



**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**

**1. Report on the Standalone Financial Statements**

We have audited the accompanying standalone financial statements of **HIMALAYAN BIO ORGANIC FOODS PRIVATE LIMITED** ("the Company"), which comprise the balance sheet as at March 31, 2018, the statement of profit and loss and the cash flow statement for the year then ended and a summary of the significant accounting policies and other explanatory information.

**2. Management's Responsibility for the Standalone Financial Statements**

The Company's Board of Directors is responsible for 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 Accounting Standards specified under Section 133 of the Companies Act, 2013 ('the Act') read with relevant rules issued thereunder.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**3. Auditor's Responsibility**

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder and the order under section 143 (11) of the Act.

We conducted our audit of financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone financial statements are free from material misstatement.

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

policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

#### **4. Opinion**

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 Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2018, its profit and its cash flows for the year ended on that date.

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

1. As required by Section 143 (3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account, as required by law, have been kept by the Company so far as it appears from our examination of those books.
- (c) The Balance Sheet, the Statement of Profit and Loss and 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 Accounting Standards specified under Section 133 of the Act, as applicable.
- (e) On the basis of the written representations received from the directors as on March 31, 2018 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) 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.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There are no amounts that are required to be transferred to the Investor Education and Protection Fund by the Company.

2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure B" a statement on the matters specified in paragraph 3 and 4 of the Order.

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



A handwritten signature in blue ink, appearing to read "Rajat Goyal".

Rajat Goyal  
Partner  
Membership No.: 503150

Place: New Delhi  
Date: 26.05.18



**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 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) 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. The discrepancies noticed on verification between the physical stock and the book stock were not material in relation to the operations of the Company and have been properly dealt with in the books of account.
- (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, 2018 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 and Service Tax which have not been deposited as on March 31, 2018, 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 raised any money by way of initial public offer / further public offer or term loans. 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 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: New Delhi  
Date: 26.05.18



## Himalayan Bio Organic Foods Private Limited

Balance Sheet as at 31st March, 2018

Particulars	Note	As at 31st March 2018 (Rs. In Lakhs)	As at 31st March 2017 (Rs. In lakhs)
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' funds</b>			
Share Capital	3	5.00	5.00
Reserves and surplus	4	151.45	0.14
<b>Non-current liabilities</b>			
Long term borrowings	5	3.09	2.09
Deferred Tax Liability		0.19	-
<b>Current Liabilities</b>			
Trade Payables	6	2,140.30	641.32
Other current liabilities	7	15.55	3.55
Short term provisions	8	57.37	0.03
<b>TOTAL</b>		<b>2,372.96</b>	<b>652.12</b>
<b>ASSETS</b>			
<b>Non-current assets</b>			
Fixed assets			
Tangible assets	9	30.13	-
<b>Current Assets</b>			
Inventories	10	988.46	643.62
Trade Receivables	11	1,337.64	-
Cash and cash equivalents	12	2.19	0.28
Other current assets	13	14.54	8.23
<b>TOTAL</b>		<b>2,372.96</b>	<b>652.12</b>

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: 26.05.2018

For and behalf of the Board of Directors  
Himalayan Bio Organic Foods Pvt. Ltd.

  
Rohit Gupta  
Director  
DIN:02715232  
Place: Jammu  
Date: 26.05.2018

  
Anil Sharma  
Director  
DIN:07417538  
Place: Jammu  
Date: 26.05.2018



# Himalayan Bio Organic Foods Private Limited

## Statement of Profit and Loss for the year ended 31st March, 2018

Particulars	Note	For the period ending 31st March 2018 (Rs. In lakhs)	For the period ending 31st March 2017 (Rs. in lakhs)
<b>Income</b>			
Revenue from operations	14	3,167.12	10.80
Other Income	15	0.97	-
<b>Total revenue</b>		<b>3,168.09</b>	<b>10.80</b>
<b>Expenses</b>			
Purchase of traded goods		3,159.86	653.05
Changes in Inventory of Finished Goods & Stock-in-trade	16	-344.84	-643.62
Employee benefit expenses	17	46.91	-
Finance Cost	18	0.19	0.00
Depreciation and amortisation expense	9	3.09	-
Other expenses	19	93.96	1.23
<b>Total expenses</b>		<b>2,959.17</b>	<b>10.67</b>
<b>Profit before tax</b>		<b>208.92</b>	<b>0.14</b>
<b>Less: Tax expense</b>			
Current Tax		57.37	-
Deferred Tax		0.19	-
<b>Profit after tax</b>		<b>151.36</b>	<b>0.14</b>
<b>EPS</b>		<b>3,027.16</b>	<b>2.74</b>
<b>DPS</b>			

The accompanying schedules 1 to 24 are an integral part of the financial statements

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: 26.05.2018

For and behalf of the Board of Directors

Himalayan Bio Organic Foods Pvt. Ltd.

Rohit Gupta

Director

DIN:02715232

Place: Jammu

Date: 26.05.2018

Anil Sharma

Director

DIN:07417538

Place: Jammu

Date: 26.05.2018





**Himalayan Bio Organic Foods Private Limited**  
Cash Flow Statement for the year ended 31st March, 2018

(Rs. In lakhs)

Particular	For the Year ended 31.03.2018	For the Year ended 31.03.2017
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net profit before taxation	208.92	0.14
Add/ (less) adjustment for:		
Depreciation	3.09	-
Finance Cost	0.19	0.00
Prior period adjustment	-0.04	
<b>Operating profit before working capital changes</b>	212.16	0.14
Increase in Trade Payables	1,498.98	641.32
Increase in Other current liabilities	12.00	3.15
Increase in Inventories	-344.84	-643.62
Increase in Trade Receivables	-1,337.64	-
Increase in Other current assets	-6.32	-3.41
<b>Cash generated from operations</b>	<b>34.34</b>	<b>-2.42</b>
Income taxes paid / Refund received	0.03	-0.05
<b>Net cash from operating activities</b>	<b>34.32</b>	<b>-2.37</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	-33.22	-
<b>Net cash from Investing activities</b>	<b>-33.22</b>	<b>-</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Loan from Director	1.00	1.09
Finance Cost	-0.19	-0.00
<b>Net cash from Financing activities</b>	<b>0.81</b>	<b>1.09</b>
Net increase/(decrease) in cash and cash equivalents	1.91	-1.28
Cash and cash equivalents at the beginning of the year	0.28	1.56
<b>Cash and cash equivalents at the end of the year</b>	<b>2.19</b>	<b>0.28</b>

As per our report of even date

For K R A & Co

FRN: 020266N

Chartered Accountants

For and behalf of the Board of Directors

HIMALAYAN BIO ORGANIC FOODS P LIMITED

Rajat Goyal

Partner

Membership No. 503150

Place: New Delhi

Date: 26.05.2018

Rohit Gupta

Director

DIN:02715232

Place: Jammu

Date: 26.05.2018

Anil Sharma

Director

DIN:07417538

Place: Jammu

Date: 26.05.2018





# Himalayan Bio Organic Foods Private Limited

## Notes to Accounts as on March 31' 2018

### 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 directors of the company are well experienced in the line of activity. The Company is Subsidiary of Sarweshwar Overseas 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 if any. 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.

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## 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.

## 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 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.



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## 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 (excluding investment properties), 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.

Investment properties are carried individually at cost less accumulated depreciation and impairment, if any. Investment properties are capitalised and depreciated (where applicable) in accordance with the policy stated for Tangible Fixed Assets. Impairment of investment property is determined in accordance with the policy stated for Impairment of Assets.

## 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.

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**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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## Himalayan Bio Organic Foods Private Limited

	As at March 31 2018		As at March 31 2017	
	(No. of shares)	(Amount in INR)	(No. of shares)	(Amount in INR)
<b>3. Share capital</b>				
<b>Authorised</b>				
Equity Shares of INR 100.00 each	5,000	500,000.00	5,000	500,000.00
<b>Issued and Subscribed</b>				
Equity Shares of INR 100.00 each, fully paid	5,000	500,000.00	5,000	500,000.00
<b>Total</b>	<b>5,000</b>	<b>500,000.00</b>	<b>5,000</b>	<b>500,000.00</b>

### 3.A) Reconciliation of number of equity shares outstanding

As at the beginning of the year	5,000	500,000.00	5,000	500,000.00
Add: Issued during the year	-	-	-	-
Less: Bought back during the year	-	-	-	-
<b>As at the end of the year</b>	<b>5,000</b>	<b>500,000.00</b>	<b>5,000</b>	<b>500,000.00</b>

### 3.B) Shareholders holding more than 5% of the equity shares in the company

	(No. of shares)	%	(No. of shares)	%
Radha Rani Gupta	-	-	50	1.00
Rohit Gupta-(Nominee in current year)	1	0.02	4,900	98.00
Sarveshwar Foods Limited	4,999	99.98	-	-
Suraj Parkash Gupta	-	-	50	1.00
<b>Total</b>	<b>5,000</b>	<b>100.00</b>	<b>5,000</b>	<b>100.00</b>

### 4. Reserves & Surplus

Particulars	Amount in Lakhs	
	As at March 31 2018	As at March 31 2017
Opening Balance	0.14	-
Profit for the year	151.36	0.14
Less:- Prior period Adjustments	-0.04	-
<b>Total</b>	<b>151.45</b>	<b>0.14</b>

### 5. Long term borrowings

Particulars	Amount in Lakhs	
	As at March 31 2018	As at March 31 2017
Unsecured		
Rohit Gupta	3.09	2.09
<b>Total</b>	<b>3.09</b>	<b>2.09</b>

### 6. Trade Payables

Particulars	Amount in Lakhs	
	As at March 31 2018	As at March 31 2017
Sundry Creditors for Trade	2,140.30	641.32
<b>Total</b>	<b>2,140.30</b>	<b>641.32</b>






<b>7. Other current liabilities</b>		<b>Amount in Lakhs</b>	
	<b>As at March 31</b>	<b>As at March 31</b>	
<b>Particulars</b>	<b>2018</b>	<b>2017</b>	
Audit Fee Payable	0.45	0.60	
Salary, Bonus, ESIC, PF, Gratuity Payable	8.51	-	
Sarveshwar Foods Ltd	-	1.20	
Other Current Liabilities	4.95	0.83	
Duties and Taxes	1.64	-	
Sarveshwar Logistics	-	0.93	
<b>Total</b>	<b>15.55</b>	<b>3.55</b>	
<b>8. Short Term Provisions</b>		<b>Amount in Lakhs</b>	
	<b>As at March 31</b>	<b>As at March 31</b>	
<b>Particulars</b>	<b>2018</b>	<b>2017</b>	
Provision for Taxation	57.37	0.03	
<b>Total</b>	<b>57.37</b>	<b>0.03</b>	
<b>10. Inventories</b>		<b>Amount in Lakhs</b>	
	<b>As at March 31</b>	<b>As at March 31</b>	
<b>Particulars</b>	<b>2018</b>	<b>2017</b>	
Finished goods	988.46	643.62	
<b>Total</b>	<b>988.46</b>	<b>643.62</b>	
<b>11. Trade Receivables</b>		<b>Amount in Lakhs</b>	
	<b>As at March 31</b>	<b>As at March 31</b>	
<b>Particulars</b>	<b>2018</b>	<b>2017</b>	
<u>Unsecured</u>			
Over Six Months			
Good	-	-	
Below Six Months			
Good	1,337.64	-	
<b>Total</b>	<b>1,337.64</b>	<b>-</b>	
<b>12. Cash and cash equivalent</b>		<b>Amount in Lakhs</b>	
	<b>As at March 31</b>	<b>As at March 31</b>	
<b>Particulars</b>	<b>2018</b>	<b>2017</b>	
Balances with banks			
In current account	1.03	0.25	
Cash in hand	1.16	0.03	
<b>Total</b>	<b>2.19</b>	<b>0.28</b>	



<b>13. Other Current Assets</b>		<b>Amount in Lakhs</b>	
<b>Particulars</b>	<b>As at March 31 2018</b>	<b>As at March 31 2017</b>	
Preoperative Expenses	-	8.20	
GST Receivable	14.34	-	
Prepaid Expenses	0.18	-	
Loans & Advances	0.03	0.03	
<b>Total</b>	<b>14.54</b>	<b>8.23</b>	
<b>14. Revenue from Operations</b>		<b>Amount in Lakhs</b>	
<b>Particulars</b>	<b>year ended March 31 2018</b>	<b>year ended March 31 2017</b>	
Sales	3,167.12	10.80	
<b>Total</b>	<b>3,167.12</b>	<b>10.80</b>	
<b>15. Other Income</b>		<b>Amount in Lakhs</b>	
<b>Particulars</b>	<b>year ended March 31 2018</b>	<b>year ended March 31 2017</b>	
Exchange Rate Difference	0.72	-	
Rate Difference	0.25	-	
<b>Total</b>	<b>0.97</b>	<b>-</b>	
<b>16. Cost of Material consumed</b>		<b>Amount in Lakhs</b>	
<b>Particulars</b>	<b>year ended March 31 2018</b>	<b>year ended March 31 2017</b>	
Opening Stock	-	-	
Purchase during the year	3,153.10	652.13	
Freight Inward	6.76	0.93	
Closing Stock - Raw Material	-	-	
<b>Total</b>	<b>3,159.86</b>	<b>653.05</b>	
<b>16. Change in Inventories of Finished Goods</b>		<b>Amount in Lakhs</b>	
<b>Particulars</b>	<b>year ended March 31 2018</b>	<b>year ended March 31 2017</b>	
Opening Stock	643.62	-	
Closing Stock	988.46	643.62	
<b>Total</b>	<b>-344.84</b>	<b>-643.62</b>	
<b>17. Employee Benefit Expenses</b>		<b>Amount in Lakhs</b>	
<b>Particulars</b>	<b>year ended March 31 2018</b>	<b>year ended March 31 2017</b>	
Salary & Allowances	46.58	-	
Staff Welfare	0.33	-	
<b>Total</b>	<b>46.91</b>	<b>-</b>	

*[Signature]*

*[Circular Stamp: Himalayan Bio Organic Foods Pvt. Ltd.]*



18. Finance Cost		Amount in Lakhs	
Particulars	year ended March 31 2018	year ended March 31 2017	
Bank charges	0.19	-	0.00
Total	0.19	-	0.00
19. Other expenses		Amount in Lakhs	
Particulars	year ended March 31 2018	year ended March 31 2017	
Direct expenses			-
Electricity Expenses	4.37		-
Labour charges	1.80		0.83
Repair & Maintenance - Machinery	6.81		-
Business Development Expenses			-
Marketing & Business Promotion	11.53		0.07
Adminstration Expenses & Selling Distribution Exp			-
Audit Fee	0.45		0.30
Conveyance & Travelling	2.65		-
Communication Expenses	0.41		-
Printing & Stationery	4.91		-
Professional Fees	1.33		-
Freight & Transportation	26.22		-
Insurance	0.65		-
Rent, Rates and Taxes	8.01		-
Miscellaneous Expenses	24.81		0.04
Total	93.96		1.23

*[Handwritten Signature]*

*[Circular Stamp: Himalayan Bio Organic Foods Pvt. Ltd.]*

# Himalayan Bio Organic Foods Pvt. Ltd.

Note - 9

Fixed Asset Schedule for the year ended on 31.03.2018  
(As per Companies Act 2013)

Assets	WDV as at 01.04.2017	WDV Written Off	Additions for the Period	Total as at 31.03.2018	Deletions for the Period	Rate of Depreciation	Depreciation on Op WDV	Depreciation on Additions	Depreciation for the Period	WDV as at 31.03.2018
	1	2	3	4=1+2+3	5				6	7=4-5-6
Air Conditioner	-	-	1.58	1.58	-	0.45	-	0.31	0.31	1.27
Building	-	-	1.97	1.97	-	0.10	-	0.09	0.09	1.88
Computer	-	-	0.58	0.58	-	0.63	-	0.18	0.18	0.39
Electric Fittings	-	-	1.61	1.61	-	0.26	-	0.24	0.24	1.38
Furniture and fixtures	-	-	8.19	8.19	-	0.26	-	0.67	0.67	7.51
Plant & Machinery	-	-	19.29	19.29	-	0.18	-	1.59	1.59	17.70
<b>Total</b>	-	-	33.22	33.22	-	-	-	3.09	3.09	30.13





# Himalayan Bio Organic Foods Private Limited

## # Note 20: Related Party Disclosures

### List of related parties of Himalayan Bio Organic Foods Private Limited

- A      **Holding Company**  
Sarveshwar Foods Limited
- B      **Fellow Subsidiaries**  
Sarveshwar Overseas Limited
- C      **Individual owing voting power**  
Mr. Rohit Gupta
- D      **Key Management Personnel and their relatives**  
Mr. Rohit Gupta
- E.      **Enterprise over which person specified in point C & D exert significant influence**  
Sarveshwar Logistics

### Transactions with related party

(Rs. In lakhs)

Particular	April - March'18	April - March'17
<b>Holding Company</b>		
Transactions		
Purchase	2,553.00	652.13
Sales	668.08	-
Other	37.00	-
<b>Balance as at March 31</b>		
Creditor	2,018.80	1.20
Debtor	-	-
<b>Fellow Subsidiaries</b>		
Transactions		
Purchase	4.90	-
Other	0.24	-
<b>Enterprise specified in point E above</b>		
Transactions		
Rent expense	5.38	-
Other income	0.11	-



**Note 21: Segment reporting**

For the purpose of reporting, in compliance with Accounting Standard - 17 segment reporting, issued by the Institute of Chartered Accountants of India, the business segment has been considered as the primary segment and the geographic segment has been considered as the secondary segment. Organic goods being the only business segment, necessary information has already been given in the Balance Sheet and Statement of Profit and Loss. The Company has two geographic segments; domestic and export sales. Revenue from geographic segments based on location of customers is - a) Domestic : Rs. 30.09 crores and b) Rest of the world : Rs. 1.58 crores.

**Note 22: Earning per share**

EPS is calculated by dividing the profit attributable to the equity shareholders by the average number of shares outstanding during the period. The basic and diluted earnings per share has been calculated below:

Particulars	year ended March 31 2018	year ended March 31 2017
a) Profit after Tax (Rs. In Lakhs)	151.36	0.14
b) Profit attributable to Ordinary Share Holders (Rs. In lakhs)	151.36	0.14
c) No of ordinary Shares of Basic EPS (in lakhs)	0.05	0.05
d) Nominal Value per share	100	100
e) Basic / diluted Earning per Ordinary Share	3,027.16	2.74

**Note 23: Major Components of Deferred Tax Assets and Deferred Tax Liabilities**

Particulars	year ended March 31 2018	year ended March 31 2017
<b>Deferred Tax Liabilities</b>		
On the timing Difference between Book Depreciation and Income Tax Depreciation	0	-
	<u>0</u>	<u>-</u>

Note 24: Figures in respect of the previous period have been recast to correspond to groupings of current period.

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: 26.05.2018

For and behalf of the Board of Directors

Himalayan Bio Organic Foods Pvt. Ltd.

Anil Sharma

Director

DIN:07417538

Place: Jammu

Date: 26.05.2018

Rohit Gupta

Director

DIN:02715232

Place: Jammu

Date: 26.05.2018

