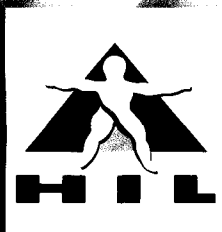




(Survey No.: 2145, Vadnagar, Sultanpur, GUJARAT)



HIMALYA INTERNATIONAL LIMITED

'Reduce - Recycle - Reuse' to minimize our carbon footprint. We love our Planet.

HIMALYA INTERNATIONAL LIMITED

BOARD OF DIRECTORS

MAN MOHAN MALIK

Chairman & Managing Director

SANJIV KAKKAR

Managing Director

SANGITA MALIK

Director

ANITA KAKKAR

Director

SUNIL KHERA

Independent Director

CHANDAR PRAKASH CHHABRA

Independent Director

AUDITORS

M/s Anujeet Dandona & Co.
Chartered Accountants

REGISTERED OFFICE

E-555, 2nd Floor,
Palam Extension, Sector-7,
Dwarka, New Delhi-77
Tel : 011-45108609
www.HimalyaInternational.com

MARKETING OFFICE

308, Tower B,
Global Business Park,
MG Road, Gurgaon - 122 002
Phone : 0124-4498154

CORPORATE IDENTIFICATION NUMBER (CIN)

L51909DL1992PLC047399

REGISTRAR & SHARE TRANSFER AGENT

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

BANKERS

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

SHARES LISTED AT

Bombay Stock Exchange
526899 (Scrip Code)

HEAD OFFICE & WORKS

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

PROJECT SITE

Survey No.: 215/A/1,
Vadnagar - Navapura - Redlaxmipura Road
Sultanpur - 384 355
Distt. Mehsana, Gujarat
Phone : 02761-305000



My Dear Share Owners,

It's my great pleasure to inform you the progress and prospects of your Company.

Your Company exceeded the turnover of Rs 100 Crores (Rs 110.49 Crores) for the first time in its life, with EBITDA at Rs 31.92 Crore and the Net Profit at Rs. 17.35 crore.

We completed the Gujarat project and the same was inaugurated on April 26th 2012.

The unique, integrated new plant has been set up on 52 Acres land at the total investment of Rs 170 Crores at Vadnagar, District Mehsana Gujarat.

It is a matter of pride for all of us that with the completion of this project, we have become the largest food processing company in India with combined capacities of 75,000 Tons of food products per Year.

The Gujarat unit has the installed annual capacities as under:

Product	Unit	Annual Capacities
Frozen French Fries	MT	25000
Frozen Appetizers	MT	15000
Dairy Products	MT	6000
Fresh Mushrooms	MT	10000
Canned Products	No.	30 Million Cans

We expect the new project to stabilize during the current financial year.

During last financial year we partnered with J R Simplot , who are amongst the top Agro based companies in the world with many large scale plants in UA, Canada, Australia and China. Himalya Simplot Pvt Ltd, formed as a Joint venture and owned 50:50 by our Company and JR Simplot USA, will market all frozen potato and appetizer products made by Himalya International at both plants.

Moving forward, we propose to engage JR Simplot in our manufacturing assets and integrate the production and marketing operations to achieve greater synergies and become the unchallenged market leaders in our part of the World.

Exports business is limping back to normal and will take a few more quarters to achieve and exceed the earlier levels. However domestic business is shaping well and is expected to remain the major market for our products in future.

We have opened two new marketing offices at Gurgaon: Himalya International Ltd. for Fresh canned & Chilled products and Himalya Simplot Pvt Ltd (JV) for all frozen products headed by top professionals in the Industry.

We have also added many top notch professionals at both plants to ensure seamless production and international quality standards.

I will say that we have always dared to dream, ventured in uncharted territories and are confident to deliver to our goal of making Himalya International amongst the most valuables companies in Agro & Food Processing space.

We thank you for your trust in us
&
With Best Wishes

Man Mohan Malik



NOTICE

NOTICE is hereby given that the 21st Annual General Meeting of the members of the Company will be held on Saturday, 29th Day of September 2012, at 4.00 P.M at Sangam Farm No. 34, Road No.2, Ghitorni, New Delhi, -110030 to transact the following business: -

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March 2012, Profit and Loss Account for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Sh. Sunil Kumar Khera, who retires by rotation and being eligible, offers himself for re-appointment.
3. To Consider and if Thought fit to pass with or without modification the following resolution as an **Ordinary Resolution**:

Ordinary Resolution:

"RESOLVED THAT M/s. Anujeet Dandona & Company, Chartered Accountants, be and are hereby appointed as the Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting at remuneration as may be decided by the Board of Directors of the Company."

SPECIAL BUSINESS:

Item No. 04

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

"RESOLVED THAT pursuant to the provisions of sections 293 (1) (a) of the company's Act, 1956 (including any statutory modification(s) or enactment(s) thereof for the time being in force) and subject such sanctions and approvals as may be necessary, approval be and is hereby accorded for to sell, transfer & convey to JR. Simplot USA ("Simplot") or its Subsidiary in India., equipments required for the Potato Prime Processing Line and Specialty Potato Processing Line (together, defined as "Potato Processing Equipments") for the production of french fry and specialty potato products for the consideration of USD 12,750,000 (USD Twelve Million Seven Hundred Fifty Thousand only). The Potato Processing Equipments are currently located at Himalya International Ltd manufacturing Plant at Vadnagar, Gujarat. The product manufactured on the lines so transferred will be marketed & sold by the JV Himalya Simplot Pvt. Ltd.

RESOLVED FURTHER THAT Mr. Manmohan Malik, Chairman & Managing Director and/or Mr. Sanjiv Kakkar, Managing Director of the Company are authorized to finalize the agreements, to sign and execute all the necessary documents as may be required from time to time and to do all such other acts, deeds, matters and things as may be deemed necessary in this connection."

RESOLVED FURTHER THAT Mr. Man Mohan Malik, is also authorized to lease out the space for installation and to negotiate the cost of utilities and human resources to be provided for running potato processing line.

J.R. Simplot shows interest in sharing ownership of manufacturing plants at Vadnagar, Gujarat to enhance the synergy between marketing of JV Himalya Simplot Pvt. Ltd. and the production base of Himalya International Ltd.

RESOLVED FURTHER THAT Mr. Manmohan Malik, Chairman & Managing Director or Mr. Sanjiv Kakkar of the Company are authorized to finalize the agreements, sign and execute all the necessary documents as may be required from time to time and to do all such other acts, deeds, matters and things as may be deemed necessary in this connection."



Item No. 05

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

"RESOLVED THAT, According to section 17 and other applicable provisions of the Companies Act, 1956 subject to the confirmation of the Registrar of Companies, Clause III A of the Memorandum of Association of the company be altered by the insertion of the following new sub-clause after the existing sub-clauses:—

To produce manufacture market export pharmaceuticals, drugs, nutraceuticals, and nutritional supplement, functional foods as basic raw-materials or formulations covering but not limited to orals, injectables and for external use. To carry on with research activities, new molecules development, contract research for eliminating disease or disability in human beings and animals or any form of life.

Item No. 06

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

"RESOLVED THAT pursuant to the provisions of sections 198, 269 read with schedule XIII and all other applicable provisions if any of the company's Act, 1956 (including any statutory modification(s) or enactment(s) thereof for the time being in force) and subject such sanctions and approvals as may be necessary, approval be and is hereby accorded to the revision of remuneration of Mr. Man Mohan Malik, Chairman and Managing Director of the company. The revised terms and conditions are as given below:

- A Salary: Rs. 10,00,000/- per month
- B Bonus at the rate if the 2.5% of the net profit of the company
- C Perquisites and Allowances
 - (i) Company's contribution towards Provident fund, Superannuation Fund or
 - (ii) Annuity Fund as per of the rules the company to the extent these either singly or put together are not taxable under the Income tax, 1961.
 - (iii) Gratuity payable at rate not exceeding half months salary for each completed year of service.
 - (iv) Leave encashment as per rules of the company
 - (v) Medical reimbursement for self and family as per rules of the company
 - (vi) Leave travel concession for self and family as per rules of the company
 - (vii) Furnished accommodation with gas, water, electricity, security etc.
 - (viii) Clubs fees subject to maximum of two clubs. This will not include admission and life membership fee.
 - (ix) Personal accident insurance for self
 - (x) Other benefits
 - (a) Provision for car for office use on company's business.
 - (b) Telephone facility at residence. The company shall bill personal long distance calls on telephone.
 - (c) Note: The perquisite shall be valued on cost to the company basis.

In case of absence or inadequacies of profit for any financial year, the chairman and the managing director shall be paid remuneration as per section II of schedule XIII of the companies Act, 1956 (including any statutory modifications(s) or re-enactment (s), for the time being in force) as may be applicable from time to time.

RESOLVED FURTHER THAT the Board of Directors of the company be and is hereby authorized to alter or vary the terms and conditions of the said revision of remuneration, so long as it does not exceed the limit specified under schedule XIII of the companies Act, 1956, or any modification or re-enactment thereof for the time being in force and also to do all such acts, deeds and things as may be considered necessary or expedient to give effect to this resolution.

Item No. 07

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

"RESOLVED THAT pursuant to the provisions of Section 198, 269 read with schedule XIII and all other applicable provisions if any of the companies Act, 1956 (including any statutory modification(s) or enactment thereof for the time being in force) and subject to such sanctions and approvals as may be necessary, approval be and hereby accorded to the revision of remuneration of Mr. Sanjiv Kakkar, Managing Director of the company. The revised terms and conditions are as given below:



- A. Salary: Rs. 10,00,000/- per month.
- B. Bonus at the rate of 2.5% of the net profit of the company.
- C. perquisites and Allowances:
 - (i) Company's contribution towards Provident Fund, Superannuation Fund or
 - (ii) Annuity Fund as per the rules of the company to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.
 - (iii) Gratuity payable at a rate not exceeding half months salary for each completed year of service.
 - (iv) Leave encashment as per rules of the company.
 - (v) Medical reimbursement for self and family as per rules of the company.
 - (vi) Leave travel concession for self and family as per rules of the company.
 - (vii) Furnished accommodation with gas, water, electricity, security etc.
 - (viii) Club fees subject to a maximum of two clubs. This will not include admission and life membership fee.
 - (ix) Personal accident insurance for self.
 - (x) Other Benefits:

In case of absence or inadequacies of profits for any financial year, the Chairman and Managing Director shall be paid remuneration as per section II of schedule XIII of the Companies Act, 1956 (including any statutory modification(s) or re-enactment(s), for the time being in force) as may be applicable from time to time.

RESOLVED FURTHER that the Board of Directors of the company be and is hereby authorized to alter or vary the terms and conditions of the said revision of remuneration, so long as it does not exceed the limit specified under schedule XIII of the companies Act, 1956 or any modification or re-enactment thereof for the time being in force and also to do all such acts, deeds and things as may be considered necessary or expedient to give effect to this resolution.

By order of the Board of Directors
For **HIMALYA INTERNATIONAL LTD.**

Man Mohan Malik
Chairman & Managing Director

Place : Paonta Sahib

Date : 03.09.2012

NOTES:

1. Explanatory Statement pursuant to Section 173 of the Companies Act, 1956 in respect of the business under item no. 5 set out above are annexed hereto.
2. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself/herself and the proxy need not be a member of the company. the instrument of proxy should, however, be deposited at the registered office of the company not less than 48 hours before the commencement of the meeting.
3. Members/Proxies should bring the enclosed attendance slip duly filled in, for attending the meeting, along with the Annual Report.
4. The Register of Members and Share Transfer Books of the Company will remain closed from 23rd September 2012 to 29th September 2012, both days inclusive.
5. Members who hold shares in dematerialized form are requested to bring their Client ID (Demat A/C No.) and DP ID numbers for easy identification of attendance at the meeting.
6. Members are requested to notify the change in their address, if any.
7. All documents referred to in the accompanying Notice are open for inspection at the Registered Office of the Company during the office hours on all working days between 11 a.m. and 1.00 p.m. up to the date of this Annual General Meeting.
8. Corporate Members intending to send their authorized representatives to attend the Annual General Meeting are requested to send duly certified copy of the Board Resolution authorizing their representatives to attend and vote at the Meeting.
9. Members are requested to note that all correspondence relating to share transfer should be addressed to its Registrars and Transfer Agents,
M/s. Beetal Computer & Financial Services Pvt. Ltd.,
Beetal House, 3rd Floor, 99, Madangir,
BH - Local Shopping Centre,
New Delhi – 110 062.

By order of the Board of Directors
For **HIMALYA INTERNATIONAL LTD.**

Man Mohan Malik
Chairman & Managing Director

Place : Paonta Sahib

Date : 03.09.2012



EXPLANATORY STATEMENT PURSUANT TO THE PROVISIONS OF SECTION 173(2) OF THE COMPANIES ACT, 1956

Item No.4

The company had promoted a company Himalya Simplot Private Limited to market frozen food products manufactured at its unit in Gujarat, in 50:50 joint venture with J R Simplot (USA). The company had received a proposal to acquire equipments of potato processing unit of the company from its joint venture partner J R Simplot. The offer is very lucrative and beneficial to all the shareholders of the company.

Pursuant to sections 293 (1) (a) of the companies Act, 1956, the Board of Directors of the company shall not, except with the consent of the company in General Meeting sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking or undertakings of the company or where the company owns more than one undertaking the whole or substantially the whole of any such undertakings. Accordingly, the consent of the members of the company is required for passing of this resolution.

The Board recommends the said Resolution for acceptance by the members, by exercising the vote through the postal ballot form, which is sent along with the notice.

None of the Directors is personally interested or concerned in the passing of the resolution.

Item No. 5

After sale of Gujarat Unit to J R Simplot (USA), your company's debt-equity ratio will become favorable for expansion/diversification of company's business. The Board of Directors of your company has decided to diversify into pharma sector, which is one of the growing segments of Indian/world economy. As this proposal requires the inclusion of new object under "main objects" of the Memorandum of Association, consent of the members of the company is necessary in terms of section 17 of the Companies Act, 1956. Further, Section 192A of the companies act, 1956, requires this resolution be passed by means of postal ballot.

A draft copy of the Memorandum of Association of the Company is available for inspection at the Registered office of the company, on any working day, during business hours, up to the last date of exercising the postal ballot.

The Board recommends the said Resolution for acceptance by the members, by exercising the vote through the postal ballot form, which is sent along with the notice.

None of the Directors of the company is, in any way, concerned or interested in the resolution.

Item No. 6:

Mr. Man Mohan Malik, is Chairman and Managing Director of the Company since February 28, 2007. He is an experienced businessman and promoter of your Company. His tenure of office has expired on 27.02.2012 and it is in best interest of the Company to re-appoint him as Chairman and Managing Director of the Company.

Your Directors recommend the resolution as set out in the Item No. 6, for your approval.

None of the Directors except the appointee and Mrs. Sangeeta Malik, none of the Directors is in any way concerned or interested in this resolution.

Item No. 7:

Mr. Sanjiv Kakkar, is Whole-time Director of the Company since 28th February 2007. He is an experienced businessman and promoter of your Company. His tenure of office has expired on 27th February 2012 and it is in best interest of the Company to re-appoint him as Managing Director of the Company.

Your Directors recommend the resolution as set out in the Item No. 7, for your approval.

Save and except the appointee himself, none of the Directors is in any way concerned or interested in this resolution.



Brief resume of Directors seeking re-election/re-appointment are as under:

Particulars	Shri Sunil Kumar Khera
Date of birth and age	04.08.1954
Date of Appointment	30.10.2004
Qualifications	Retd Army Officer
Experience and expertise in specific functional areas	Management
Directorships held in other Companies	• Ascent Supply Chain Consultants Private Limited
Memberships/Chairmanships of committees across Public Companies	<u>Audit committee</u> <u>Remuneration Committee</u> <u>Shareholders'/ Investors' Grievance Committee</u>
Number of shares held in the Company	[40000]

Brief resume of Directors seeking re-election/re-appointment are as under:

Particulars	Shri Manmohan Malik
Date of birth and age	25.09.1953
Date of Appointment	30.01.1992
Qualifications	BSE (Hons) LLB
Experience and expertise in specific functional areas	Management (Industrialist)
Directorships held in other Companies	API Laboratories Ltd. Doon Valley Foods Pvt. Ltd. Himalya Carbonate Pvt. Ltd. Himalya Simplot Pvt Ltd.
Memberships/Chairmanships of committees across Public Companies	<u>Audit committee.</u> <u>Remuneration Committee</u> <u>Shareholders'/ Investors' Grievance Committee</u>
Number of shares held in the Company	[1194915]

Brief resume of Directors seeking re-election/re-appointment are as under:

Particulars	Shri Sanjiv Kakkar Khera
Date of birth and age	17.11.1957
Date of Appointment	30.01.1992
Qualifications	Engineer
Experience and expertise in specific functional areas	Management (Industrialist)
Directorships held in other Companies	Doon Valley Foods Pvt. Ltd. Himalya Carbonate Pvt. Ltd. Himalya Simplot Pvt Ltd.
Memberships/Chairmanships of committees across Public Companies	<u>Remuneration Committee</u>
Number of shares held in the Company	[96000]

**DIRECTORS' REPORT**

Dear Shareholders,

We are pleased to present the Twenty First Annual Report of the Company together with Audited Financial Statements and Auditor's Report for the Financial Year ended as on 31st March 2012. The Financial Highlights for the year under review are given below:

Financial Results	(Rs. in Lacs)	
Particulars	2011-12	2010-11
Total Income	11049.77	8316.28
Profit before Interest, Depreciation & Tax	3192.66	2873.33
Interest	773.01	876.78
Depreciation	429.05	308.20
Profit before Tax	1990.60	1688.35

Performance

During the year under review, the total income of your Company was Rs. 11049.77 Lacs as compared to Rs. 8316.28 Lacs in the previous year thereby registered a growth of 32.86%. The net profit before tax of the company for the current financial year is of Rs. 1990.60 Lacs as compared to Rs. 1688.35 Lacs in the previous year. There is a rise of 17.90% in operational profits as compared to the last financial year.

We completed the Gujarat project and the same was inaugurated on April 26th 2012. The unique, integrated new plant has been set up on 52 Acres land at the total investment of Rs 170 crores at Vadnagar, District Mehsana Gujarat.

It's a matter of pride for all of us that with the completion of this project, we have become the largest food processing company in India with combined capacities of 75000 Tons of food products per Year.

Dividend

In view of our new project, there is an increased pressure on the cash flow. Also' due to additional borrowings made for implementing the capital projects under expansion, there is an increase in the commitments towards repayment to the lending banks. As such, Board of Director feels appropriate not to recommend any dividend for the financial year 2011-12.

Business Operations Overview & Future Outlook

Company's business activities are broadly divided into mushroom, Cheese, sweets and appetizer manufacturing and exports.

Fixed Deposits

The Company has not accepted any deposits during the financial year under review.

Directors' Responsibility Statement

Pursuant to Section 217 (2AA) of the Companies Act, 1956, the Directors confirm:

- that in the preparation of the Annual Accounts for the Financial Year ended 31st March, 2012, the applicable Accounting Standards have been followed along with proper explanation relating to material departures;
- that the Directors had selected such accounting policies and applied them consistently reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for the year under review;
- that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and



iii) that the Directors have prepared the Annual Accounts for the Financial Year ended 31st March, 2012 on a 'going concern' basis.

Particulars of Energy, Technology and Foreign exchange

A- Energy conservation – The Company makes continuous efforts to explore new technologies techniques to make the infrastructure more energy efficient.

B-Technology absorption –

Moreover, the operations of the Company are not energy intensive. Company has changed its And oil fired boilers to agro waste reducing the carbon foot print.

Company uses Indian technical manpower to Operate Indian and imported infrastructure.

Foreign exchange earnings and out go:

Particulars	Amount (Rs.In '000)
Earnings in foreign Exchange	182583
Expenditure in foreign exchange	53936

Particulars of Employee Stock Option Scheme

Status of the 15,00,000 ESOP approved by the shareholders in the AGM held on 25th August, 2008.

Option granted	: 9,72,000 options granted on 26/12/2007
a. The pricing	: Rs. 10.00 per option.
b. Options vested	: For employees 100 % option vested during the
year 2011- 12 for employees older than one year.	
c. Options exercised in the Financial Year 2011-12	: 9,72,000 options.
d. Allotment of Bonus Shares arising out of ESOP	: Nil.
e. The total no. of shares arising as a result of exercise of option	: 9,72,000 equity shares .
f. Variation of terms of options	: Nil.
g. Money realized by exercise of options	: Rs. 97,20,000/-
h. Equity Shares allotted under ESOP	: 9,72,000 equity shares.

Personnel and Particulars of Employees

The industrial relations with the workers and staff of the company remained cordial throughout the year. There was unity of purpose among all levels of employees, continuously striving for improvement in work practices and productivity. Training and development of employees continue to be an area of prime importance. Pursuant to Section 217(2A) read with the Companies (Particulars of Employees) Rules, 1975, as amended a statement containing list of employees and drawing remuneration exceeding Rs. 24.00 Lacs annum or Rs. 2.00 Lacs per month is given herein below.

S.No.	Name	Designation	Remuneration received (Rs, in lacs)	Qualification	Exp	Age	Date of Commencement	Particulars of Last Employment
1.	Mr. Man Mohan Malik	Chairman & Managing Director	72.92	B.Sc. (Hons) LLB	39 Years	60	1992	Industrialist



Auditors

M/s Anujeet Dandona & Co., Chartered Accountants, Statutory Auditors of the Company, retire at the conclusion of the ensuing Annual General Meeting, being eligible offer themselves for re-appointment. The Company has received a certificate from them that their re-appointment if made would be within prescribed limits under Section 224(1B) of the Companies Act, 1956.

Auditors' Report

The Auditors Observations and relevant Notes on Accounts referred to in the Auditors' Report are self explanatory and therefore do not call for any further explanation u/s 217(3) of the Companies Act' 1956.

Listing of Shares

The Equity Shares of the Company continued to be listed at the Bombay Stock Exchange. The Company is complying with the guidelines for listing of shares at National Stock Exchange.

Management Discussion and Analysis

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

Corporate Governance Report

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

Subsidiary

Himalya International Inc., 901 Cranston Drive Wood Land, California USA company is making all sales through this.

Acknowledgment

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

For and on Behalf of the Board

Place: Paonta Sahib

Dated: 03.09.2012

(Man Mohan Malik)
Chairman & Managing Director

MANAGEMENT DISCUSSIONS AND ANALYSIS

Industry Structure and Developments

Company Business

The Company's primary business is manufacture of Mushroom, vegetables, Cheese, Yogurt, Appetizers, snacks, sweets and French fries and trading of daily one tablet etc.

Discussions on Financial Performance With Respect to Operational Performance

During the year under review, the total income of your Company was Rs. 11049.77 Lacs as compared to Rs. 8316.28 lacs in the previous year thereby registered a growth of 32.86%. The net profit before tax of the company for the current financial year is of Rs. 1990.60 lacs as compared to Rs. 1688.35 lacs in the previous year. There is a rise of 17.90% in operational profits as compared to the last financial year.

**Human Resources**

During the year 2011-12 your company's Human Resources are as under

Category	As on 31.03.2012	As on 31.03.2011
Skilled employees	462	400
Non –Skilled Employees	1020	900
Total	1482	1300

Outlook

The Company is expecting a better growth in the current financial year. Moving forward, we propose to engage JR Simplot in our manufacturing assets and integrate the production and marketing operations to achieve greater synergies and become the unchallenged market leaders in our part of the World.

Exports business is limping back to normal and will take a few more quarters to achieve and exceed the earlier levels. However domestic business is shaping well and is expected to remain the major market for our products in future.

We have opened two new marketing offices at Gurgaon: Himalya International Ltd. for Fresh canned & chilled products and Himalya Simplot Pvt Ltd (JV) for all frozen products headed by top professionals in the Industry.

We have also added many top notch professionals at both plants to ensure seamless production and international quality standards.

Company is confident to become the market leader within the next few years

Internal Control System and Their Adequacy

Broadly the internal controls and systems are broken up into following areas:

- 3 Financial Systems and Reporting
- 3 Management Reporting
- 3 HR Systems and Reporting
- 3 Sales Systems and Reporting
- 3 Capital Asset Systems and Reporting
- 3 Operational Fulfillment Systems and Reporting
- 3 General Administrative Systems and Reporting
- 3 Knowledge Management Systems

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

Risk and Concerns

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

Cautionary Statement

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

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

**REPORT ON CORPORATE GOVERNANCE****I. COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE**

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

II. BOARD OF DIRECTORS**(A) Composition of Board**

The Present Board of Directors of our Company comprises Directors consisting of Two Non-Executive and 4

S.No.	Name	Category
1	Mr. Man Mohan Malik	Promoter- Executive Director
2	Mrs. Sangita Malik	Promoter- Executive Director
3	Mr. Sanjiv Kakkar	Promoter- Executive Director
4	Mrs. Anita Kakkar	Promoter- Executive Director
5	Mr. Sunil Khera	Non- Executive Independent Director
6	Mr. Chander Prakash Chabbra	Non- Executive Independent Director

Non Executive Directors**(B) Non Executive Director's Compensation and Disclosures**

The Non Executive Directors of the Company are paid sitting fees as fixed by the Board of Directors within limits prescribed under the Companies Act, 1956. Besides sitting fee non-executive directors are not paid any remuneration.

(C) Other provisions as to Board and Committee

The details of the other directorship of the Board and their attendance at the Board meetings held during the year, i.e. between April 1, 2011 to March 31, 2012 is given in the following table:

Name	Category	Board Meeting attending during	Attendance at last AGM	No. of Director ship in other companies*	No. of committee position held chairman/member **
Mr. Man Mohan Malik	Promoter- Executive Director	5	Yes	-	3
Mrs. Sangita Malik	Promote-Executive Director	4	Yes	-	1
Mr. Sanjiv Kakkar,	Promoter-Executive Director	1	No	-	1
Mrs. Anita Kakkar	Promoter-Executive Director	1	No	-	1
Mr. Sunil Khera	Non- Executive Independent Director	4	Yes	-	3
Mr. Chander P. Chabbra	Non- Executive Independent Director	4	Yes	-	3

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



** Includes only chairmanship/membership of Audit Committee, Remuneration Committee and Shareholders / Investors Grievance Committee.

The Board periodically reviews Compliance reports of all laws applicable to the Company and has put in place procedure to review steps taken by the Company to rectify the instances of non-compliances, if any.

(D) Number of Board Meetings held and dates:

During the financial year 2011-2012 the Board of Directors met Five (5) times. The dates of the meetings are 30th April, 2011, 30th July 2011, 2nd Sept 2011, 29th Oct. 2011 and, 20th Jan 2012.

(E) Information supplied to the Board:

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

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

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

(F) Code of conduct:

In terms of the new provisions of clause 49 of the listing agreement and contemporary practices of good corporate governance a code of conduct for all the Board members and senior management personnel has been approved by the Board of Directors vide their meeting held on 29th Oct, 2011 and the same has been posted on the web-site of the Company. All the Board members and senior management personnel have affirmed compliance with the code of conduct during the year 2011-12.

III. AUDIT COMMITTEE:

(A) Qualified & Independent Audit Committee:

Mr. Man Mohan Malik is the chairman of the committee. The term of reference covers all aspect stipulated by the SEBI guideline as specified in clause 49 of the listing agreement with Stock Exchange. The current term of reference also fully conform to the requirements of section 292A of the Companies Act' 1956.

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

Chairman : Mr. Man Mohan Malik

Member : Mr. Shunil Khera, Chander Prakash Chabbra and Sangita Malik

(C) Meetings of Audit Committee

During the year Four meetings were held and the Composition of the Audit Committee and number of meetings attended by the members are given below:

Sl. No	Name of Member(s) of Audit Committee	Category	No. of Meetings	
			Held	Attended
1.	Mr. Man Mohan Malik	Chairman	4	4
2.	Mr. Sunil Khera	Member	4	4
3.	Mrs. Sangita Malik	Member	4	4
4.	Mr. Chander Prakash Chabbra	Member	4	4



(C) Powers of the Audit Committee

The Audit Committee has powers including:

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

(D) Role of Audit Committee:

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

(E) Review of information by the Audit Committee

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

(A) Related Party Transaction

- i. Statements containing transactions with related party has been submitted periodically before the Audit Committee.
- ii. There are no materially significant related party transactions with the Company's promoters, Directors, the management, the relatives, which may have potential conflict with the interest of the Company at large. Suitable disclosures as required by Accounting Standard (AS - 18) on transaction with related parties have been shown in note no. 26.3 of schedule S in notes on accounts of the Annual Accounts for the year.

(B) Disclosure of Accounting Treatment

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



(B) Risk Management

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

IV Remuneration Committee (Non-Mandatory)

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

1. Mr. Man Mohan Malik, Chairman
2. Mr. Sanjiv Kakkar, Member
3. Mr. Sunil Khera, Member
4. Mr. Chander Prakash Chhabra

During the year there are one such Remuneration Committee Meeting of the Company has been held by the Company on 30th November 2011.

Non-Executive Directors

a. The Non-Executive Directors are entitled to sitting fee only for attending Board/Committee meetings. A sitting Fee of Rs. 2500/- per meeting is paid for attending Board/Committee meeting.

b. During the year under review, the Company has not paid any remuneration to any Non-Executive Directors.

c. There has been no pecuniary relationships or transactions of the non-executive directors vis-à-vis the Company during the year.

d. The Company has paid sitting fee aggregating Rs. 25,000 /- to all the Non Executive Directors which is within the limits as prescribed under the Companies Act 1956. No other payments were made to such directors.

Number of Shares held by Non-Executive Director 60,000/-

Shareholders'/ Investors' Grievance Committee:

The Shareholders'/ Investors' Grievance Committee presently comprises of three Directors viz. Mr. Man Mohan Malik, Mr. Sunil Khera and Mr. Chander Prakash Chhabra

The Company received 5 (Five) complaint from investor during the financial year 2011-2012, which were promptly and satisfactorily resolved.

During the year there is 18 share holder committee meetings.

VI. CEO/CFO CERTIFICATION

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

(a) They have reviewed financial statement and cash flow statement for the year ended 31st March 2012 and to the best of their knowledge and belief:

(i) these statements do not contain any material untrue statement or omit any material fact or contain that might be misleading.

(ii) These statements together present a true and fair view of the Company affairs and are in compliance with existing accounting standards, applicable laws and regulations.



- (b) There are, to best of their knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violate the Company's code of conduct.
- © They accept responsibility for establishing and maintaining internal controls for financial reporting and that they have aluated the effectiveness of internal control systems of the Company pertaining to financial reporting and they have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal control, if any of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.
- (d) They have indicated to the Auditors and Audit Committee:
- (i) significant changes in internal control over financial reporting during the year.
 - (ii) significant changes in accounting policies during the year and that same has been disclosed in the notes to financial statements, and
 - (iii) instances of significant fraud of which they have become aware and the involvement therein, if any of the management or an employee having a significant role in the Company's internal control system over financial reporting.

VII. REPORT ON CORPORATE GOVERNANCE

The quarterly compliance report has been submitted to the stock exchanges where the companies' equity shares are listed in the requisite format and duly signed by the compliance officer.

VIII. COMPLIANCE

The other information for the benefit of the shareholders is as under:

(I) General Body Meetings:

Details of Location, Date and Time of Annual General Meetings held during last three years are given below:

Particulars	Time	Dated on which held	Venue
20 th AGM	3.00 PM	30 th September 2011	Sunder Farm, Road No. 2, Farm No. 41, Ghitorni, New Delhi -110030
19 th AGM	4.00 PM	30 th September 2010	Gokul Gardens Banquets (P) Ltd., Sector-7, Near Flyover, Dwarka, New Delhi -75
18 th AGM	4.00 PM	30 th October 2009	Centre for Cultural Resources and Training, 15A, Sector-7, Dwarka, New Delhi-75

The shareholders through postal ballot passed no ordinary or special resolutions during the F.Y.2011-2012. At the ensuing Annual General Meeting there is no special Resolution proposed to be passed through the postal ballot.

During the year under review one Extra Ordinary General Meeting is conducted at its head office of the company at Village Shubh, Paonta Sahib (H.P) – 173025 on dt 30th May, 2011 to pass a special resolution

To allow Issue of two million Warrants on preferential basis to promoters according to the guideline as provided under Chapter XIII A of the SEBI, (Issue of Capital and Disclosure Requirements) Regulation, 2009 at Rs.26/- warrants convertible into one share within 18 months from the date of allotment.

No allotment is made against this approval.

(ii) Means of Communications

- Quarterly/Yearly results are published in prominent newspapers.
- Company issues press releases from time to time.
- Information of the Company are available on website of the company:
www.Himalyainternational.com



A detailed Management Discussion and Analysis as per requirement of Clause 49 of the Listing agreement is forming part of Annual report.

(iii) General shareholder information Annual General Meeting

Day & Date :29th September, 2012 Time:04.00 P.M.

Venue: SANGAM FARM, No. 34, Road No.2, Ghitorni, New Delhi,-110030,

Financial Calendar (Tentative):

-Next Annual General Meeting	:	End September 2013
-Un-audited results for the quarter ended June 2012	:	30 th July 2012
-Un-audited results for the quarter/half year ended September 2012	:	End October 2012
-Unaudited results for the quarter ended December 2012	:	End January 2013
-Un-audited results for the Quarter ended March 2013	:	End April 2013
-Audited Results for the Year ending March 2013	:	June/August 2013

Date of Book Closure:

From 23rd day of September 2012 to 29th day of September 2012 (both days inclusive) for the purpose of Annual General Meeting.

Name of the Stock Exchanges on which the equity shares of the Company are listed:

Bombay Stock Exchange

Stock Code: The Stock Exchange, Mumbai : 526899

Listing Fee:

Listing fee has been paid to The Stock Exchanges upto the financial year 2011-2012.

ISIN no allotted to the depositories namely, NSDL and CDSL is INE552B01010.

Market Price Data:

Monthly high and low of the equity shares of the Company in The Stock Exchange, Mumbai (BSE) for the F.Y. 2011-12 are stated herein below:

Month	Bombay Stock Exchange (BSE)	
	High(Rs.)	Low(Rs.)
April 2011	27.00	23.30
May 2011	24.80	21.00
June 2011	29.70	21.90
July 2011	29.90	25.75
August 2011	27.80	21.55
September 2011	25.00	21.75
October 2011	24.50	21.50
November 2011	23.55	15.70
December 2011	19.90	15.80
January 2012	24.50	15.40
February 2012	29.45	23.00
March 2012	27.30	22.60



HIMALYA INTERNATIONAL LIMITED



Distribution Schedule of shareholding as on 31.03.2012:

Share Holding of Nominal Value of Rs.	Number of Shareholders	% To Total	No. of Shares	Amount in Rs	% To Total
Up To 5000	12,952	75.61	27,00,806	2,70,08,060	5.2541
5001 to 10000	2,041	11.92	17,93,331	1,79,33,310	3.4887
10001 to 20000	982	5.73	15,69,397	1,56,93,970	3.0531
20001 To 30000	341	1.99	9,03,105	9,031,050	1.7569
30000 To 40000	146	0.85	5,39,655	5,396,550	1.0498
40001 To 50000	197	1.15	9,50,778	9,507,780	1.8496
50001 To 100000	207	1.21	15,71,975	15,719,750	3.0581
100001 To and Above	263	1.54	4,13,75,059	4,13,750,5908	0.4898
Total	17,129	100.00	5,14,04,106	5,14,041,060	100.000

Share Holding Pattern as on 31.03.2012

S.No.	Particular	Number of Shares	% To Total
1	A) Promoter and Promoter Group		
	Indian Promoters:		
	Individual/HUF	17,21,889	3.35
	Bodies Corporate	22,62,100	4.40
	Directors & their relatives	1,28,32,208	24.96
	Total Shareholding (A)	1,68,16,197	32.71
	(B) Public Shareholding		
1	Institutions:		
	Foreign Institutional Investor	24,00,000	4.67
2	Non-Institutions:		
	Bodies Corporate	74,72,759	14.54
	Individuals	1,63,85,822	31.88
	Clearing Members	37,284	0.07
	Employees	11,14,025	2.17
	Trusts	10,00,000	1.95
	NRI	7,56,340	1.47
	HUF	10,19,066	1.98
	OCB	44,02,613	8.56
	Sub Total (B)	3,45,87,909	67.29
	Total (A+B)	5,04,04,106	100.00
	Registrar & Share Transfer Agents:		

M/s. Beetal Computer & Financial Services Pvt. Ltd
 Beetal House, 3rd Floor, 99, Madangir,
 BH - Local Shopping Centre
 Near Dada Harsukhdas Mandir, New Delhi - 110 062,



System of Share Transfer/ de-materialization/ re-materialization etc.: The aforementioned RTA has its own infrastructure commensurate with the work undertaken and is manned by skilled and trained staff.

De-materialization of shares and liquidity:

Company's shares are now in Compulsory Demat category. Over 75.65 % of the shares have been dematerialized. The Equity Shares are listed on Bombay Stock Exchanges.

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

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

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

Address for correspondence:

Company's Registered Office

Company Secretary
Himalya International Limited
E 555, 2nd Floor,
Palam Extension, Sector- 7,
Dwarka, New Delhi – 110 077
Tele : 011-45108609

E-mail: dgmaf@himalyainternational.com Web-site: www.himalyainternational.com

Head Office

Vill- Shubh Khera, Paonta Sahib, Distt. Sirmour (H.P.)
Tele : 01704-223494, Fax : 01704-225178

Marketing office

3rd Floor, 308 Tower B, Global Business Park, M.G. Road, Gurgaon-122002, India, +91-0124- 4498154

Declaration:

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

Place: Paonta Sahib
Dated: 03.09.2012

For and on Behalf of the Board

(Man Mohan Malik)
Chairman & Managing Director



AUDITORS REPORT

To,
The Members,
Himalya International Limited,
New Delhi.

1. We have audited the attached Balance Sheet of Himalya International Limited as at 31st March 2012 and the Manufacturing and Profit and Loss Account and Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to above, we report that :
 - (i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (ii) In our opinion, proper books of accounts as required by law have been kept by the company so far as appears from our examination of those books.
 - (iii) The Balance Sheet and the Manufacturing and Profit and Loss Account and Cash Flow statement dealt with by this report are in agreement with the books of account, of the company.
 - (iv) In our opinion, the Balance Sheet and Manufacturing Profit and Loss Account and Cash Flow statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
 - (v) On the basis of written representations received from the directors, as on 31st March 2012 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March 2012 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
 - (vi) Subject to above and read together with other notes appearing in schedule 18, the said statement of accounts, in our opinion and to the best of our information and according to the explanations given to us, give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India :
 - (a) In the case of the Balance Sheet, of the state of affairs of the company as at 31st March 2012.
 - (b) In the case of the Profit and Loss Account, of the profit for the year ended on that date, and
 - (c) In the case of cash flow statement, of the cash flows of the year ended on that date.

For **ANUJEET DANDONA & Co.**
Firm Registration No.006118C
Chartered Accountants

(ANUJEET SINGH)
Proprietor FCA.
M No.73662

Dated: 25.08.2012
Place: Dehradun



Referred to in paragraph 3 of our report of even date

- (I) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) All the assets have not been physically verified by the management during the year but 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) According to the information and explanations given to us, the company has not disposed off substantial part of its fixed assets during the year.
- (ii) (a) The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
- (b) The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
- (c) The company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material.
- (iii) (a) The company has granted loans to other companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956 as under:

(Rs '000')			
Name of the company	Nature of loan	Balance as on 31.03.2012	Maximum Amount Due
APJ Laboratories Ltd.	Advance against purchase	Rs.35031/-	Rs.35031/-

- (i) The terms of the loans are not prejudicial to the interest of the company.
- (ii) The repayment of principal and interest, wherever applicable, is as per term and conditions.
- (iii) Not applicable in terms of observation at (iii) (a) supra.
- (b) Further, The company has not taken loans from other companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Further Disclosure is not required.
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and nature of its business with regard to purchases of inventory, fixed assets and with regard to the sale of goods. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal controls.
- (v) (a) According to the information and explanations given to us, we are of the opinion that the transactions that need to be entered into registers maintained under section 301 of the Companies Act, 1956, have been so entered.
- (b) In our opinion and according to the information and explanation given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 and exceeding in value of Rs. 5 lacs, in respect of any party during the year, have been made, keeping in view surrounding circumstances, and quantum of transaction, at prices which are reasonable having regard to the prices prevailing in the market at the relevant time for similar transactions.



- (vi) In our opinion and according to the information and explanations given to us, the company has not accepted any loans/ deposits from public falling within the provisions of sections 58 A and 58 AA of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975 with regard to the deposits accepted from the public.
- (vii) In our opinion, the company has an internal audit system commensurate with the size and nature of its business.
- (viii) The Central Government Rules for the maintenance of cost records under section 209 (1) (d) of the Companies Act, 1956 are not applicable to the Company.
- (ix) (a) The company is regular in depositing with appropriate authorities undisputed statutory dues including income tax, sales tax, and other statutory dues applicable to it.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of income tax/ sales tax/ excise duty which were in arrears, as at 31/03/12 for a period of more than six months from the date they became payable.
- © According to the record of the company, the details of disputed dues of income tax, Excise Duty and stamp duty are as under:

Particulars of dues	Amount Rs. '000'	Period to which amount relates	Forum where dispute is pending
Income Tax	6751	AY 2003-04	CIT (Appeal)
Income Tax	5493	AY 2006-07	CIT (Appeal)
Income Tax	49488	AY 2007-08	CIT (Appeal)
Income Tax	89602	AY 2008-09	CIT (Appeal)
Income Tax	125432	AY 2009-10	CIT (Appeal)
Excise Duty	943	-	Tribunal
Stamp Duty	565	-	High Court (H.P.)

- (x) The Company has no accumulated losses at the end of the financial year and It has not incurred cash losses in the current year and immediately preceding financial year.
- (xi) Based on our audit procedures and according to the information and explanations given to us, in our opinion the company has not defaulted in repayment of dues to a financial institution.
- (xii) The clause is not applicable to the company since the company has not granted any loans and advances on the basis of security by way of pledge of shares/ debentures and other securities.
- (xiii) In our opinion, the company is not a chit fund or a nidhi mutual benefit fund/ society. Therefore, the provisions of the clause 4 (xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- (xiv) In our opinion, the company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4 (xiv) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- (xv) In our opinion, the clause is not applicable to the company since the company has not given guarantees for loans taken by others from banks or financial institutions.
- (xvi) In our opinion, the term loans have been applied for the purpose for which they were raised.



- (xviii) According to the information and explanations given to us, the company had not made the Preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Act i.e. as under.
- (xix) According to the information and explanations given to us, during the year covered by our audit report, the company has not issued any debentures.
- (xx) The company has not raised any money by public issue during the year.
- (xxi) According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the course of our audit.

For **ANUJEET DANDONA & Co.**
Firm Registration No.006118C
Chartered Accountants

(ANUJEET SINGH)
Proprietor FCA.
M No.73662

Dated: 25.08.2012
Place: Dehradun



HIMALYA INTERNATIONAL LIMITED



Himalya International Limited
Balance Sheet as at March 31, 2012
(All amounts in Rs '000 unless otherwise stated)

	Note No	As at March 31, 2012	As at March 31, 2011
EQUITY & LIABILITIES			
Shareholders' funds			
Share capital	3	514,041	504,321
Reserves and surplus	4	1,154,882	981,346
		1,668,923	1,485,667
Non-current liabilities			
Long-term borrowings	5	683,549	642,479
Deferred tax liabilities		25,293	9,203
Other Long term liabilities	6	425	400
Long-term provisions	7	3,689	3,616
		712,957	655,698
Current liabilities			
Short-term borrowings	8	566,457	264,791
Trade payables	9	35,212	24,229
Other current liabilities	9	236,745	117,774
Short-term provisions	10	26,798	16,742
		865,212	423,536
TOTAL		3,247,092	2,564,901
ASSETS			
Non-Current assets			
Fixed assets	11		
Tangible assets		940,586	594,544
Intangible assets		-	-
Capital work-in-progress		1,252,985	1,381,016
Intangible assets under development		-	-
Non-current investments	12	47,000	-
Long-term loans and advances	13	30,761	16,651
Other non-current assets	14	14,006	7,884
		2,285,338	2,000,095
Current assets			
Inventories	15	662,541	219,705
Trade receivables	16	172,835	217,296
Cash and cash equivalents	17	18,852	3,507
Short-term loans and advances	18	77,785	88,635
Other current assets	19	29,740	35,661
		961,754	564,804
TOTAL		3,247,092	2,564,901

The notes referred to above and notes to accounts form an integral part of the Balance Sheet

As per our report of even date

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

(Anujeet Singh)
Proprietor FCA
Membership No. 73662

Place: Dehradun
Date: 25.08.2012

For and on behalf of the Board

Man Mohan Malik
Chairman & Managing Director
DIN:00696077

Sangita Malik
Director
DIN: 02428506

Ajay Kaushik
DGM Finance



Himalya International Limited

Statement of Profit and Loss Account for the year ended March 31, 2012

(All amounts in '000 Rupees unless otherwise stated)

	Note No	For the year ended March 31, 2012	For the year ended March 31, 2011
Continuing Operations			
Revenue from operations	20	1,104,977	831,628
Changes in inventories of finished goods work-in-progress and Stock-in-Trade	21	293,379	11,415
Total Revenue		1,398,356	843,043
Expenses:			
Manufacturing & Other Exp	22	820,464	363,815
Employee benefits expense	23	54,708	30,995
Other expenses	24	203,917	160,900
Total Expenses		1,079,089	555,710
Earning before financial expenses, depreciation/amortisation and taxes		319,266	287,333
Finance costs	25	77,301	87,678
Depreciation and amortization expense	11	42,905	30,820
Profit before tax		199,060	168,835
Tax expense		-	-
- MAT		9,434	8,370
- Deferred tax		16,090	6,856
Profit for the year		173,536	153,609
Earnings per equity share [nominal value of share Rs 10/- (
Previous year Rs 10/-)]	26.16		
- Basic		3.38	3.19
- Diluted		3.38	3.19

The notes referred to above and notes to accounts form an integral part of the Profit and Loss Account.

As per our report of even date

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

For and on behalf of the Board

(Anujeet Singh)
Proprietor FCA
Membership No. 73662

Man Mohan Malik
Chairman & Managing Director
DIN:00696077

Sangita Malik
Director
DIN: 02428506

Place: Dehradun
Date: 25.08.2012

Ajay Kaushik
DGM Finance

**Himalya International Limited****CASH FLOW STATEMENT FOR YEAR ENDED 31ST MARCH, 2012
PURSUANT TO CLAUSE 32 OF THE LISTING AGREEMENTS****AMOUNT**
(Rs. in '000)**CASH FLOW FROM OPERATING ACTIVITIES**

Net Profit As per P & L Account 173536

Adjustment for:

Depreciation

42905

Add/(Less) Refund/ (Payment) of Taxes

16090

58995

A. OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES

232531

Adjustment for :

(Increase)/Decrease in Investments

(47000)

(Increase)/Decrease in Loan and advances

(3260)

Increase/(Decrease) in Borrowings

41168

(Increase)/Decrease in Current Assets

(398574)

Increase/(Decrease) in Current Liabilities

441676

34010

NET CASH FROM OPERATIVE ACTIVITIES

266541

B. CASH FLOW FROM INVESTING ACTIVITIES

Purchase of / Advance for Fixed Assets

260916

NET CASH PAID FROM INVESTING ACTIVITIES

260916

C. CASH FLOW FROM FINANCING ACTIVITIES :

Proceeds from issue of share capital

9720

NET CASH RECEIVED FOR FINANCING ACTIVITIES

9720

NET DECREASE IN CASH AND CASH EQUIVALENTS

15345

CASH AND CASH EQUIVALENT (OPENING)

3507

CASH AND CASH EQUIVALENT (CLOSING)

18852

For and on behalf of Board

Place: Dehradun

Date: 25.08.2012

Man Mohan Malik

Chairman & Managing Director

DIN:00696077

AUDITOR'S CERTIFICATE

We have verified the above Cash Flow Statement of Himalya International Ltd. derived from the Audited financial statement for the year ended March 31, 2012 and found the same are drawn in accordance therewith and also with the requirements of Clause 32 of the listing Agreements with the stock exchanges

FOR ANUJEET DANDONA & CO.

Firm Registration No.006118C

Chartered Accountants

(ANUJEET SINGH)

Proprietor FCA

Membership No.73662

Place: Dehradun

Date: 25.08.2012



=+'Profit & Loss Account'!A2

Notes to Accounts

(All amounts in Rupees unless otherwise stated)

1. Nature of Operations : Himalya International Ltd., incorporated in New Delhi, India, is a food processing company engaged in growing of mushrooms, IQF ready to eat items and trading in nutritional supplement. It is exporting its products to USA and also selling them domestically.

2. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation : The financial statements have been prepared to comply in all material respects with the Accounting Standards notified by Companies (Accounting Standards) Rules, 2006, (as amended) and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared under The historical cost convention on an accrual basis except in case of assets for which provision for impairment is made and revaluation is carried out. The accounting policies have been consistently applied by the Company with those used in the previous year.

(b) Use of Estimates : The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

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

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

(e) Depreciation : Depreciation is provided using the Straight Line Method as per the useful lives of the assets estimated by the management, or at the rates prescribed under schedule XIV to the Companies Act, 1956.

Particulars	Rates (SLM)	Schedule XIV Rates (SLM)
Buildings		
- Admin Building	1.63%	1.63%
- Factory Building	3.34%	3.34%
Plant and Machinery	4.75%	4.75%
Computers (included in plant & machinery)	16.21%	16.21%
Furniture and Fittings	6.33%	6.33%
Vehicles:		
- Cars	9.50%	9.50%
- Trucks	11.31%	11.31%

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



(h) Inventories : Inventories are valued as follows:

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

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

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

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

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

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

(l) Dividends : Revenue is recognised when the shareholders' right to receive payment is established by the balance sheet date. Dividend from subsidiaries, if any, is recognised even if same are declared after balance sheet date but pertains to period on or before the date of balance sheet as per the requirement of schedule VI to the Companies Act, 1956.

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

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

(o) Foreign currency translation :

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

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

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

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

(iv) Forward Exchange Contracts not intended for trading or speculation purposes : The premium or discount arising at the inception of forward exchange contracts is amortised as expense or income over the life of the contract. Exchange differences on such contracts are recognised in the statement of profit and loss in the year in which the exchange rates change. Any profit or loss arising on cancellation or renewal of forward exchange contract is recognised as income or as expense for the year. However, exchange difference in respect of accounting period commencing on or after 7th December, 2006 arising on the forward exchange contract undertaken to hedge the long term foreign currency monetary item, in so far as asset, are added to or deducted from the cost of asset and in other cases, are accumulated in "Foreign Currency Monetary Item Translation Difference Account" and amortised over the balance period of such long term asset / liability but not beyond 31st March, 2011.



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

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

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

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

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

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

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

(q) Income taxes: Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India [and tax laws prevailing in the respective tax jurisdictions where the Company operates].

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

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

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

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



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

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

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

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

(v) Impairment : The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, The Company has measured its 'value in use' on the basis of undiscounted cash flows of next five years projections estimated based on current prices. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

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

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

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



HIMALYA INTERNATIONAL LIMITED



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

Note 3 Share Capital

Particulars	As at March 31, 2012 Amount in Rs. ('000)	As at March 31, 2011 Amount in Rs. ('000)
Authorised		
7,50,00,000 (Previous year 7,50,00,000) equity shares of Rs. 10/- each	750,000	750,000
	<u>750,000</u>	<u>750,000</u>
Issued		
5,14,04,106 (Previous year 5,04,32,106) equity shares of Rs. 10/- each	514,041	504,321
	<u>514,041</u>	<u>504,321</u>
Subscribed & Paid up		
5,14,04,106 (Previous year 5,04,32,106) equity shares of Rs. 10/- each	514,041	504,321
Total	<u>514,041</u>	<u>504,321</u>

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

Particulars	March 31, 2012		March 31, 2011	
	Number ('000)	Amount in Rs. ('000)	Number ('000)	Amount in Rs. ('000)
Equity shares				
At the beginning of the year	50,432	504,321	40,582	405,821
Issued during the year	972	9,720	9,850	98,500
Outstanding at the end of the year	<u>51,404</u>	<u>514,041</u>	<u>50,432</u>	<u>504,321</u>

(b) Terms/rights attached to equity shares

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

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

Name of Shareholder	As at March 31, 2012		As at March 31, 2011	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
BENNETT COLEMAN & CO. LTD.	5000000	9.73	5000000	9.91
FIRST FAMILY HOLDING	3302613	6.42	3302613	6.55

(d) Shares reserved for issue under options

For details of shares reserved for issue under the employee stock option (ESOP) plan of the company, please refer Note 08.

The company has issued 972000 shares under ESOP during the year against the approved 1500000 equity shares under scheme of ESOP 2008.

Note 4 Reserve and surplus

Particulars	As at March 31, 2012	As at March 31, 2011
Capital Fund	<u>104</u>	<u>104</u>
Capital Reserve	<u>29,227</u>	<u>29,227</u>
Securities premium reserve		
Balance as per last financial statements	331,315	224,340
Add: premium received on issue of equity shares	-	106,975
Less: amount utilised towards issue expenses of new equity share	-	-
Closing Balance	<u>331,315</u>	<u>331,315</u>
Accumulated Profits in the statement of profit and loss		
Balance as per last financial statements	620,700	467,091
Profit for the year	173,536	153,609
Accumulated Profits in the statement of profit and loss	<u>794,236</u>	<u>620,700</u>
Total reserves and surplus	<u>1,154,882</u>	<u>981,346</u>



HIMALYA INTERNATIONAL LIMITED



Himalya International Limited

Notes to Accounts

(All amounts in Rs '000 unless otherwise stated)

Note 5 Long term borrowings

Particulars	Non Current Portion		Current Maturities	
	As at March 31, 2012	As at March 31, 2011	As at March 31, 2012	As at March 31, 2011
Secured				
Term loans				
from banks	683,550	642,183	109,390	27,527
from other parties	(0)	296	296	1,072
Other loans and advances				
Long term maturities of finance lease obligations	-	-	-	-
Hire purchase loans from banks	-	-	-	-
Total	683,549	642,479	109,687	28,599
Unsecured				
Debentures				
Total amount	683,549	642,479	109,687	28,599

Notes:

a. Term loans from banks:- Term Loan from SBI Overseas Branch is secured by way of pari passu charge on equitable mortgage of free hold land & Building at village Subhkhera, Paonta Sahib and Equitable Mortgage of Leasehold Land at Gondpur Industrial Area, and fixed assets purchased out of the loan amount and second pari-pasu charge on free hold land & Building and Plant & Machinery at Village Sultanpur, Vadnagar, Distt. Mehsana, Gujarat alongwith personal guarantees of the Directors and Promotors.

Term Loan from Corporation Bank M-41, Cannought Circus Branch, New Delhi, Exim Bank Chandigarh and Bank of Baroda is secured by way of first charge on free hold land & Building and plant & Machinery at Village Sultanpur, Vadnagar, Distt. Mehsana, Gujarat and second pari-pasu charge on free hold land at Subhkhera, Paonta Sahib and Equitable Mortgage of Leasehold Land at Gondpur Industrial Area, and other fixed assets alongwith personal guarantees of the Directors and Promotors.

All vehicle loans are secured against the vehicle and personal guarantee of the CMD Mr. Man Mohan Malik.

DG Set loan is secured against the DG Set and personal guarantee of the CMD Mr. Man Mohan Malik.

The Company has not defaulted in either repayment of principal or interest, during the year.

Repayment Terms:

PARTICULARS	Balance Rs'000	Rate of Interest	Date of Maturity	Repayment
Loan Funds				
Secured				
From Banks				
State Bank of India (Rupee Loan)	19035	16.00	30.09.2013	Quarterly
Corporation Bank 1 (FCTL)	247025	6.0+Libor	31.03.2019	Monthly
Corporation Bank 2 (Rupee Loan)	181450	15.25	31.03.2019	Monthly
Export Import Bank of India (FCTL)	295000	5.25+Libor	29.03.2020	Quarterly
Bank of Baroda (Rupee Loan)	40000	14.75	25.03.2018	Quarterly
ICICI Bank Limited (Rupee Loan)	1650	9.49	15.09.2014	Monthly
HDFC Bank 1 (Rupee Loan)	3769	8.73	05.01.2015	Monthly
HDFC Bank 2 (Rupee Loan)	1520	11.69	05.01.2014	Monthly
HDFC Bank 3 (Rupee Loan)	1513	11.75	20.03.2014	Monthly
HDFC Bank 4 (Rupee Loan)	1978	11.49	20.03.2014	Monthly
Total	792940			



Installments due during Next year

From Banks

State Bank of India (Rupee Loan)	12500
Corporation Bank 1 (FCTL)	36000
Corporation Bank 2 (Rupee Loan)	27900
Export Import Bank of India (FCTL)	20000
Bank of Baroda (Rupee Loan)	9000
ICICI Bank Limited (Rupee Loan)	620
HDFC Bank 1 (Rupee Loan)	937
HDFC Bank 2 (Rupee Loan)	789
HDFC Bank 3 (Rupee Loan)	714
HDFC Bank 4 (Rupee Loan)	931

Total 109390

b. Term loans from other parties

Security Clause

-All vehicle loans are secured against the vehicle and personal guarantee of the CMD Mr. Man Mohan Malik.

Repayment terms

PARTICULARS	Balance Rs'000	Rate of Interest	Date of Maturity	Repayment
From Others				
Sundaram Finance limited	75	13.89	22.07.2012	Monthly
Tata Capital Limited	112	13.00	03.09.2012	Monthly
Tata Capital Limited	45	13.00	03.09.2012	Monthly
Tata Capital Limited	64	13.00	03.08.2012	Monthly
Total	<u>296</u>			

Installments due during Next year

From Others

Sundaram Finance limited	75
Tata Capital Limited	112
Tata Capital Limited	45
Tata Capital Limited	64
Total	<u>296</u>

- The Company has not defaulted in either repayment of principal or interest, during the year.

The above amount includes

Secured borrowings	683,549	642,479	109,687	28,599
Unsecured borrowings	-	-	-	-
Amount disclosed under the head" other current	109,687	28,599	(109,687)	(28,599)
Net Amount	793,236	671,078	-	-

**Himalya International Limited****Notes to Accounts**

(All amounts in Rs '000 unless otherwise stated)

Note 6 Other long term liabilities

Particulars	As at March 31, 2012	As at March 31, 2011
Others		
Advances and deposits from customers (Non Current)	425	400
Total	425	400

Note 7 Long term provisions

Particulars	As at March 31, 2012	As at March 31, 2011
Provision for employee benefits		
Provision for leave encashment	-	-
Provision for gratuity	3,689	3,616
Total	3,689	3,616

Note 8 Short term borrowings

Particulars	As at March 31, 2012	As at March 31, 2011
Secured		
Loans repayable on demand		
Cash Credit/Export Credit facilities	566,457	264,791
Total	566,457	264,791
Unsecured		
Loans and advances from related parties	-	-
Total amount	566,457	264,791

Notes:**Secured:**

a. Fund base limits of EPC and CC hypothecation, from SBI and Corporation Bank, are secured by

b. Bills Documentry credit limit from SBI and Corporation Bank, is secured by way of first charge



Himalya International Limited

Notes to Accounts

(All amounts in Rs '000 unless otherwise stated)

Note 9 Other Current Liabilities

Particulars	As at March 31, 2012	As at March 31, 2011
Trade payables	35,212	24,229
	35,212	24,229
Advances and deposits from customers	25,594	-
Other Liabilities		
Current maturities of long-term debt	109,687	28,599
Creditors for purchase of fixed assets	85,700	80,627
Other payables		
Expense payable	12,133	6,673
Income tax payable (tax deducted at source)	2,649	1,616
Employees state insurance corporation contribution payable	255	97
Provident fund contribution payable	728	162
	236,745	117,774
Total	271,957	142,003

Note 10 Short term provisions

Particulars	As at March 31, 2012	As at March 31, 2011
Provision for employee benefits		
Provision for leave encashment	1,110	488
Provision for gratuity	-	-
Other		
Provision for tax	25,688	16,254
Total	26,798	16,742



HIMALYA INTERNATIONAL LIMITED



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

Note 11 Fixed assets- Tangible assets

PARTICULARS	GROSS BLOCK			DEPRECIATION/AMORTISATION			NET BLOCK	
	AS ON 01.04.11	ADDITIONS DURING THE PERIOD	SALES/ADL DURING THE PERIOD	TOTAL AS ON 31.03.2012	UPTO 01.04.11	PROVIDED FOR THE PERIOD	ADJUSTMENT	TOTAL AS ON 31.03.2012
Land	116,436	38,852	-	155,288	-	-	-	155,288
Building	193,657	182,660	-	376,317	45,690	11,013	-	319,614
Plant & Machinery	490,005	162,798	-	652,803	189,164	28,021	-	435,618
Furniture and Fixture	7,145	2,043	-	9,188	1,889	550	-	6,749
Vehicles - Cars	16,493	1,152	-	17,645	3,412	1,612	-	12,621
Vehicles - Trucks	16,780	1,442	-	18,222	5,817	1,709	-	10,696
TOTAL	840,516	388,947	-	1,229,463	245,972	42,905	-	940,586
Previous Year	(824,236)	(12,624)	-	(840,516)	(215,152)	(30,820)	-	(594,544)
Capital work in Progress	-	-	-	-	-	-	-	-
								1,252,985
								1,381,016



Himalya International Limited

Notes to Accounts

(All amounts in Rs '000 unless otherwise stated)

Note 12 Non-current investment

Particulars	As at March 31, 2012	As at March 31, 2011
Long term investments (at cost)		
(Equity Shares, Fully paid up, unquoted)		
In joint venture (Himalya Simplot Pvt. Ltd.)		
5000 Shares of Rs 10/- each	50	-
Share Application Money	46,950	-
Less: Provision for diminution in value of Investments	-	-
Total	47,000	-

Notes (1) Aggregate amount of Unquoted Investments:
Cost Rs 4,70,00,000 (As at 31.03.2011 Rs NIL)

Note 13 Long Term loans and advances

Particulars	As at March 31, 2012	As at March 31, 2011
Capital advances		
Unsecured, considered good	-	-
Security deposits		
Unsecured, considered good		
Deposits to related parties	-	-
Deposits to others	8,412	2,734
	8,412	2,734
Subsidy and Other Receivables		
Unsecured, considered good		
Loan to Associates	-	-
Capital Subsidy (MOFPI)	3,167	3,167
Capital Subsidy Cheese Plant (MOFPI)	3,750	3,750
	6,917	6,917
Other loans and advances		
Unsecured, considered good		
Advance tax and tax deducted at source	15,432	7,000
	15,432	7,000
Total	30,761	16,651

Note 14 Other Non Current Assets

Particulars	As at March 31, 2012	As at March 31, 2011
Unsecured, considered good unless stated otherwise		
Mat Credit entitlements	7,884	7,884
Advance to corporate	6,122	-
Total	14,006	7,884



HIMALYA INTERNATIONAL LIMITED



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

Note 15 Inventories

Particulars	As at March 31, 2012	As at March 31, 2011
Inventories (at lower of cost and net realisable value)		
Raw Material	146,664	8,344
Goods in Process	130,403	43,723
Finished Goods	364,172	140,936
Goods in transit	-	16,537
Consumables	21,302	10,165
Total	662,541	219,705

Note 16 Trade Receivables

Particulars	Non-Current		Current	
	As at March 31, 2012	As at March 31, 2011	As at March 31, 2012	As at March 31, 2011
Outstanding for a period exceeding six months from the date they are due for payments				
Secured, considered good	-	-	-	-
Unsecured, considered good	-	-	9,270	10,199
Unsecured, Considered doubtful	-	-	-	-
	-	-	9,270	10,199
Provision for doubtful debts	-	-	-	-
	-	-	9,270	10,199
Other debts				
Secured, considered good	-	-	-	-
Unsecured, considered good	-	-	163,565	207,097
Unsecured, considered doubtful	-	-	-	-
	-	-	163,565	207,097
Provision for doubtful debts	-	-	-	-
	-	-	163,565	207,097
Total	-	-	172,835	217,296
Trade receivables include:				

	Non-Current		Current	
	As at March 31, 2012	As at March 31, 2011	As at March 31, 2012	As at March 31, 2011
Dues from private limited companies in which one or more directors of the Company are directors:	-	-	-	-
	-	-	-	-

Note 17 Cash and bank balances

Particulars	Non-Current		Current	
	As at March 31, 2012	As at March 31, 2011	As at March 31, 2012	As at March 31, 2011
Cash and cash equivalents				
Balances with banks:				
On current accounts with scheduled banks	-	-	14,931	1,356
On current accounts with Non scheduled banks	-	-	7	11
On EEFC accounts	-	-	46	42
	-	-	14,984	1,409
Cheques, drafts on hand	-	-	-	-
Cash on hand	-	-	218	6
Other bank balances				
Deposits with original maturity for more than 12 months	-	-	3,650	2,092
Deposits with original maturity for more than 3 months but less than 12 months	-	-	-	-
	-	-	18,852	3,507

Notes:

Deposits accounts include Rs. 3650 (Previous year Rs.2092) of deposits pledged against Margin money and Bank Guarantees.



HIMALYA INTERNATIONAL LIMITED



Notes to Accounts

(All amounts in Rs '000 unless otherwise stated)

Note 18 Short term loans and advances

Particulars	As at March 31, 2012	As at March 31, 2011
Loans and advances to related parties		
Unsecured, considered good		
Loan to a related party	35,031	20,145
	35,031	20,145
Others		
Unsecured, considered good		
Advances recoverable in cash or in kind or for value to be received	36,777	62,925
TDS receivable	292	115
VAT Receivables	155	870
Staff advance	5,530	4,580
	42,754	68,490
Unsecured considered doubtful		
Advances recoverable in cash or in kind or for value to be received	-	-
Less: Provision for doubtful advances	-	-
Total	77,785	88,635
Dues from private limited companies in which one or more directors of the Company are directors:		
APJ Laboratories Ltd	35,031	20,145
	35,031	20,145

Note 19 Other Current Assets

Particulars	As at March 31, 2012	As at March 31, 2011
Unsecured, considered good		
Interest accrued on		
Fixed deposits	511	-
Subsidy and incentive receivable	29,229	35,661
Debts due by related parties		
Unsecured, considered good		
Interest accrued on loan to subsidiary	-	-
Total	29,740	35,661



HIMALYA INTERNATIONAL LIMITED



Himalya International Limited

Notes to Accounts

(All amounts in Rs '000 unless otherwise stated)

Note 20 Revenue from Operations

Particulars	For the year ended March 31, 2012	For the year ended March 31, 2011
Sale of goods		
Sales- Export	182,583	328,864
Sales- Domestic	901,858	498,861
Minimum Guarantee against processing charges	1,708	2,753
Interest income	1,110	1,150
Export Incentive	2,038	-
Misc. Income	15,680	-
Revenue from operations	1,104,977	831,628

Note 21 Changes in inventories of finished goods work-in-progress and Stock-in-Trade

Particulars	For the year ended March 31, 2012	For the year ended March 31, 2011
Opening Stock		
Goods in Process	43,723	43,672
Finished Goods	140,936	126,859
Finished Goods-in Transit	16,537	19,250
	201,196	189,781
Closing Stock		
Goods in Process	130,403	43,723
Finished Goods	364,172	140,936
Finished Goods-in Transit	-	16,537
	494,575	201,196
Total	293,379	11,415

Note 22 Manufacturing & Other Exp

Particulars	For the year ended March 31, 2012	For the year ended March 31, 2011
Raw Material & Consumables Consumed	667,420	262,429
Labour & Labour welfare	45,046	27,856
Power & Fuel	62,197	41,232
Freight Inward	3,050	1,540
Packing Expenses	30,022	21,455
Others	12,729	9,303
Manufacturing & Other Exp	820,464	363,815
Raw Material & Consumables Consumed		
Opening Stock	18,509	23,115
Purchases	816,877	257,823
Less : Closing Stock	167,966	18,509
Cost of Goods Consumed	667,420	262,429



Himalya International Limited

Notes to Accounts

(All amounts in Rs '000 unless otherwise stated)

Note 23 Employee Benefit Plans

Particulars	For the year ended March 31, 2012	For the year ended March 31, 2011
Salaries, wages and bonus	47,571	26,406
Contribution to		
Provident fund	3,779	1,020
Employees' State Incorporation Fund	806	420
Gratuity expenses	73	1,308
Staff welfare expenses	2,479	1,841
Total	54,708	30,995

Note 24 Other Expenses

Particulars	For the year ended March 31, 2012	For the year ended March 31, 2011
Power and fuel	844	632
Rent:		
- Offices and Godowns	12,821	4,151
Rates and taxes	4,726	4,277
Insurance	1,874	690
Repairs and maintenance:		
- Plant and machinery	6,052	5,588
- Building	1,521	1,020
- Others	652	678
Advertisement and sales promotion	5,657	19,629
Postage and courier	672	645
Travelling and conveyance	8,180	6,919
Printing and stationery	2,451	2,451
Communication	4,512	3,854
Legal and professional	4,798	2,025
Payment to Auditors (refer note 27.2)	645	615
Professional fees to doctors	36	26
Selling Expenses	61,513	59,927
Freight Outward	49,511	32,145
Miscellaneous expenses	37,452	15,628
Total	203,917	160,900

Note 25 Finance Cost

Particulars	For the year ended March 31, 2012	For the year ended March 31, 2011
Interest expense		
on fixed loans	66,190	34,050
on other loans	1,349	690
Other borrowing costs	835	1,529
Loss on Exchange Fluctuation	8,927	51,408
Total	77,301	87,677



Himalya International Limited

Notes to Accounts

(All amounts in Rs '000 unless otherwise stated)

Note 26

26.1 Directors' Remuneration

(included under head salary)

	2012	2011
Salaries to Managing Director	7292	3877
Salaries to Whole Time Director	679	569
Contribution to Provident fund	80	86

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

26.2 Auditor's Remuneration

(included under head administrative expenses)

	2012	2011
Professional Fee		
-Audit Fees	500	500
-Tax Audit Fees	100	100
Reimbursement of Expenses	45	15.08

26.3 Related Party Disclosures

a Name of Related Parties

Key Management Personnel and their relatives

Mr. M.M. Malik
Mrs. Sangita Malik
Arjun Malik
Jyoti Malik
Anandita Kakkar
Sidharth Kakkar
Purnima Malik
Doon Valley Foods Pvt. Ltd.
Himalya Carbonate Pvt. Ltd.
APJ Laboratories Ltd
Himalya International INC
Himalya Simplot Pvt Ltd.

Enterprises over which key management personnel/
Shareholders / relatives have significant influence

b Related Party Disclosures

Nature of transaction

Managerial Remuneration

	2012	2011
Mr. M.M. Malik	7292	3877
Mrs. Sangita Malik	679	569



HIMALYA INTERNATIONAL LIMITED



	2012		2011	
	Transaction Value	O/S Balance	Transaction Value	O/S Balance
Loans & Advances				
APJ Laboratories Ltd	19519	35031	10350	20145
Himalya Carbonates (P) Ltd	0	0	191	0
Sundry creditors				
Doon Valley Foods Pvt Ltd.	33495	15276	46922	2671
Advance from Customer				
Himalya Simplot Pvt Ltd.	30161	20594	0	0
	2012		2011	
Purchases Value				
APJ Laboratories Ltd		1364.00		646.79
Doon Valley Foods Pvt Ltd.		25059.53		16924.66
Refund of loan and advances				
Himalya Carbonates (P) Ltd		0		191
Purchase of equity shares				
Himalya Simplot Pvt Ltd.		50		0
Share Application Money				
Himalya Simplot Pvt Ltd.		46950		0
Reimbursement of expenses received				
Himalya Simplot Pvt Ltd.		42249		0
Issue of equity shares of Rs. 10 each against share warrants			2012	2011
			No. of shares	No. of shares
Arjun Malik			0	50000
Jyoti Malik			0	800000
Issue of equity shares of Rs. 10 each against 12% FCD				
Arjun Malik			0	525000
Jyoti Malik			0	525000
Anandita Kakkar			0	525000
Sidharth Kakkar			0	525000
Purnima Malik			0	525000
26.4 Capital Commitments			2012	2011
<i>Estimated amount of contracts remaining to be executed on capital account and not provided for.</i>			0	0
26.5 Contingent Liabilities not provided for				
Claims against the Company not acknowledged as debts			0	0
Guarantees and Counter guarantees given by the Company			1120	1120
Letter of credit			0	13860
<i>Income Tax of Rs. 2767.66 lacs in respect of Assessment Year 2003-04, 2006-07, 2007-08, and 2008-09 in respect of which the company has gone on appeal. Based on judicial pronouncements, the Company's claim is likely to be accepted by appellate authorities</i>				
AY 2003-04		6751		6751
AY 2006-07		5493		5493
AY 2007-08		49488		49488
AY 2008-09		89602		89602
AY 2009-10		125432	276766	0
Excise duty on DTA sales pending in Tribunal Delhi			943	943
Stamp duty case from HP Govt.			565	565
			279394	167822

**26.6 Employee Stock Option Plans**

The company has, during the year, granted option for 972000 shares under Employees Stock Option Scheme 2008, Subject to the vesting conditions mentioned in the scheme

ESOP	2011-12		2010-11	
	Number of Option	Weighted average exercise price	Number of Option	Weighted average exercise price
Outstanding at the beginning of the year	0	0	0	0
Granted during the year	1500000	10	0	0
Cancelled During the year	0	0	0	0
Exercised During the year	972000	10	0	0
Expired During the year	0	0	0	0
Outstanding at the end of the year	528000	10	0	0

26.7 Disclosures as required under accounting standard 15 (revised) is given below:

Brief Description: A general description on the type of defined benefit plans are as follows:-

a Earned Leave Benefit (EL)

Accrual-1 leave per 20 working days

Accumulation up to 30 days allowed

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

b Sick Leave (SL)

Accrual-7 days per year

Encashment while in service is not allowed

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

c Gratuity:

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

Key Parameters

	2012	2011
Discount rate	8%	8%
Expected rate of return on assets	0	0
Healthcare cost increase rate	0	0
Rate Of Increase in Compensation levels	10%	10%

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

d Long Service Emblem

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

e Post Retirement Medical Benefits

There is no post retirement medical benefit in the company

f Retirement Benefits

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



HIMALYA INTERNATIONAL LIMITED



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

Defined Contribution Plan	Expenses recognised during 2011-12	Contribution for key management personnel
Employer's contribution to provident fund	1791	80
(Previous year)	(1020)	(61)
Employee State Insurance	590	0
(Previous year)	(420)	0

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

Particulars	Gratuity (UnFunded)	Post Retirement Medical Benefit	Other Retirement Benefits
Present value of unfunded Obligation	3689	0	0
(Previous year)	(3616)	0	0

26.8 Derivative Instruments and hedged Foreign Currency Exposures

Particulars of Derivatives	2012		2011		Purpose
	Rs.	US\$	Rs.	US\$	
Forward contract outstanding as at Balance Sheet date					
Sell					
Forward contracts	161265.00	3000	401534.05	9013.11	Hedge of expected future sales

Conversion rate applied 1 USD=Rs. 53.75 (Previous rate Rs.44.55)

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

Particulars	2011		2011	
	Rs.	US\$	Rs.	US\$
Import Creditors	48258.00	912.94	60626.65	1360.87
Secured loan (Exim Bank)	295000	6433.34	295000	6433.34
Secured loan (Corporation Bank)	247025	5341.12	250000	5405.99

26.10 Deferred Payment Liabilities

Particulars	2012	2011
Deffered Current Assets (Liabilities) as per B/s	(9203)	-2347
Deffered Tax Liability		
Depreciation as per Companies Act	42905	30820
Depreciation as per Income Tax Act	93599	51251
Difference	50694	20431
Deffered Tax Liability	16448	6944
Deffered Tax Assets on 43B Items		
PF (Employers Share) not deposited as on 31.03.2012	846	162
ESI (Employers Share) not deposited as on 31.03.2012	255	98
Total	1101	260
Deffered Tax Assets	357	88
	16090	6856
Net Deffered Tax Liability	(25294)	-9203



26.11 Details of dues to Micro and Small Enterprises as per MSMED Act, 2006 : The classification of the suppliers under MSMED Act, 2006 is made on the basis of information made available to the company. The company has neither paid any interest in the terms of section 16 of the above said act nor any interest remains unpaid and no payments were made beyond the "appointed date" to such enterprises during the year ended 31.03.2012. amount outstanding to these enterprises to the year ended 31.03.2012 is Rs. Nil (previous year Rs. Nil).

26.12 The Company has exercised the option as per the Companies Accounting Standard Rules, 2009. As per the option, exchange differences related to long term foreign currency monetary items, so far as they relate to the acquisition of a depreciable capital assets, are capitalized and depreciated over the useful life of the assets and in other cases, are transferred to Foreign Currency Monetary Item Translation Difference Account and amortized over the balance period of such long term assets/liabilities but not beyond accounting period ending on or before 31st March 2012. The unamortized balance in this account is Rs. Nil (Previous year Rs. NIL)

26.13 Segment Disclosure :

a Primary Segment Disclosure

Particulars	Fresh Mushroom		Processed food		Trading		Total	
	2012	2011	2012	2011	2012	2011	2012	2011
Revenue								
Turnover	610530	396377	467281	430355	6630	2143	1084441	828875
Other Income			20,536	24355			20536	24355
Result	151247	126842	47150	41779	663	214	199060	168835
Un Allocated Corporate Expenses							0	0
Operating Profit							199060	168835
Interest Expenses							0	0
Interest Income							0	0
Income Taxes							25524	15226
Net Profit							173536	153609
Other Information								
Segment Assets	1011063	240697	933215	943188	0	0	1944278	1183885
Unallocated Corporate Assets							1302814	1381016
Total assets							3247092	2564901
Segment Liabilities	343084	90919	514626	215238	0	0	857710	306157
Unallocated Corporate Liabilities							720458	773076
Total Liabilities							1578169	1079233
Capital Expenditure							0	0
Depreciation	24360	13041	18545	17780	0	0	42905	30820
Amortisation	0	0	0	0	0	0	0	0
Non-cash Expenses other than Depreciation and amortisation								

b Information About the Secondary Segments

Revenue and sundry debtors as per Geographical Markets

Particulars	Revenue		Sundry Debtors	
	2012	2011	2012	2011
India	921284	502764	59869	17443
Outside India	182583	328864	112966	224537
Total	1103867	831627	172835	241980

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

26.14 Value of imports calculated on CIF basis

	2012	2011
Raw materials	28660	25260
Components and spare parts	30	0
Capital goods	6441	597274



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

	Percentage of total consumption		2012	2011
	2012	2011		
Raw Materials				
Imported	4.29	9.63	28660	25260
Indigenously obtained	95.71	90.37	638760	237169
	100	100	667420	262429
Spare Parts/Components				
Imported	0.54	0	30	0
Indigenously obtained	99.46	100	5560	3850
	100	100	5590	3850

h Expenditure in foreign currency (Accrual basis)	2012	2011
Professional fees	7628	4379
Purchase of Raw Materials	25260	25260
Purchase of Fixed assets	6441	0521759
General, Administrative and Selling expenses	14607	55053

i Earnings in foreign currency (Accrual basis)	2012	2011
Exports at F.O.B. Value	182583	286900

26.16 Earning per shares (E.P.S.)	2012	2011
Basic E.P.S.	3.38	3.19
Diluted E.P.S.	3.38	3.19
Calculation of Basic E.P.S.		
a) Net Profit for the year attributable To Equity Shareholders	173536	153609
b) Weighted Average Number of Equity Shares	51404106	48121147
c) Basic Earnings per Share (a/b)	3.38	3.19
d) Nominal Value per Share	Rs. 10/-	Rs. 10/-
Calculation of Diluted shares		
Weighted Average number of equity shares	51404106	48121147
Number of shares in respect of shares w arrants and FCD	0	0
	51404106	48121147

26.17 Assets Taken on Operating Lease : (a) The company has taken various residential, office, warehouse and plot under operating lease agreements. The lease agreements generally have an escalation clause and there are no subleases. These leases are generally not non-cancellable and are renewable by mutual concent on mutually agreed terms. There are no restriction imposed by lease agreement.

(b) The aggregate lease rentals payables are charged as 'Rent, Rates and Taxes' in note 24.

© The year wise breakup of future lease payments in respect of leased premises are as under:



HIMALYA INTERNATIONAL LIMITED



Particulars	2012	2011
Minimum lease payments:		
Not later than 1 year	3507	0
Later than 1 year but not later than 5 years	0	0
Later than 5 years	0	0

26.18 Interest In Joint Ventures

The company has interest in the following jointly controlled entities

Name Of the company	% of Holding	Assets	Liabilities	Income	Expenditure	Contingent Liabilities	Capital Commitments
Himalya Simplot Pvt Ltd.	50	71166	10050	1444	49033	NIL	NIL

26.19 There are no material prior year items, except to the extent disclosed, included in Profit & loss A/c.

26.20 Disclosure as per listing agreements with the Stock exchanges

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

Name of the company	Relationship	Transaction	Amt outstanding as at 31.03.2012	Maximum Balance outstanding during the year
APJ Laboratories Ltd	Associates	Loans & advances	35031 (20145)	35031 (20145)

(Figures in bracket relate to previous year)

26.21 The Company has calculated MAT, on the net profit of the company, excluding the net profit on segment - 'Fresh Mushroom' which is considered as agriculture Income by the company.

26.22 Previous Year Comparatives

Previous year's figures have been regrouped/rearranged where necessary, to conform to current year presentation, in terms of revised Schedule VI.

As per our report of even date
Signatures to the notes 1- 27

For and on behalf of the Board

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

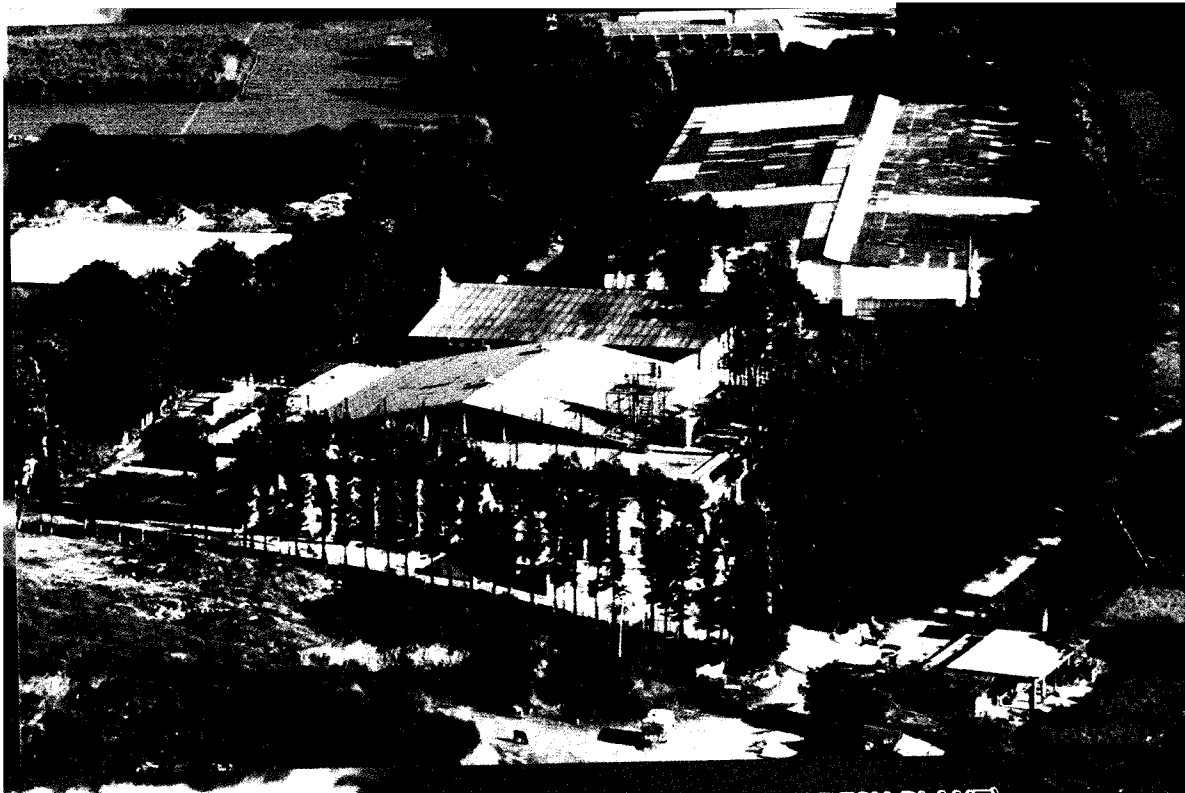
(Anujeet Singh)
Proprietor FCA
Membership No. 73662

Man Mohan Malik
Chairman & Managing Director
DIN: 00696077

Sangita Malik
Director
DIN: 02428506

Place: Dehradun
Date: 25.08.2012

Ajay Kaushik
DGM Finance



(A VIEW OF PAONTA SAHIB, HIMACHAL PRADESH PLANT)

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