



H -1/208, Garg Tower, Netaji Subhash Place, Pitampura, New Delhi -110034

**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF HIMALAYAN BIO ORGANIC FOODS PRIVATE LIMITED**

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

**Opinion**

We have audited the standalone financial statements of **HIMALAYAN BIO ORGANIC FOODS PRIVATE LIMITED** ("the Company"), which comprise the balance sheet as at March 31, 2020, and the statement of profit and loss, and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and its loss, and its cash flows for the year ended on that date.

**Basis for Opinion**

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

**Emphasis of Matter**

The Company inventory balance as at March 31, 2020, is Rs. 5.94 crores. The outbreak of COVID 19 pandemic in India led the Government of India impose a nationwide lockdown starting March 25, 2020. Due to closures of non-essential offices and manufacturing units along with a severe restriction in movement of people, the physical verification of inventory balances was not carried out by us for March 31, 2020. The management was able to perform year end physical verification of inventories on March 31, 2020. Consequently, we have performed alternate procedures to audit the existence of inventory as per the guidance issued by the Institute of Chartered Accountants of India.

Our opinion is not modified in respect of these matters





### **Other Information**

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the director's report, management discussion and analysis and report on corporate governance, but does not include the financial statements and our auditor's report thereon. The director's report, management discussion and analysis and report on corporate governance are expected to be made available to us after the date of this auditor's report.

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

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

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. There are no key audit matters to communicate

### **Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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





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

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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.





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

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

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

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

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books
  - c. The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account
  - d. In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e. On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164(2) of the Act.
  - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".



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

- i. The Company did not have any pending litigations for which there were any impact on its financial position.
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

**For KRA & Co.**  
**Chartered Accountants**  
**(Firm Registration No.020266N)**



**Rajat Goyal**  
**Partner**  
**Membership No.: 503150**  
**UDIN: 20503150AAAAVI1062**  
**Place: Delhi**  
**Date: July 31, 2020.**



**ANNEXURE - A TO THE INDEPENDENT AUDITORS' REPORT OF EVEN DATE  
ON THE STANDALONE FINANCIAL STATEMENTS of HIMALAYAN BIO  
ORGANIC FOODS PRIVATE LIMITED**

**(Referred to in Paragraph 1 under the heading of "Report on Other Legal and Regulatory Requirements" 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) In accordance with the phased programme for verification of fixed assets, certain items of fixed assets were physically verified by the management during the year and no material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title deeds of immovable properties are held in the name of the company.

- (ii) Stocks of inventories have been physically verified during the year by the management. The Company has a perpetual inventory system. In our opinion, the frequency of such verification is reasonable.

As explained to us, the management was able to perform year end physical verification of inventories on March 31, 2020. Due to closures of non-essential offices and manufacturing units along with a severe restriction in movement of people, the physical verification of inventory balances was not carried out by us for March 31, 2020. Consequently, we have performed alternate procedures to audit the existence of inventory as per the guidance issued by the Institute of Chartered Accountants of India.

- (iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Consequently, clause (iii) of the Order is not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
- (v) According to the information and explanations given to us, the Company has not accepted any deposit during the year. Consequently, clause (v) of the Order is not applicable to the Company.
- (vi) According to the information and explanations given to us, the Company is not required to maintain cost records under section 148(1) of the Companies Act, 2013. Consequently, clause (vi) of the Order is not applicable to the Company.






- (vii) According to the information and explanations given to us and on the basis of our examination of the books of account, in respect of statutory dues:
- (a) The Company has generally been regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-tax, Sales-tax, Service Tax, Custom Duty, Excise Duty, value added tax, GST, cess and any other dues, during the year, with the appropriate authorities.
  - (b) There were no undisputed amounts payable in respect of Provident Fund, Employees State Insurance, Income-tax, Sales-tax, Service Tax, Custom Duty, Excise Duty, value added tax, GST, cess and other material statutory dues in arrears as at March 31, 2020 for a period of more than six months from the date they became payable.
  - (c) There are no dues of Income-tax, Sales-tax, Excise Duty, GST and Service Tax which have not been deposited as on March 31, 2020, on account of disputes with the related authorities.
- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to financial institutions or banks. The Company does not have any outstanding debentures.
- (ix) In our opinion and according to the information and explanations given to us, the Company has not availed any term loans during the year. The Company has not made an initial public offer during the year. Consequently, clause (ix) of the Order is not applicable to the Company.
- (x) To the best of our knowledge and according to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
- (xi) In our opinion and according to the information and explanations given to us, the Company has paid Managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V of the Companies Act, 2013.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause (xii) of the Order is not applicable to the Company.
- (xiii) In our opinion and according to the information and explanations given to us, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013, and corresponding details have been disclosed in the financial statements, as required by the applicable Indian Accounting Standards.
- (xiv) In our opinion and according to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, requirement under clause (xiv) is not applicable to the Company.



- (xv) In our opinion and according to the information and explanations given to us, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, requirement under clause (xv) is not applicable to the Company.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

**For KRA & Co.**  
**Chartered Accountants**  
**(Firm Registration No.020266N)**

  
**Rajat Goyal**  
**Partner**  
**Membership No.: 503150**  
**Place: Delhi**  
**Date: July 31, 2020.**





**ANNEXURE "B" TO THE INDEPENDENT AUDITORS' REPORT OF EVEN DATE  
ON THE STANDALONE FINANCIAL STATEMENTS OF HIMALAYAN BIO  
ORGANIC FOODS PRIVATE LIMITED**

(Referred to in Paragraph 2 point (f) under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date)

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

We have audited the internal financial controls over financial reporting of **HIMALAYAN BIO ORGANIC FOODS PRIVATE LIMITED** ("the Company") as at March 31, 2020, in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

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

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

**Auditors' Responsibility**

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

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





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

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

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

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

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

### **Opinion**

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


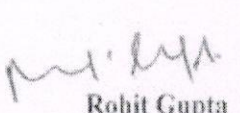
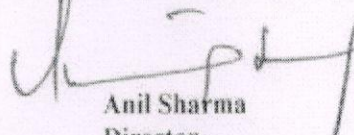
**For KRA & Co.**  
**Chartered Accountants**  
**(Firm Registration No.020266N)**



**Rajat Goyal**  
**Partner**  
**Membership No.: 503150**  
**Place: Delhi**  
**Date: July 31, 2020**




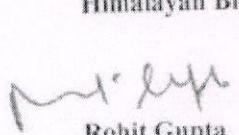
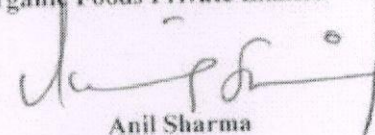
**Himalayan Bio Organic Foods Private Limited**  
**Standalone Balance Sheet as at March 31' 2020**

		(in Lakhs ) As at 31-Mar-2020	(in Lakhs ) As at 31-Mar-2019
<b>Equity and liabilities</b>			
<b>Shareholders' funds</b>			
Share capital	3	280.23	280.23
-Equity Share Capital		1,877.65	1,662.74
Reserves and surplus	4	<u>2,157.88</u>	<u>1,942.97</u>
<b>Non current liabilities</b>			
Long term borrowings	5	<u>3.56</u>	<u>5.16</u>
<b>Current liabilities</b>			
Trade payables	7	634.19	1,519.83
Other current liabilities	8	293.12	65.03
Short term provisions	9	<u>2.27</u>	<u>45.37</u>
		<u>929.58</u>	<u>1,630.22</u>
		<u>3,091.02</u>	<u>3,578.35</u>
<b>Assets</b>			
<b>Non current assets</b>			
Fixed assets			
(i) Tangible assets	10	<u>58.50</u>	<u>49.54</u>
		58.50	49.54
Deferred Tax Assets (Net)	6	3.62	1.05
<b>Current assets</b>			
Inventories	11	594.25	1,019.41
Trade receivables	12	964.26	466.82
Cash and bank balances	13	48.69	6.81
Other Current Assets	14	<u>1,421.69</u>	<u>2,034.72</u>
		<u>3,028.89</u>	<u>3,527.75</u>
		<u>3,091.02</u>	<u>3,578.35</u>
Significant accounting policies	2.1		
As per our report of even date			
For K R A & Co		For and behalf of the Board of Directors Himalayan Bio Organic Foods Private Limited	
Firm Registration No: 020266N			
Chartered Accountants			
			
Rajat Goyal		Rohit Gupta	Anil Sharma
Partner		Director	Director
Membership No. 503150		DIN:02715232	DIN:07417538
UDIN: 20503150AAA V11062			
Place: New Delhi		Place: Jammu	Place: Jammu
Date: 31/07/2020		Date: 31/07/2020	Date: 31/07/2020





**Himalayan Bio Organic Foods Private Limited**  
**Standalone Statement of Profit and Loss for the year ended March 31, 2020**

	Notes	(in Lakhs ) For the year ended 31-Mar-2020	(in Lakhs ) For the year ended 31-Mar-2019
<b>INCOME</b>			
Revenue from operations	15	7,287.73	5,868.37
Other income	16	14.88	85.53
		<u>7,302.61</u>	<u>5,953.90</u>
<b>EXPENDITURE</b>			
Raw materials consumed	17	423.48	1,432.82
Purchases	18	5,709.41	3,622.33
Decrease in inventories of semi finished and finished g	19	425.16	(30.95)
Employee benefits expenses	20	110.99	134.85
Depreciation expenses	10	16.04	13.19
Finance cost	21	6.33	10.32
Operating and other expenses	22	322.46	375.50
		<u>7,013.86</u>	<u>5,558.04</u>
<b>Profit/(Loss) before tax</b>		<u>288.75</u>	<u>395.86</u>
(a) Current Year Tax		73.19	110.59
(b) Previous Year Tax			
(b) Deferred Tax		(2.57)	(1.25)
<b>Profit / (loss) for the year</b>		<u>218.13</u>	<u>286.51</u>
Earnings per equity share	23	77.84	181.25
Basic and diluted annualised		77.84	181.25
Significant accounting policies	2.1		
As per our report of even date			
For K R A & Co			
Firm Registration No: 020266N			
Chartered Accountants			
 Rajat Goel Partner Membership No. 503150 UDIN: 20503150AAAAV11062 Place: New Delhi Date: 31/07/2020		<p style="text-align: center;">For and behalf of the Board of Directors  Himalayan Bio Organic Foods Private Limited</p>  Rohit Gupta Director DIN:02715232 Place: Jammu Date: 31/07/2020	 Anil Sharma Director DIN:07417538 Place: Jammu Date: 31/07/2020





**Himalayan Bio Organic Foods Private Limited**  
**Standalone Statement of Cash Flows for the year ended March 31, 2020**

(in Lakhs )  
For the year ended  
31-Mar-2020

(in Lakhs )  
For the year ended  
31-Mar-2019

Cash flow from operating activities		
Profit Before tax	288.75	395.86
Adjustment to reconcile profit before tax to net cash flows		
Prior Period Items	(3.22)	-
Depreciation / amortization expenses	16.04	13.19
Interest income	(8.58)	(52.20)
Unrealized foreign exchange loss/ gain	(6.22)	(31.87)
Interest on loan	6.33	10.32
Operating profit before working capital changes	293.09	335.28
Movements in working capital :		
Increase / (Decrease) in other liabilities	228.09	(1,972.99)
Increase / (Decrease) in Trade Payable	(885.64)	850.73
(Increase)/ Decrease in trade receivable	(497.45)	871.87
Decrease/(Increase) in Inventory	425.16	(30.95)
Decrease/ (Increase) in other current assets	613.03	(1,472.58)
Net cash flow (used in) operations	176.29	(1,418.64)
Less: Direct taxes paid Including Advance taxes	(116.29)	(122.59)
Net cash flow (used in) operating activities (A)	60.00	(1,541.24)
Cash flows from investing activities		
Decrease/ (Increase) in other non-current assets		
Purchase of fixed assets	(25.00)	(32.60)
Interest received	8.58	52.20
Net cash flow (used in)/ generated from investing activities (B)	(16.42)	19.60
Cash flows from financing activities		
Proceeds from Share Issued	-	1,500.00
Increase / (Decrease) in Short Term Borrowings	(1.60)	4.69
Foreign Exchange Gain	6.22	31.87
Interest paid on loan	(6.33)	(10.32)
Net cash flow from/ (used in) in financing activities (C)	(1.70)	1,526.25
Net increase/(decrease) in cash and cash equivalents (A + B + C)	41.88	4.62
Cash and cash equivalents at the beginning of the year	6.81	2.19
Cash and cash equivalents at the end of the year	48.69	6.81

Components of cash and cash equivalents

Total cash and cash equivalents (note 16)

Significant accounting policies

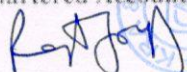
Note 2.1

As per our report of even date

For K R A & Co

Firm Registration No: 020266N

Chartered Accountants



Rajat Goyal

Partner

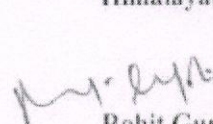
Membership No. 503150

Place: New Delhi

Date: 31/07/2020

For and behalf of the Board of Directors

Himalayan Bio Organic Foods Private Limited



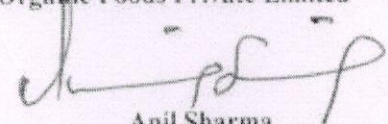
Rohit Gupta

Director

DIN:02715232

Place: Jammu

Date: 31/07/2020



Anil Sharma

Director

DIN:07417538

Place: Jammu

Date: 31/07/2020





## Himalayan Bio Organic Foods Private Limited

Notes to Accounts as on March 31, 2020

### 1 Corporate information

Himalayan Bio Organic Foods Private Limited is engaged in manufacturing and marketing of organic products viz. cereals, pulses, spices, condiments, oil and ghee, bakery products and range of roasted snacks through its dealers, distributors and modern retail chains.

The company is a closely held private limited company controlled by the family of promoters. The Company is Subsidiary of Sarweshwar Foods Ltd.

### 2 Basis of Preparation of financial statements(Significant Accounting Policies & other explanatory Notes)

#### 2.1 Basis of Preparation

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP), including the Accounting Standards notified under section 133 of the Companies Act, 2013. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous years.

#### 2.2 Use of estimates

The preparation of financial statements are in conformity with the Accounting Standards which requires Management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosures relating to the contingent liabilities as on the date of balance sheet and the reported amount of revenues and expenditures during the reporting period. The estimates and assumptions used in the Financial Statements are based upon Management's best evaluation of the relevant facts and circumstances as of the date of the Financial Statements. Examples of such estimates include useful life of fixed assets, creation of deferred tax asset, lease rentals and write off of deferred revenue expenditure. Actual results may differ from those estimates.

#### 2.3 Inventories

Inventories are valued at cost after providing for obsolescence and other losses, where considered necessary and realizable value whichever is less. Cost includes all charges in bringing the goods to the point of sale, including octroi and other levies, transit insurance and receiving charges. Work-in-progress and finished goods include appropriate proportion of overheads.

#### 2.4 Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise of cash at bank and in hand and short term investments with an original maturity of three months or less. Earmarked balances with bank, margin money or security against borrowings, guarantees and other commitments, if any shall be treated separately from cash and cash equivalent

#### 2.5 Cash flow statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

#### 2.6 Depreciation and amortisation

Depreciation has been provided as per the useful life of the respective asset by retaining 5% as residual value in accordance with the Schedule II to the Companies Act, 2013.

Depreciation on addition to fixed assets is provided on pro-rata basis from the date the assets are acquired/installed. Depreciation on sale/deduction from fixed assets is provided for upto the date of sale, deduction and discardment as the case may be.

In case of items having value of Rs. 5,000/- or below that are acquired during the year, are charged to profit & loss account at 100% in the year of purchase.



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## 2.7 Revenue recognition

### Sale of goods

Sales are recognised, net of returns and trade discounts, on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the delivery of goods to customers. Sales include excise duty but exclude sales tax, value added tax and GST. The company follows the mercantile system of accounting and recognizes the income and expenditures on accrual basis except in case of significant uncertainties. Certain items of income such as insurance claim, market fees refund, overdue interest from customers etc have been considered to the extent the amount is accepted by the parties

Domestic sales are recognized at the point of dispatches to customers.

Export Sales are recognized at the time of issue of Bill of Lading.

## 2.8 Other income

Interest income is recognised on time proportion basis. -

## 2.9 Tangible fixed assets

Fixed assets are stated at cost less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price and any directly attributable cost of bringing the asset to its working condition for its intended use, including borrowing cost till commencement of commercial production, net changes on foreign exchange contracts, if capitalization criteria are met. Capital work in progress is stated at cost. Capital work in progress includes the cost of fixed assets that are not yet ready for their intended use, as on the balance sheet date.

## 2.10 Intangible assets

Intangible assets are carried at cost less accumulated amortisation and impairment losses, if any. The cost of an intangible asset comprises its purchase price, including any import duties and other taxes (other than those subsequently recoverable from the taxing authorities), and any directly attributable expenditure on making the asset ready for its intended use and net of any trade discounts and rebates. Subsequent expenditure on an intangible asset after its purchase / completion is recognised as an expense when incurred unless it is probable that such expenditure will enable the asset to generate future economic benefits in excess of its originally assessed standards of performance and such expenditure can be measured and attributed to the asset reliably, in which case such expenditure is added to the cost of the asset.

## 2.11 Foreign currency transactions and translations

### Initial recognition

Transactions in foreign currencies entered into by the Company and its integral foreign operations are accounted at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction.

### Measurement of foreign currency monetary items at the Balance Sheet date

Foreign currency monetary items (other than derivative contracts) of the Company outstanding at the Balance Sheet date are restated at the year-end rates.

Exchange differences arising out of these translations are charged to the Statement of Profit and Loss.

## 2.12 Government grants, subsidies and export incentives

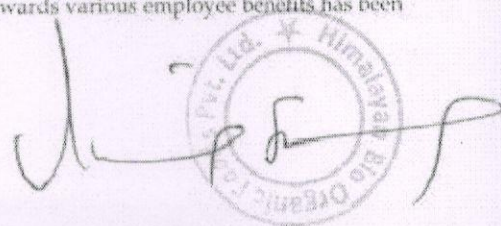
Export Incentive if any is accounted on accrual basis except Interest Subsidy which has been accounted for on receipt basis.

## 2.13 Investments

Long-term investments, are carried individually at cost less provision for diminution, other than temporary, in the value of such investments. Current investments are carried individually, at the lower of cost and fair value. Cost of investments include acquisition charges such as brokerage, fees and duties.

## 2.14 Employee benefits

The Company has adopted the Accounting Standard 15- Employee Benefits prescribed under the Companies (Accounting Standards) Rules, 2006. Employee benefits include provident fund, bonus, superannuation fund, compensated absences, long service awards and post-employment medical benefits. The Company's obligation towards various employee benefits has been recognized as follows:





### Short Term Employee Benefits

All employee benefits payable wholly within twelve months of rendering the service are short-term employee benefits. Benefits such as salaries, wages and bonus wages, etc. are recognized in the Profit and Loss statement in the period in which the employee renders the related service.

### Defined contribution plans

The Company's contribution to provident fund are considered as defined contribution plans and are charged as an expense as they fall due based on the amount of contribution required to be made.

### 2.15 Borrowing costs

Borrowing costs include interest, amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset upto the date of capitalisation of such asset is added to the cost of the assets.

Borrowing cost attributable to the fixed assets during construction/ exploration, renovation and modernization are capitalized. Such borrowing costs are apportioned on the average balance of capital work in progress for the year. Other borrowing costs are recognized as an expense in the period in which they are incurred.

### 2.16 Segment reporting

The Company identifies primary segments based on the dominant source, nature of risks and returns and the internal organisation and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit/loss amounts are evaluated regularly by the executive Management in deciding how to allocate resources and in assessing performance. However the company is currently dealing in only one primary segment..

### 2.17 Taxes on income

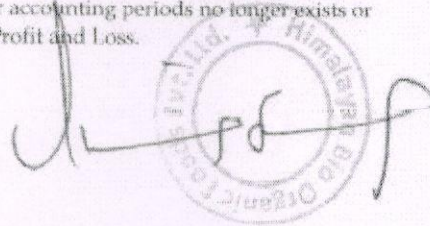
Tax expense comprises current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with Income Tax Act, 1961. Deferred income tax reflects the impact of current year timing differences between taxable income that originates in one period and are capable of reversal in one or more subsequent periods

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company.

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantially enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognised only if there is virtual certainty that there will be sufficient future taxable income available to realise such assets. Deferred tax assets are recognised for timing differences of other items only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each Balance Sheet date for their realisability.

### 2.18 Impairment of assets

The carrying values of assets / cash generating units are reviewed at each Balance Sheet date for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognised if the carrying amount of these assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognised for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss.





2.19 Provisions and contingencies

A provision is recognised when the Company has a present obligation as a result of past events and 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 (excluding retirement benefits) are not discounted to their present value and are determined based on the 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.

A contingent liability is disclosed where, as a result of past events, there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

2.20 Insurance claims

Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that there is no uncertainty in receiving the claims.

2.21 Leases

a) Finance lease

i) Assets taken on finance lease are capitalised at fair value or net present value of the minimum lease payments, whichever is less.

ii) Lease payments are apportioned between the finance charges and outstanding liability in respect of assets taken on lease.

b) Operating lease

i) Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased term are classified as operating lease. Lease rent are recognized as an expense in the Statement of Profit and Loss on a straight line basis over the lease term.

2.22 Earning per share

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

2.23 The Previous Year figures have been regrouped/rearranged wherever necessary to make them comparable.

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	(in Lakhs ) As at 31-Mar-2020	(in Lakhs ) As at 31-Mar-2019
<b>NOTE 3</b>		
<b>SHARE CAPITAL AUTHORISED</b>		
300,000 Equity shares of Rs 100 each with voting rights	300.00	300.00
(Previous Year 5,000 Equity shares of Rs 100 each with voting rights)		
<b>ISSUED SUBSCRIBED AND FULLY PAID UP</b>		
280,230 Equity shares of Rs 100 each with voting rights	280.23	280.23
(Previous Year 5,000 Equity Shares of Rs 100 each with voting rights)		
<b>Total</b>	<b>280.23</b>	<b>280.23</b>
<b>A) Reconciliation of number of equity shares outstanding</b>		
As at the beginning of the year	2,80,230.00	5,000.00
Add: Shares Issued during the year		2,75,230.00
Less: Bought back during the year		
As at the end of the year	2,80,230.00	2,80,230.00
<b>Share holders having 5% or more Shares</b>		
<b>Name Of Shareholders</b>		
<b>Rohit Gupta</b>		
No. of shares	1.00	1.00
% of holding	0.00	0.00
<b>Sarveshwar Food Ltd</b>		
No. of shares	2,80,229.00	2,80,229.00
% of holding	100.00	100.00
	2,80,230.00	2,80,230.00
<b>NOTE 4</b>		
<b>RESERVE AND SURPLUS</b>		
<b>Share Premium</b>		
Opening Balance	1,224.77	-
Add: Received during the year	-	1,224.77
	1,224.77	1,224.77
<b>Profit &amp; Loss A/c</b>		
Opening Balance	437.97	151.45
Add: Additions During the Year	218.13	286.51
Less: Prior Period Items (Income tax)	(3.22)	-
	652.87	437.97
<b>Total</b>	<b>1,877.65</b>	<b>1,662.74</b>
<b>NOTE 5</b>		
<b>Long Term Liabilities</b>		
<b>Secured Loan</b>		
Term Loan from Banks	3.09	4.69
Less: Payable with 12 months	(2.62)	(2.62)
Unsecured Loans from Directors	3.09	3.09
<b>Total</b>	<b>3.56</b>	<b>5.16</b>
<b>NOTE 6</b>		
<b>Deferred Tax Liabilites</b>		
Deferred Tax Asset	3.62	1.05
<b>Current year Provision</b>	<b>(2.57)</b>	<b>(1.25)</b>
<b>Total</b>	<b>(3.62)</b>	<b>(1.05)</b>





**NOTE 7****Trade payables**

Due to MSME	50.91	27.68
Sundry Creditors for Trade	583.28	1,492.15
<b>Total</b>	<b>634.19</b>	<b>1,519.83</b>

**NOTE 8****Other current liabilities**

Statutory Liabilities:	0.63	2.51
Loan From Banks Repayable in one year	2.62	2.62
Expenses payable	30.17	23.62
Advance received from related Parties	73.26	-
Advance received from debtors	186.43	36.27
<b>Total</b>	<b>293.12</b>	<b>65.03</b>

**NOTE 9****Short Term Provisions**

Provision for Taxation (After setting off Advance taxes)	2.27	45.37
<b>Total</b>	<b>2.27</b>	<b>45.37</b>

**NOTE 11****INVENTORIES**

(Stock of Traded Goods have been Valued at lower of Cost and NRV)

Finished Goods Trading	349.69	-
Finished Goods Manufacturing	244.56	1,019.41
<b>Total</b>	<b>594.25</b>	<b>1,019.41</b>

**NOTE 12****TRADE RECEIVABLES****Over Six Months**

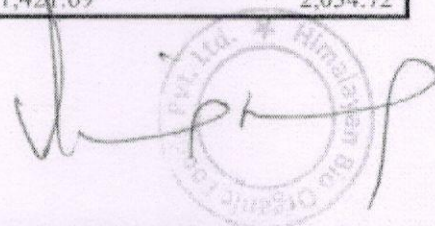
Unsecured Considered Good	148.51	118.40
<b>Others</b>		
Unsecured Considered Good	815.76	348.42
<b>Total</b>	<b>964.26</b>	<b>466.82</b>

**NOTE 13****CASH AND BANK ADVANCES**

Cash on Hand	1.46	2.64
Balance with Banks	47.23	4.17
<b>Total</b>	<b>48.69</b>	<b>6.81</b>

**NOTE 14****Other Current assets**

MAT Credit Entitlement	0.03	0.03
Security Deposits	1.38	-
GST Receivable	71.13	45.25
Prepaid Expenses	0.85	0.11
Margin Money Redeemable in 3-12 Months	15.23	247.47
Advance paid to Related Party	1,040.37	1,641.53
Advance paid to Vendors	292.71	100.34
<b>Total</b>	<b>1,421.69</b>	<b>2,034.72</b>





Himalayan Bio Organic Foods Private Limited  
Statement of Notes to Accounts for the year ended March 31, 2020

10 Tangible assets	Land	Building	Plant & Machinery	Office Equipments	Furniture & Fixture	Electrical Installation	Vehicles	Computer	Total
									(in ₹ Laacs)
<b>Gross block</b>									
At March 31, 2018	-	1.97	19.29	1.58	8.19	1.61	-	0.58	33.22
Additions	-	-	5.84	1.38	11.26	2.17	7.57	4.37	32.60
Disposals	-	-	-	-	-	-	-	-	-
At March 31, 2019	-	1.97	25.13	2.96	19.45	3.78	7.57	4.95	65.82
Additions	-	-	17.07	1.08	3.54	1.37	0.62	1.33	25.00
Disposals	-	-	-	-	-	-	-	-	-
At March 31, 2020	-	1.97	42.21	4.04	22.99	5.15	8.19	6.27	90.81
<b>Depreciation</b>									
At March 31, 2018	-	0.09	1.59	0.31	0.67	0.24	-	0.18	3.09
Charge for the year	-	0.18	3.71	1.12	3.37	0.70	1.92	2.18	13.19
Disposals	-	-	-	-	-	-	-	-	-
At March 31, 2019	-	0.27	5.30	1.43	4.05	0.94	1.92	2.36	16.27
Charge for the year	-	0.16	5.55	0.99	4.45	0.93	1.76	2.18	16.04
Disposals	-	-	-	-	-	-	-	-	-
At March 31, 2020	-	0.43	10.86	2.43	8.50	1.87	3.68	4.54	32.31
<b>Net block</b>									
At March 31, 2019	-	1.70	19.83	1.53	15.40	2.85	5.65	2.59	49.54
At March 31, 2020	-	1.54	31.35	1.61	14.49	3.28	4.51	1.73	58.50





	(in Lakhs ) For the year ended 31-Mar-2020	(in Lakhs ) For the year ended 31-Mar-2019
<b>NOTE 15</b>		
<b>Revenue from operations</b>		
Sale of products (Net)	7,287.73	5,868.37
<b>Total</b>	<b>7,287.73</b>	<b>5,868.37</b>
<b>NOTE 16</b>		
<b>Other Income</b>		
Foreign Exchange Fluctuations	6.22	31.87
Discount Received	0.03	-
Interest on FDR	8.58	52.20
Miscellaneous income	0.05	1.45
<b>Total</b>	<b>14.88</b>	<b>85.53</b>
<b>NOTE 17</b>		
<b>MATERIAL CONSUMED</b>		
<b>Raw Materials' Consumption</b>		
Opening Stock	-	-
Add: Purchases	338.18	1,340.79
Add: Freight Inward	15.88	11.87
Add: Packing Material Purchase	69.42	80.17
Less : Closing Stock	-	-
<b>COGS</b>	<b>423.48</b>	<b>1,432.82</b>
<b>NOTE 18</b>		
<b>PURCHASE OF TRADED GOODS</b>		
Purchase of traded goods	5,709.41	3,622.33
<b>Total</b>	<b>5,709.41</b>	<b>3,622.33</b>
<b>NOTE 19</b>		
<b>INCREASE /(DECREASE ) &amp; FINISHED GOODS</b>		
Opening Stock of Finished Goods	1,019.41	988.46
Closing Stock of Finished Goods	594.25	1,019.41
	-	-
Increase/(Decrease) in Finished Goods	425.16	(30.95)
<b>Total</b>	<b>425.16</b>	<b>(30.95)</b>
<b>NOTE 20</b>		
<b>EMPLOYEE BENEFIT EXPENSE</b>		
Salaries	108.50	133.88
Staff Welfare	2.49	0.97
<b>Total</b>	<b>110.99</b>	<b>134.85</b>





**NOTE 21****Financial costs**

Interest on Loans	0.38	0.47
Bank Charges	0.73	1.19
Interest on Late Payments	5.22	8.66
<b>Total</b>	<b>6.33</b>	<b>10.32</b>

**NOTE 22****Other expenses****Manufacturing Expenses**

Electricity Charges	7.93	8.65
Inspection Charges	13.61	21.87
Job Work	-	36.65
Pest control service charges	0.41	-
Repair & Maintenance	3.59	8.05
Wages & Labour Charges	93.63	15.87

**Business Development Expenses**

Business Promotion	22.22	25.19
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**Selling, Distribution & Administration Expenses**

Advertisement Expenses	1.26	5.85
Audit fee & Expenses	0.30	0.30
Brokerage & Commission	0.54	15.22
Business Promotion & Marketing	40.34	27.25
Clearing & Handling Charges	8.04	13.96
Communication Charges	1.21	1.33
Conveyance & Travelling	41.53	26.22
CSR Expenses	0.06	-
Freight & transportation on Sales	43.67	85.28
Insurance	0.62	4.04
Misc Expenses	15.22	31.09
Printing & Stationery	3.78	2.84
Professional Fees	8.13	23.92
Rent, Rates & Taxes	16.30	21.92
Repair & Maintenance	0.09	-

<b>Total</b>	<b>322.46</b>	<b>375.50</b>
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**NOTE 23****Earning Per Share**

a) Profit for the year (in Rs )	218.13	286.51
No of Shares at beginning	2,80,230.00	5,000.00
No of Shares at end	2,80,230.00	2,80,230.00
b) Weighted average no. of equity shares outstanding	2,80,230.00	1,58,073.12
c) Earning per share on profit for the year		
Basic (in Rs)	77.84	181.25
Diluted (in Rs)	77.84	181.25





Himalayan Bio Organic Foods Private Limited  
Notes to Accounts as on March 31' 2020

24 Related party disclosures:

Nature and name of related parties

Holding Company

Sarveshwar Foods Limited

Fellow Subsidiaries

Sarveshwar Overseas Limited

Key Management Person

Rohit Gupta (Director)

Relative of Key Management Person

Suraj Prakash Gupta  
Radha Rani  
Pooja Gupta

Enterprises Owned or controlled by Key Management Personnel or their relatives

Sarveshwar Logistics  
Radhika Overseas  
Sarveshwar International  
Himalayan Ancient Foods P Ltd  
Radhika Pest Control  
Shree Jee Trading

Transactions with related parties during the year:

Name of related party	Nature of transaction	(in ₹ Lacs)	
		2020	2019
Rohit Gupta	Rent	4.20	4.20
Radha Rani Gupta	Rent	2.25	9.00
Sarveshwar Foods Ltd	Purchase	169.97	47.13
Sarveshwar Foods Ltd	Sale	18.98	293.97
Sarveshwar Overseas Limited	Purchase	1.67	-
Sarveshwar Logistics	Freight	7.35	4.00

25 Expenditure and earnings in foreign currency (on accrual basis)

Particulars	(in ₹ Lacs)	
	2020	2019
Expenditure		
Testing and Analysis	-	0.15
Registration Fee	-	0.77
Commission on Exports	-	14.86
Earnings		
Sale of finished goods	239.32	1,281.84

26 Unhedged foreign currency exposures as at the balance sheet date

Particulars	2020				2019			
	in USD	in JPY	Exchange rate	in ₹ Lacs	in USD	in JPY	Exchange rate	in ₹ Lacs
Trade receivable	-	-	-	-	254.667	-	69.17	176.25

27 The balances of receivables, payables, security deposit given are subject to confirmation & reconciliation, if any



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28. Disclosure under Accounting Standard (AS) 15 "Employee Benefits"

**Gratuity**

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump-sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 to 30 days salary payable for each completed year of service. Vesting occurs upon completion of five years of service. The gratuity plan of the Company is funded. The information in the note is for disclosure purpose.

The defined benefit plans expose the Company to a number of actuarial risks as below:

**Interest risk:** A decrease in the bond interest rate will increase the plan liability.

**Salary risk:** The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

(in ₹ Lacs)

(i) The key assumptions used in accounting for retiring gratuity is as below:

Particular	2020	2019
Discount rate	7.25%	7.50%
Rate of escalation in salary	7.00%	7.00%

(ii) Changes in present value of Obligation:

Particular	2020	2019
Obligation at the beginning of the year	(0.51)	(0.51)
Interest costs	(0.04)	-
Current service costs	(1.63)	-
Benefits paid	-	-
Remeasurement (gains)/losses	0.15	-
Obligation at the end of the year	(2.03)	(0.51)

(iii) Changes in the fair value of plan assets:

Particular	2020	2019
Fair value of plan assets at beginning of year	2.26	2.26
Expected return on plan assets	0.08	-
Contributions	-	-
Benefits paid	-	-
Remeasurement (gains)/losses	-	-
Fair value of plan assets at the end of year	2.34	2.26

(iv) Amounts to be recognised in the balance sheet

Particular	2020	2019
Present value of obligation	(2.03)	(0.51)
Fair value of plan assets	2.34	2.26
Funded status	0.31	1.74
Net assets / (liability) recognized in balance sheet as provision	0.31	1.74

(v) Expenses to be recognised in the statement of profit and loss

Particular	2020	2019
Current service costs	(1.63)	-
Interest costs	(0.04)	-
Expected return on plan assets	0.08	-
Net Actuarial (gain)/ loss	0.15	-
	0.24	-
Net impact on Profit & Loss	(1.43)	-

The estimates of future salary increases, considered in actuarial valuation, takes account of inflation, seniority, promotion and other relevant factors on long term basis.

20. The Company has reclassified previous year figures to conform to this year's classification.

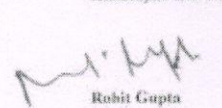
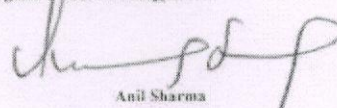
As per our report of even date

For K R A & Co  
Firm Registration No: 020266N  
Chartered Accountants

  
Rajat Gupta  
Partner

Membership No. 503150  
UDIN: 20503150AAAAV11062  
Place: New Delhi  
Date: 31/07/2020

For and behalf of the Board of Directors  
Himalayan Bio Organic Foods Private Limited

Rohit Gupta  
Director  
DIN: 02715232

Anil Sharma  
Director  
DIN: 07417538

Place: Jammu  
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