March, 2020 ₹	As at 31st March, 2019 ₹
ASSETS			
Non-current assets			
Property, Plant and Equipment	1	12881967	14079152
Financial Assets			
Loans	2	697502	877512
Total Non-current assets		13579469	14956664
Current assets			
Inventories		-	-
Financial Assets			
Assets held for sale	3	159188	159188
Cash and Cash Equivalents	4a	991984	3104000
Bank balance Other than above	4b	3500000	-
Loans	5	-	38031357
Other Current Assets	6	703151	1608929
Total Current assets		5354323	42903474
Total Assets		18933792	57860138
EQUITY AND LIABILITIES			
Equity:			
Equity Share Capital	7	23167840	23167840
Other Equity	8	(5845082)	33304120
Total Equity		17322758	56471960
Liabilities:			
Non-current Liabilities			
Provisions	9	965665	812942
Total Non-current liabilities		965665	812942
Current Liabilities			
Financial Liabilities			
Trade Payables	10		
-Total outstanding dues of Micro Enterprises and Small Enterprises		-	-
-Total outstanding dues of Creditors other than Micro Enterprises and Small Enterprises		26650	9570
Short Term Provisions	11	17304	15432
Other Current Liabilities	12	601415	550234
Total Current liabilities		645369	575236
Total Equity and Liabilities		18933792	57860138

Significant Accounting Policies

See Accompanying Notes to the Financial Statements

1 to 27

As per our Annexed report of even date

For and on behalf of Board of Directors of

Himalaya Granites Limited

CIN : L13206TN1987PLC015161

For S.P. Shaw & Co

Chartered Accountants

ICAI Firm Reg. No. 314229E

(S.P.Shaw)

Partner

Membership No. 051927

Place of Signature : Kolkata

Dated : 30th June, 2020

Mathangi Ramanujam

Director

(DIN : 07095686)

Hariom Pandey

Company Secretary

Place of Signature : Tindivanam

Dated : 30th June, 2020

Ramesh Kumar Haritwal

Managing Director & CEO

(DIN : 01486666)

Jayasankar Ramalingam

Chief Financial Officer



Statement of Profit and Loss for the year ended 31st March, 2020

	Note	For the year ended 31st March, 2020 ₹	For the year ended 31st March, 2019 ₹
INCOME:			
Revenue from Operations	13	5811250	5512500
Other Income	14	254628	2192306
Total Income		6065878	7704806
EXPENSES:			
Cost of Materials Consumed		-	-
Purchase of Stock in Trade		-	-
Changes in Inventories of Finished Goods, Stock in Trade and Stock in Process		-	-
Employees Benefits Expense	15	4560695	4198162
Depreciation and Amortisation Expense	16	1197185	1268883
Other Expenses	17	39466578	2231626
Total Expenses		45224458	7698671
Profit before Tax		(39158580)	6135
Current Tax		-	-
Earlier Years Tax		-	-
Current Tax		-	-
Mat Credit Entitlement		-	-
Release of Deferred Tax		-	-
Deferred Tax		-	-
Tax Expense		-	-
Profit/(loss) for the Year		(39158580)	6135
Other Comprehensive Income			
Items that will not be reclassified to profit or loss:			
Remeasurement (gain)/loss on defined benefit plans		(9378)	64,862
Release of Deferred Tax		-	-
Other Comprehensive Income, net of tax		(9378)	64,862
Total Comprehensive Income for the year, net of Tax		(39149202)	(58727)
Earnings per Equity Share - Basic and Diluted (in ₹) (Face value ₹ 5/- each)	18	(12.202)	-
Earnings per Equity Share - Basic and Diluted (in ₹) (Face value ₹ 10/- each)		-	0.003

Significant Accounting Policies

See Accompanying Notes to the Financial Statements

1 to 27

As per our Annexed report of even date

For and on behalf of Board of Directors of

Himalaya Granites Limited

CIN : L13206TN1987PLC015161

For S.P. Shaw & Co

Chartered Accountants

ICAI Firm Reg. No. 314229E

(S.P.Shaw)

Partner

Membership No. 051927

Place of Signature : Kolkata

Dated : 30th June, 2020

Mathangi Ramanujam

Director

(DIN : 07095686)

Hariom Pandey

Company Secretary

Place of Signature : Tindivanam

Dated : 30th June, 2020

Ramesh Kumar Haritwal

Managing Director & CEO

(DIN : 01486666)

Jayasankar Ramalingam

Chief Financial Officer



Cash Flow Statement for the year ended 31st March, 2020

	For the year ended 31st March, 2020		For the year ended 31st March, 2019	
	₹	₹	₹	₹
A. CASH FLOW ARISING FROM OPERATING ACTIVITIES:				
Profit/(loss) before Tax		(39149202)		(58727)
Adjustments for:				
Depreciation and Amortisation Expense	1197185		1268883	
Loss on Sale and Discard of Fixed Assets	-		248696	
Loss/(Gain) on Fair Valuation of Quoted Investments	-		(8943)	
Dividend Income	-		(88813)	
Interest Income	(254628)		(2094550)	
		942557		(674727)
Operating Profit before Working Capital Changes		(38206645)		(733454)
Adjustments for:				
(Increase) / Decrease in Trade and Other Receivables	39117145		(1935453)	
(Increase) / Decrease in Inventories	-		-	
(Decrease) / Increase in Liabilities & Provisions	222856		242098	
		39340001		(1693355)
Cash Generated from Operations		1133356		(2426808)
Income Tax Paid		-		-
Net Cash Generated from Operating Activities		1133356		(2426808)
B. CASH FLOW ARISING FROM INVESTING ACTIVITIES:				
Adjustments for:				
Interest Received		254628		2094550
Dividend Income		-		88813
Sale of Fixed Assets		-		-
Acquisition of Investments		(3500000)		1253535
Net Cash used in Investing Activities		(3245372)		3436897
C. CASH FLOW ARISING FROM FINANCING ACTIVITIES:				
Adjustments for:				
Proceeds from Issue of Equity Capital		-		-
Net Cash used in Financing Activities		-		-
Net Increase / (Decrease) in Cash and Cash Equivalents		(2112016)		1010089
Cash and Cash Equivalents at the beginning of the Year		3104000		2093911
Cash and Cash Equivalents at the close of the Year		991984		3104000

As per our Annexed report of even date

For and on behalf of Board of Directors of

Himalaya Granites Limited

CIN : L13206TN1987PLC015161

For S.P. Shaw & CoChartered Accountants
ICAI Firm Reg. No. 314229E**(S.P.Shaw)**Partner
Membership No. 051927Place of Signature : Kolkata
Dated : 30th June, 2020**Mathangi Ramanujam**Director
(DIN : 07095686)**Hariom Pandey**
Company SecretaryPlace of Signature : Tindivanam
Dated : 30th June, 2020**Ramesh Kumar Haritwal**Managing Director & CEO
(DIN : 01486666)**Jayasankar Ramalingam**
Chief Financial Officer



Statement of Changes in Equity for the year ended 31st March, 2020

A) EQUITY SHARE CAPITAL**For the year ended 31st March, 2020**

	₹
Balance as at 1st April 2019	23167840
Changes in equity share capital during the year	-
Balance as at 31st March 2020	23167840

For the year ended 31st March, 2019

	₹
Balance as at 1st April 2018	23167840
Changes in equity share capital during the year	-
Balance as at 31st March 2019	23167840

For the year ended 31st March, 2020

	₹					
B) OTHER EQUITY	Reserves and Surplus					
Particulars	Capital Reserve	Capital Redemption Reserve	Securities Premium	General Reserve	Retained Earnings	Total
Balance as at 1st April 2019	1500000	6882160	6235680	56212088	(37525808)	33304120
Profit for the year	-	-	-	-	(39158580)	(39158580)
<u>Other Comprehensive Income/(loss) for the year:</u>						
- Remeasurements of the net defined benefit plans	-	-	-	-	(9378)	(9378)
Balance as at 31st March 2020	1500000	6882160	6235680	56212088	(76675010)	(5845082)
For the year ended 31st March, 2019						
Balance as at 1st April 2018	1500000	6882160	6235680	56212088	(37467081)	33362847
Profit for the year	-	-	-	-	6135	6135
<u>Other Comprehensive Income/(loss) for the year:</u>						
- Remeasurements of the net defined benefit plans	-	-	-	-	64862	64862
Balance as at 31st March 2019	1500000	6882160	6235680	56212088	(37525808)	33304120

As per our Annexed report of even date

For and on behalf of Board of Directors of

Himalaya Granites Limited

CIN : L13206TN1987PLC015161

For S.P. Shaw & Co
Chartered Accountants
ICAI Firm Reg. No. 314229E

(S.P.Shaw)
Partner
Membership No. 051927

Place of Signature : Kolkata
Dated : 30th June, 2020

Mathangi Ramanujam
Director
(DIN : 07095686)

Hariom Pandey
Company Secretary

Place of Signature : Tindivanam
Dated : 30th June, 2020

Ramesh Kumar Haritwal
Managing Director & CEO
(DIN : 01486666)

Jayasankar Ramalingam
Chief Financial Officer



Significant Accounting Policy

1.01 DISCLOSURE OF ACCOUNTING POLICIES:

1.01.01 CORPORATE INFORMATION:

Himalaya Granites Limited (the 'Company') is a public limited company domiciled in India incorporated under the provisions of the Companies Act. Its shares are listed on a recognised stock exchanges (i.e. BSE Limited) in India. The registered office of the company is located at Panchalam Village, Melpettai Post, Tindivanam, Tamil Nadu - 604 307, India.

1.01.02 BASIS OF PREPARATION OF FINANCIAL STATEMENTS:

The Financial Statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended, notified under Section 133 of the Companies Act, 2013 ("Act") and other relevant provisions of the Act.

The financial statements of the Company for the year ended 31st March, 2020 are authorised for issue in accordance with a resolution of the Directors on 30th June, 2020.

The financial statements have been prepared under the historical cost basis, except for the following assets and liabilities which has been measured at fair value of Quoted Investments in Equity Shares and Mutual Funds.

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.

The financial statements are presented in Indian Rupees ('INR') and all values are rounded to the nearest rupee. Where changes are made in presentation, the comparative figures of the previous year are regrouped and re-arranged accordingly.

1.01.03 ACCOUNTING ESTIMATES AND ASSUMPTIONS:

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 year end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

1.02 PROPERTY, PLANT AND EQUIPMENT:

1.02.01 Property, Plant and Equipment are stated at original cost (net of tax/duty credit availed) less accumulated depreciation and impairment losses except freehold land which is carried at cost. Cost includes cost of acquisition, construction and installation, taxes, duties, freight, other incidental expenses related to the acquisition, trial run expenses (net of revenue) and pre-operative expenses including attributable borrowing costs incurred during pre-operational period.

1.02.02 Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. The carrying amount of any component as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit and loss during the reporting period in which they are incurred.

1.02.03 Assets which are not ready for their intended use on reporting date are carried as capital work-in-progress at cost, comprising direct cost and related incidental expenses.

1.02.04 Depreciation commences when assets are available for their intended use. Property, Plant and Equipments including continuous process plants are depreciated and/or amortised on the basis of their useful lives as notified in Schedule II to the Companies Act, 2013 except in case of assets costing less than ₹ 5000 which are depreciated over their useful life as assessed by the management. Assets are depreciated on Straight Line basis over their



Significant Accounting Policy (Contd.)

useful life from the date they are available for use. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Depreciation in respect of additions to assets has been charged on pro rata basis with reference to the period when the assets are ready for use.

- 1.02.05 An asset's carrying amount is written down immediately on discontinuation to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in Profit/Loss on Sale and Discard of Fixed Assets.
- 1.02.06 Useful lives of the Property, Plant and Equipment as notified in Schedule II to the Companies Act, 2013 are as follows :
- Buildings - 30 to 60 years
 - Plant and Equipments - 10 to 15 years
 - Furniture and Fixtures - 10 years
 - Vehicles - 8 to 10 years
 - Office Equipments - 3 to 10 years
- 1.02.07 At each balance sheet date, the Company reviews the carrying amount of property, plant and equipment to determine whether there is any indication of impairment loss. If any such indication exists, the recoverable amount of the assets is estimated in order to determine the extent of impairment loss. The recoverable amount is higher of the net selling price and the value in use, determined by discounting the estimated future cash flows expected from the continuing use of the asset to their present value.

1.03 INVENTORIES:

- 1.03.01 Finished Goods are valued at lower of cost and net realisable value.
- 1.03.02 Stock of Raw Material, Consumables and Stores and Spares are valued at lower of cost or net realisable value. Cost represents purchase price and other costs for bringing inventories upto their present location and condition and is generally determined on weighted average basis.

1.04 CASH FLOW STATEMENT:

- 1.04.01 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.
- 1.04.02 Cash and cash equivalents in the balance sheet comprise cash at bank, cash/cheques in hand and short term investments (excluding pledged term deposits) with an original maturity of three months or less.

1.05 FINANCIAL ASSETS:

- 1.05.01 The Company classifies its financial assets as those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and those to be measured at amortised cost.
- 1.05.02 The Company measures all quoted equity instruments/mutual fund other than in subsidiaries at fair value on initial and subsequent recognition. Changes in fair value of quoted investments in equity shares are shown as profit/loss on fair valuation of investments in Statement of Profit and Loss.
- 1.05.03 Trade receivables represent receivables for goods sold by the Company upto to the end of the financial year. The amounts are generally unsecured and are usually received as per the terms of payment agreed with the customers. The amounts are presented as current assets where receivable is due within 12 months from the reporting date. They are recognised initially and subsequently measured at amortised cost.



Significant Accounting Policy (Contd.)

- 1.05.04 A financial asset is derecognised only when the Company has transferred the rights to receive cash flows from the financial asset, or when it has transferred substantially all the risks and rewards of the asset, or when it has transferred the control of the asset.
- 1.05.05 Investments that are readily realisable and intended to be held for not more than a year are classified as Current investments. All other investments are classified as Non-Current/Long-term Investments. Current investments are carried at lower of cost or market value on individual investment basis. Non-Current Investments are considered at cost, unless there is an “other than temporary” decline in value, in which case adequate provision is made for the diminution in the value of Investments.
- 1.06 FINANCIAL LIABILITIES:**
- 1.06.01 Borrowings are initially recognised and subsequently measured at amortised cost, net of transaction costs incurred. The transaction costs is amortised over the period of borrowings using the effective interest method in Capital Work in Progress upto the commencement of related Plant, Property and Equipment and subsequently under finance costs in profit and loss account.
- 1.06.02 Borrowings are removed from balance sheet when the obligation specified in the contract is discharged, cancelled or expired.
- 1.06.03 Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.
- 1.06.04 Trade Payables represent liabilities for goods and services provided to the Company upto to the end of the financial year. The amounts are unsecured and are usually paid as per the terms of payment agreed with the vendors. The amounts are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially and subsequently measured at amortised cost.
- 1.06.05 Financial assets and Financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.
- 1.07 EQUITY:**
- 1.07.01 Ordinary Shares are classified as equity. Final dividends on shares are recorded as a liability on the date of approval by the shareholders and the interim dividends are recorded as a liability on the date of declaration by the board of directors of the company.
- 1.08 REVENUE RECOGNITION:**
- 1.08.01 Revenue comprises of all economic benefits that arise in the ordinary course of activities of the Company which result in increase in Equity, other than increases relating to contributions from equity participants. Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable.
- 1.08.02 Sale of Goods: Revenue from sales of goods is recognised on transfer of significant risks and rewards of ownership to the customers and the Revenue does not include GST, inter-transfers, returns, trade discounts, cash discounts, other benefits passed to customers in kind.
- 1.08.03 Services: Revenue from Services are recognized as and when the services are rendered. The Company collects Goods and Services Tax on behalf of the Government and therefore, it is not an economic benefit flowing to the Company and hence excluded from Revenue.
- 1.08.04 Interest: Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.



Significant Accounting Policy (Contd.)

1.08.05 Dividends: Dividend from investment is recognized when the Company in which they are held declares the dividend and when the right to receive the same is established.

1.08.06 Rental Income: Rental Income is recognised on accrual basis.

1.09 EMPLOYEE BENEFITS:

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

1.09.02 Post Employment and Retirement benefits in the form of Gratuity and Leave Encashment are considered as defined benefit obligations and is provided for on the basis of third party actuarial valuation, using the projected unit credit method, as at the date of the Balance Sheet. Every Employee who has completed five years or more of service is entitled to Gratuity on terms not less favourable than the provisions of The Payment of Gratuity Act, 1972.

1.09.03 The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of reporting period on government bonds that have terms approximating to the terms of the related obligation.

1.09.04 The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation. This cost is included in employee benefit expense in the statement of profit and loss.

1.09.05 Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions of the defined benefit obligation are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

1.09.06 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. The Company pays provident fund contributions to publicly administered provident funds as per local regulations. The Company has no further payment obligations once the contributions have been paid.

1.10 RELATED PARTY TRANSACTIONS:

1.10.01 Disclosure of related party transactions as required by the accounting standard is furnished in the Notes on Financial Statements.

1.11 EARNINGS PER SHARE:

1.11.01 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.

1.11.02 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.

1.12 ACCOUNTING FOR TAXES ON INCOME:

1.12.01 Tax expenses comprise of current tax and deferred tax including applicable surcharge and cess.

1.12.02 Current Income tax is computed using the tax effect accounting method, where taxes are accrued in the same period in which the related revenue and expenses arise. A provision is made for income tax annually, based on the tax liability computed, after considering tax allowances and exemptions. Provisions are recorded when it is estimated that a liability due to disallowances or other matters is probable.

1.12.03 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



Significant Accounting Policy (Contd.)

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.

1.13 PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS:

- 1.13.01 Provisions are made when (a) the Company has a present legal or constructive obligation as a result of past events; (b) it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and (c) a reliable estimate is made of the amount of the obligation.
- 1.13.02 Contingent liabilities are not provided for but are disclosed by way of Notes on Accounts. Contingent liabilities is disclosed in case of a present obligation from past events (a) when it is not probable that an outflow of resources will be required to settle the obligation; (b) when no reliable estimate is possible; (c) unless the probability of outflow of resources is remote.
- 1.13.03 Contingent assets are not accounted but disclosed by way of Notes on Accounts where the inflow of economic benefits is probable.

1.14 CURRENT AND NON-CURRENT CLASSIFICATION:

- 1.14.01 The Normal Operating Cycle for the Company has been assumed to be of twelve months for classification of its various assets and liabilities into "Current" and "Non-Current".
- 1.14.02 The Company presents assets and liabilities in the balance sheet based on current and non-current classification.
- 1.14.03 An asset is current when it is (a) expected to be realised or intended to be sold or consumed in normal operating cycle; (b) held primarily for the purpose of trading; (c) expected to be realised within twelve months after the reporting period; (d) Cash and cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period. All other assets are classified as non-current.
- 1.14.04 A liability is current when (a) it is expected to be settled in normal operating cycle; (b) it is held primarily for the purpose of trading; (c) it is due to be discharged within twelve months after the reporting period; (d) there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. All other liabilities are classified as non-current.

1.15 FAIR VALUE MEASUREMENT:

- 1.15.01 The Company measures financial instruments such as derivatives and certain investments, at fair value at each balance sheet date.
- 1.15.02 Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Company.
- 1.15.03 The fair value of an asset or liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.
- 1.15.04 A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.
- 1.15.05 The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.



Significant Accounting Policy (Contd.)

1.15.06 The assets and liabilities which has been measured at fair value are, (i) Quoted Investments in Equity Shares, (ii) Certain Financial Assets.

1.16 NON-CURRENT ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS:

1.16.01 Non-current assets and disposal groups are classified as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use.

1.16.02 Non-current assets and disposal groups classified as held for sale are measured at the lower of carrying amount and fair value less cost to sell. This condition is regarded as met only when the sale is highly probable and the asset or disposal group is available for immediate sale in its present condition. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

1.16.03 Non-current assets classified as held for sale are presented separately from other assets in the balance sheet. An entity shall not depreciate or amortise a non-current asset after such asset has been classified as held for sale.

1.16.04 Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the statement of profit and loss.

1.17 LEASE

1.17.01 Effective from 1st April, 2019 Company has applied the provision of IND AS 116 on accounting of its leases. Company has not taken any assets on lease, there fore no Right to Use Assets and Lease Liability has been ceated in its books. It has not impacted its accounting being a Lessor.



Notes to Financial Statements for the year ended 31st March, 2020

1. Property, Plant and Equipment				₹
	Freehold Land	Buildings	Furniture and Fixtures	Total Tangibles
Cost				
As at March 31, 2019	1132849	40770363	265746	42168958
Additions	-	-	-	-
Disposal	-	-	-	-
As at March 31, 2020	1132849	40770363	265746	42168958
Accumulated Depreciation				
As at March 31, 2019	-	27853972	235834	28089806
Depreciation for the year	-	1193282	3903	1197185
Disposal	-	-	-	-
As at March 31, 2020	-	29047254	239737	29286991
Net Carrying Value				
As at March 31, 2019	1132849	12916391	29912	14079152
As at March 31, 2020	1132849	11723109	26009	12881967

2. NON-CURRENT ASSETS	As at 31st March, 2020 ₹	As at 31st March, 2019 ₹
LOANS		
(Unsecured, considered good)		
Security Deposits	697502	877512
Total	697502	877512

3. ASSETS HELD FOR SALE	As at 31st March, 2020 ₹	As at 31st March, 2019 ₹
Assets Held for Sale	159188	159188
Total	159188	159188

4 CASH AND CASH EQUIVALENTS	As at 31st March, 2020 ₹	As at 31st March, 2019 ₹
Cash and Bank Balances		
Balances with Banks - on Current Accounts	816060	645793
Cash on Hand	175924	155733
Fixed Deposits having maturity less than 12 months	-	2302474
Total	991984	3104000
Bank balance Other than above		
Fixed Deposits having maturity for more than 12 months	3500000	-
Total	3500000	-



Notes to Financial Statements for the year ended 31st March, 2020 (Contd.)

5 LOANS	As at 31st March, 2020		As at 31st March, 2019	
		₹		₹
(Unsecured, considered good)				
Loan to others	-	-	-	22700000
Interest receivable	-	-	-	15331357
Total	-	-	-	38031357

6 OTHER CURRENT ASSETS	As at 31st March, 2020		As at 31st March, 2019	
		₹		₹
Prepaid Expenses		18707		50474
TDS receivable		594724		1481631
Goods and Service Tax Receivable		64720		51824
Amount due from Sales Tax authority		25000		25000
Total		703151		1608929

7 EQUITY SHARE CAPITAL	As at 31st March, 2020		As at 31st March, 2019	
	Number	₹	Number	₹
7.1 Authorised				
Equity Shares of ₹ 5 each*	8000000	40000000	-	-
Equity Shares of ₹ 10 each	-	-	4000000	40000000
7.2 Issued, Subscribed and Fully Paid up				
Equity Shares of ₹ 5 each*	4633568	23167840	-	-
Equity Shares of ₹ 10 each	-	-	2316784	23167840
7.3 The reconciliation of the number of shares outstanding at the beginning and at the end of the reporting year				
Equity Shares outstanding at the beginning of the year	2316784	23167840	2316784	23167840
2316784 equity shares of ₹ 10 each sub-divided into 2 equity shares of ₹ 5 each	2316784	-	-	-
Equity Shares outstanding at the end of the year	4633568	23167840	2316784	23167840

*The Company has sub-divided face value of its equity shares from Rs. 10 to Rs. 5 each effective from the record date i.e. Nov 11, 2019 pursuant to approval of shareholders in the Annual General Meeting held on Sep 27, 2019.

7.4 Terms/Rights attached to the Equity Shares

The Company has only one class of equity Shares having a par value of ₹ 5 per share (previous year ₹ 10 per share). Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.



Notes to Financial Statements for the year ended 31st March, 2020 (Contd.)

The Company has proposed dividend as distribution to equity shareholders ₹ Nil per equity share (Previous year ₹ Nil per equity share). In the event of liquidation of the Company, the holders of equity share will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity share held by the shareholders.

	As at 31st March, 2020		As at 31st March, 2019	
	Number	%	Number	%
7.5 Name of the Shareholders holding more than 5% Shares				
Equity Shares				
Saurabh Mittal	3383538	73.02%	1647600	71.12%

7.6 The Company has not reserved any shares for issue under options and contracts/commitments for the sale of shares/disinvestment.

7.7 The Company for the period of five years immediately preceding the date of Balance Sheet has :

- Not allotted any class of shares as fully paid pursuant to contract(s) without payment being received in cash.
- Not allotted fully paid up shares by way of bonus shares.
- Bought back 6,88,216 equity shares during the financial year 2015-16.

8 OTHER EQUITY	As at 31st March, 2020		As at 31st March, 2019	
	₹	₹	₹	₹
Capital Reserve				
As per last Balance Sheet		1500000		1500000
Capital Redemption Reserve				
As per last Balance Sheet	6882160	6882160	6882160	6882160
Securities Premium Account				
As per last Balance Sheet	6235680	6235680	6235680	6235680
General Reserve				
As per last Balance Sheet	56212088	56212088	56212088	56212088
Retained Earnings				
Retained Earnings other than OCI				
As per last Balance Sheet	(37323593)		(37329728)	
Add : Net profit/(loss) for the current year	(39158580)		6135	
	(76482173)		(37323593)	
Other Comprehensive Income (OCI)				
As per last Balance Sheet	(202215)		(137353)	
Remeasurements of the net defined benefit plans	9378		(64862)	
	(192837)		(202215)	
		(76675010)		(37525808)
Total		(5845082)		33304120



Notes to Financial Statements for the year ended 31st March, 2020 (Contd.)

Nature and purpose of reserve:

Securities Premium Account

Security premium account is created when shares are issued at premium. The Company may issue fully paid-up bonus shares to its members out of the security premium reserve account, and company can use this reserve for buy-back of shares.

	As at 31st March, 2020 ₹	As at 31st March, 2019 ₹
9 NON CURRENT PROVISIONS		
Provisions for Employee Benefits (unfunded)		
For Gratuity	965665	812942
Total	965665	812942

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

	As at 31st March, 2020 ₹	As at 31st March, 2019 ₹
10 CURRENT FINANCIAL LIABILITIES		
TRADE PAYABLES		
Dues to Micro Enterprises and Small Enterprises	-	-
Dues to Creditors other than Micro Enterprises and Small Enterprises	26650	9570
Total	26650	9570

	As at 31st March, 2020 ₹	As at 31st March, 2019 ₹
11 CURRENT PROVISIONS		
Provisions for Employee Benefits (unfunded)		
For Gratuity	17304	15432
Total	17304	15432

	As at 31st March, 2020 ₹	As at 31st March, 2019 ₹
12 OTHER CURRENT LIABILITIES		
Unpaid expenses	401245	412721
Statutory Dues	200170	137513
Total	601415	550234

	For the Year ended 31st March 2020 ₹	For the Year ended 31st March 2019 ₹
13 REVENUE FROM OPERATIONS		
Rental Income #	5811250	5512500

The Company has altered its Memorandum of Association pursuant to the approval of the shareholders obtained at the Annual General Meeting held on September 27, 2019, inter alia, for inclusion of activities relating to sell, lease, let out of immovable properties under main business of the object clause. Accordingly, the Income from rental activities for the period ended March 31, 2020 is considered as Revenue from operations and also the previous period figures have been regrouped/ reclassified to make them comparable.



Notes to Financial Statements for the year ended 31st March, 2020 (Contd.)

	For the Year ended 31st March 2020	For the Year ended 31st March 2019
	₹	₹
14 OTHER INCOME		
Dividend	-	88813
Interest Income	254628	2094550
Gain on Investment	-	8943
Total	254628	2192306

	For the Year ended 31st March 2020	For the Year ended 31st March 2019
	₹	₹
15 EMPLOYEES BENEFITS EXPENSE		
Salary, Wages and Bonus	4118082	3797244
Contribution to Provident Fund	278640	262380
Gratuity	163973	138538
Total	4560695	4198162

15.1 DISCLOSURES REGARDING EMPLOYEE BENEFITS

- i) **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.
- ii) **Defined Benefit Plan:** Retirement benefits in the form of Gratuity and Leave Encashment are considered as defined benefit obligations and is provided for on the basis of third party actuarial valuation, using the projected unit credit method, as at the date of the Balance Sheet.

Every Employee who has completed five years or more of service is entitled to Gratuity on terms not less favourable than the provisions of The Payment of Gratuity Act, 1972.

As the Company has not funded its liability, it has nothing to disclose regarding plan assets and its reconciliation.

	For the Year ended 31st March 2020	For the Year ended 31st March 2019
	₹	₹
iii) Actuarial Valuation of Gratuity Liability :		
Defined Benefit Cost		
Current Service Cost	101017	91040
Interest Expense on Defined Benefit Obligation (DBO)	62956	47498
Defined Benefit Cost included in Profit and Loss	163973	138538
Remeasurements - Due to Financial Assumptions	-	-
Remeasurements - Due to Experience Adjustments	-	-
Defined Benefit Cost included in Other Comprehensive Income	-	-
Total Defined Benefit Cost in Profit and Loss and OCI	163973	138538
b) Movement in Defined benefit liability:		
Opening Defined Benefit Obligation	828374	624974
Interest Expense on Defined Benefit Obligation (DBO)	62956	47498
Current Service Cost	101017	91040
Total Remeasurements included in OCI	-	-
Less: Benefits paid	-	-
Actuarial Gain	(9378)	64862
Closing benefit obligation	982969	828374



Notes to Financial Statements for the year ended 31st March, 2020 (Contd.)

	For the Year ended 31st March 2020	For the Year ended 31st March 2019
	₹	₹
Current Liabilities of Closing benefit obligation	17304	15432
Non-Current Liabilities of Closing benefit obligation	965665	812942
	982969	828374
d) Actuarial assumptions:		
Mortality Table	IALM 2006-2008	IALM 2006-2008
Discount Rate (per annum)	6.70%	7.60%
Rate of escalation in salary (per annum)	5.30%	5.30%

v) Amount incurred as expense for defined contribution to Provident Fund is ₹ 278640 (Previous Year ₹ 262380).

	For the Year ended 31st March 2020	For the Year ended 31st March 2019
	₹	₹
16 DEPRECIATION AND AMORTISATION EXPENSE		
Depreciation of Plant, Property and Equipment	1197185	1268883
Total	1197185	1268883

	For the Year ended 31st March 2020	For the Year ended 31st March 2019
	₹	₹
17 OTHER EXPENSES		
Repairs to Buildings	102264	103230
Insurance	16151	19417
Provision for Loan and interest receivable thereon	38031357	-
Rates and Taxes	2150	24948
Legal Expenses	410449	191228
Annual Listing Fees	300000	250000
Electricity Expenses	12735	59828
Directors' Sitting Fees	10000	7500
Auditors' Remuneration	65000	65000
Printing & Stationery	44002	47938
Loss on Sale and Discard of Fixed Assets	-	248696
Sundry Balance written off	-	6
Other General Expenses	472470	1213835
Total	39466578	2231626

	For the Year ended 31st March 2020	For the Year ended 31st March 2019
17.1 Auditors Remuneration		
As Auditors	50000	50000
For Other Services - Certifications	15000	15000
Total	65000	65000



Notes to Financial Statements for the year ended 31st March, 2020 (Contd.)

	For the Year ended 31st March 2020	For the Year ended 31st March 2019
	₹	₹
18 EARNINGS PER SHARE		
BASIC AND DILUTED EARNINGS PER SHARE:		
Number of Equity Shares at the beginning of the year	2316784	2316784
Number of Equity Shares at the end of the year	4633568	2316784
Weighted average number of equity shares	3209316	2316784
Profit for the year (after tax, available for equity shareholders)	(39158580)	6135
Basic and Diluted Earnings Per Share	(12.202)	0.003

19 CONTINGENT LIABILITIES AND COMMITMENTS**19.1 Contingent liabilities**

- a. Disputed Demand ₹ Nil (Previous year ₹ Nil)

19.2 Commitments

- a. Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of advances) ₹ Nil (Previous year ₹ Nil)
- b. Uncalled liability on shares and other investments which are partly paid ₹ Nil (Previous year ₹ Nil).
- c. Other commitments ₹ Nil (Previous year ₹ Nil).

20 FINANCIAL INSTRUMENTS - ACCOUNTING CLASSIFICATION

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidated sale.

The following methods and assumptions were used to estimate the fair values:

Fair value of cash and short term deposits, trade and other short term receivables, trade payables, other current liabilities, working capital loans from banks approximate their carrying amounts largely due to the short term maturities of these instruments.

Financial instruments other than above are carried at amortised cost except certain assets which are carried at fair value.

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1 : Quoted prices in active markets for identical assets or liabilities

Level 2 : Other techniques for which all inputs which have a significant effect on the recorded fair value are observable.

Level 3 : Techniques using inputs having significant effect on the recorded fair value that are not based on observable market data.

	As at 31st March, 2020	As at 31st March, 2019
	₹	₹
<u>Financial assets at amortised cost:</u>		
Loans - Non-current	697502	877512
Trade Receivables	-	-
Cash and Cash Equivalents	991984	3104000
Loans - Current	-	38031357
Total	1689486	42012869



Notes to Financial Statements for the year ended 31st March, 2020 (Contd.)

	As at 31st March, 2020 ₹	As at 31st March, 2019 ₹
Financial assets at fair value through profit and loss:		
Investments - Non-current - Level 1	-	-
Assets held for sale	159188	159188
	159188	159188
Total Financial Assets	1530298	41853681
Financial liabilities at amortised cost:		
Other Financial Liabilities - Current	601416	550234
Trade Payables	26650	9570
Total	628066	559804

21 TAXATION

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

22 INFORMATION REGARDING MICRO, SMALL AND MEDIUM ENTERPRISES

Based on the information /documents available with the Company, information as per the requirements of Section 22 of The Micro, Small and Medium Enterprises Development Act, 2006 are as under:

	As at 31st March, 2020 ₹	As at 31st March, 2019 ₹
i) Principal amount remaining unpaid to any supplier at the end of accounting year (including retention money against performance).	-	-
ii) Interest due on above	-	-
Total of (i) & (ii)	-	-
iii) Amount of interest paid by the Company to the suppliers in terms of section 16 of the Act.	-	-
iv) Amount paid to the suppliers beyond due date during the year.	-	-
v) Amount of interest due and payable for the period of delay in payments (which have been paid but beyond the due date during the year) but without adding the interest specified under the Act.	-	-
vi) Amount of interest accrued and remaining unpaid at the end of accounting year.	-	-
vii) Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of this Act.	-	-

23 RELATED PARTY DISCLOSURES

23.1 List of related parties and relationship:



Notes to Financial Statements for the year ended 31st March, 2020 (Contd.)

- a) **Related parties with whom transactions have taken place during the year :**
Key Management Personnel/Director
i) Mr. Saurabh Mittal, Non - Executive Chairman*
ii) Mr. Ramesh Kumar Haritwal, Managing Director & CEO
iii) Mr. Mahesh Kumar Malpani, Independent Director
iv) Mr. Beni Gopal Saraf, Independent Director**
v) Mr. Shalabh Jalan, Independent Director#
vi) Ms. Mathangi Ramanujam, Non-executive Director
vii) Mr. Jayasankar Ramalingam, Chief Financial Officer
viii) Mr. Hariom Pandey, Company Secretary
- b) **Enterprises Owned/Influenced by Key Management Personnel/Director or their relatives:**
i) Greenlam Industries Ltd.

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

23.2 TRANSACTIONS DURING THE YEAR:

(₹)

Particulars	Key Management Personnel / Director		Enterprises Owned/Influenced by Key Management Personnel/ Director or their relatives	
	2019-2020	2018-19	2019-2020	2018-19
Rental Income				
Greenlam Industries Ltd.	-	-	5811250	5512500
Total	-	-	5811250	5512500
Remuneration Paid				
Mr. Ramesh Kumar Haritwal	2300004	2202530	-	-
Mr. Jayasankar Ramalingam	855828	852858	-	-
Mr. Hariom Pandey	1174214	990072	-	-
Total	4330046	4045460	-	-
Meeting Fees				
Mr. Saurabh Mittal*	-	500	-	-
Mr. Mahesh Kumar Malpani	3500	2500	-	-
Mr. Beni Gopal Saraf**	1500	2500	-	-
Mr. Shalabh Jalan#	2000	-	-	-
Ms. Mathangi Ramanujam	3000	2000	-	-
Total	10000	7500	-	-

* Mr. Saurabh Mittal resigned from the Company with effect from close of business hours of August 04, 2018.

** Mr. Beni Gopal Saraf, completed his tenure as Director on the conclusion of 31st AGM held on September 27, 2019.

Mr. Shalabh Jalan, appointed as Director of the Company effective from August 30, 2019.

- 24** As there is neither more than one business segment nor more than one geographical segment, segment information is not required to be disclosed.
- 25** Balances under Trade receivables, Trade Payables, Loans and Advances payable or receivable are subject to confirmation to be received from some of the parties.



Notes to Financial Statements for the year ended 31st March, 2020 (Contd.)

- 26** The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of property, plant and equipment, investments, receivables and other current assets. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company, as at the date of approval of these financial statements has analysed the internal and external sources on the expected future performance of the Company. The Company has performed sensitivity analysis on the assumptions used and based on current indicators of future economic conditions, the Company expects that the carrying amount of all assets will be recovered except recovery of outstanding loan given to other body corporate (including interest receivable thereon) and accordingly the Company has made necessary provisions for the same. Given the uncertainty because of COVID-19, the final impact on the Company's assets in future may differ from that estimated as at the date of approval of these financial statements. The Company will continue to closely monitor any material changes to future economic conditions.
- 27** The figures for the previous year are re-classified/ re-arranged/ re -grouped, wherever necessary so as to be in conformity with the figures of the current year's classification/disclosure.

As per our Annexed report of even date

For S.P. Shaw & Co

Chartered Accountants

ICAI Firm Reg. No. 314229E

(S.P.Shaw)

Partner

Membership No. 051927

Place of Signature : Kolkata

Dated : 30th June, 2020

For and on behalf of Board of Directors of

Himalaya Granites Limited

CIN : L13206TN1987PLC015161

Mathangi Ramanujam

Director

(DIN : 07095686)

Ramesh Kumar Haritwal

Managing Director & CEO

(DIN : 01486666)

Hariom Pandey

Company Secretary

Jayasankar Ramalingam

Chief Financial Officer

Place of Signature : Tindivanam

Dated : 30th June, 2020

HIMALAYA GRANITES LIMITED
(CIN : L13206TN1987PLC015161)
PANCHALAM VILLAGE, MELPETTAI POST, TINDIVANAM, TAMIL NADU-604307