
ANNUAL REPORT 2009-2010



HIMALAYA GRANITES LIMITED



HIMALAYA GRANITES LIMITED

BOARD OF DIRECTORS

Mr. Shiv Prakash Mittal, Chairman
Mr. Ramesh Kumar Haritwal, Managing Director & CEO
Mr. Saurabh Mittal
Ms. Janaki Venkatramani
Mr. Beni Gopal Saraf
Mr. Mahesh Kumar Malpani

AUDIT COMMITTEE

Ms. Janaki Venkatramani, Chairperson
Mr. Saurabh Mittal
Mr. Mahesh Kumar Malpani

AUDITORS

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

SHARE TRANSFER & INVESTORS GRIEVANCE COMMITTEE

Mr. Saurabh Mittal
Mr. Mahesh Kumar Malpani
Ms. Janaki Venkatramani
Mr. Beni Gopal Saraf

CHIEF FINANCIAL OFFICER

Mr. R. Jayasankar

COMPANY SECRETARY & COMPLIANCE OFFICER

Mr. Prakash Kumar Biswal

REMUNERATION COMMITTEE

Ms. Janaki Venkatramani
Mr. Mahesh Kumar Malpani
Mr. Beni Gopal Saraf

REGISTRAR & SHARE TRANSFER AGENT

M/s. S. K. Computers
34/1A, Sudhir Chatterjee Street
Kolkata - 700 006

REGISTERED OFFICE

Panchalam Village
Melpettai Post, Tindivanam
Tamilnadu-604 307

FACTORY

Panchalam Village
Melpettai Post, Tindivanam
Tamilnadu-604 307

HIMALAYA GRANITES LIMITED



NOTICE

NOTICE is hereby given that the 22nd Annual General Meeting of the members of the Company will be held on Friday, 10 September, 2010 at the Registered Office of the Company at Panchalam Village, Melpettai Post, Tindivanam, Tamilnadu-604 307 at 1:00 P.M. to transact the following businesses:

Ordinary Business:

- 1) To receive, consider and adopt the Audited Accounts of the Company for the year ended 31 March, 2010 together with Directors' Report and Auditors' Report thereon.
- 2) To appoint a director in place of Ms. Janaki Venkatramani, who retires by rotation and being eligible, offers herself for re-appointment.
- 3) To appoint a director in place of Mr. Beni Gopal Saraf, who retires by rotation and being eligible, offers himself for re-appointment.
- 4) To appoint statutory auditors and to fix their remuneration and in this connection, to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **ordinary resolution**:

"RESOLVED THAT M/s. D. Dhandaria & Company, Chartered Accountants, the retiring auditors be and are hereby appointed as Statutory Auditors of the Company to hold office as such from the conclusion of this meeting till the conclusion of next Annual General Meeting at such remuneration as may be fixed by the Board of Directors of the company, based on the recommendation of the Audit Committee, in addition to reimbursement of all out-of-pocket expenses in connection with the audit of the accounts of the Company".

Place : Kolkata

Dated : 30 May, 2010

Registered Office :

Panchalam Village
Melpettai Post, Tindivanam,
Tamilnadu-604 307

By Order of the Board
For Himalaya Granites Limited

P. K. Biswal
Company Secretary



HIMALAYA GRANITES LIMITED

NOTES :

1. **A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself/herself and the proxy need not be a member of the company. Proxies in order to be effective, must be lodged with the company at its Registered office not less than 48 hours before the time of the meeting.**
2. Members holding share in dematerialised form are requested to bring their Depository Account Number and Client I.D No. for identification.
3. The Register of Members and Share Transfer Books of the company will remain closed from 8 September, 2010 to 10 September, 2010 (both days inclusive).
4. Queries on accounts of the Company, if any may please be sent to the Company at least seven days in advance of the meeting so that the answers may be made readily available at the meeting.
5. Members are requested to promptly notify any change in their address to the Share Transfer Agent M/s. S. K. Computers, 34/1A, Sudhir Chatterjee Street, Near Girish Park Metro Station, Kolkata - 700 006, Phone: 033- 2219-4815/6797.
6. Shareholders are requested to bring their copies of Annual Report to the Meeting.
7. Company's shares are listed on Bombay Stock Exchange (BSE) and listing fees for the financial year 2010-11 has been paid to above Stock Exchange.
8. Pursuant to the provisions of Section 205A and 205C of the Companies Act, 1956, the final dividend for the year ended 31 March, 2002 remaining unpaid or unclaimed for a period of seven years from the date of transfer of the same to the unpaid dividend account, has been transferred to the Investor Education and Protection Fund established by the Central Government. No claim shall lie against the Investor Education and Protection Fund or the Company in respect of individual amount(s) so credited to the Investor Education and Protection Fund.
9. Pursuant to the provisions of the Companies Act, 1956, the final dividend for the financial year ended 31 March 2003 and dividends declared thereafter, which remain unclaimed for a period of seven years, will be transferred by the Company to the Investor Education and Protection Fund, pursuant to Section 205C of the Companies Act, 1956. Please be informed that the due month for transferring the unclaimed final dividend for the financial year ended 31 March 2003 to Investor Education and Protection Fund is October, 2010. Shareholders, who have not yet encashed their dividend warrants for the financial year ended 31 March 2003 and any subsequent financial years are requested to make their claim to the Company's Share Transfer Agent immediately.
10. Members are requested to approach their DPs for dematerialization of equity shares of the Company.
11. Members are informed that it has become mandatory for the transferee(s) to furnish copy of their PAN card to the Company/RTAs for registration of transfer of shares in physical form.
12. **Appointment/Re-appointment of Directors:**
Profiles of directors seeking appointment/re-appointment as stipulated under Clause 49 of the Listing Agreement with stock exchange are furnished in the Corporate Governance Report, which forms an integral part of this Annual Report.

Place : Kolkata
Dated : 30 May, 2010

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

By Order of the Board
For Himalaya Granites Limited

P. K. Biswal
Company Secretary

HIMALAYA GRANITES LIMITED



DIRECTORS' REPORT

Your Directors present herewith the 22nd Annual Report together with the Audited Accounts of your Company for the year ended 31 March, 2010.

FINANCIAL HIGHLIGHTS:

	2009-10	<i>(Rs. in Lacs)</i> 2008-09
Net Sales	4.10	122.85
Other Income	24.16	73.68
Profit/(Loss) before Interest, Depreciation & extraordinary items	(51.17)	(51.09)
Less :		
a) Interest	31.47	74.84
b) Depreciation	31.74	31.53
c) Extra-ordinary Items	0.29	420.93
Profit/(loss) Before Tax	(114.67)	(578.39)
Provision for Tax		
Tax on Fringe Benefits	–	(0.35)
Deferred Tax Release/(Provision)	(6.64)	(5.76)
Income Tax for earlier year	(1.58)	–
Profit/(loss) After Taxation	(122.89)	(584.50)
Balance Brought Forward from earlier years	30.60	615.10
Balance carried to Balance Sheet	(92.29)	30.60

REVIEW OF OPERATIONS

During the year under review the single unit of the Company situated at Panchalam Village, Melpettai Post, Tindivanam, Tamilnadu-604 307 remained inoperative.

Shareholders of the Company vide special resolution passed under section 293(1)(a) of the Companies Act, 1956 through postal ballot voting process on 29th December, 2009 approved sale of plant and machinery and other fixed assets (excluding land and building) of the unit of the Company situated at Panchalam Village, Melpettai Post, Tindivanam, Tamilnadu – 604 307 and accordingly necessary steps in this respect are being taken up by the Company.

TRANSFER TO GENERAL RESERVE

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

DIVIDEND

Due to huge loss during the year under review, your directors are unable to recommend any dividend.

DIRECTORS

Ms. Janaki Venkatramani and Mr. Beni Gopal Saraf, directors of the Company, are liable to retire by rotation at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment.

Your directors recommend the above reappointments.

None of the directors of your company is disqualified as per the provisions of Section 274(1)(g) of the Companies Act, 1956.



HIMALAYA GRANITES LIMITED

AUDITORS AND THEIR REPORT

M/s. D.Dhandaria & Company, Chartered Accountants, Statutory Auditors of the company, hold office until the conclusion of the ensuing Annual General Meeting and are recommended for re-appointment. The company has received a certificate from the above Auditors to the effect that the re-appointment if made, would be within the limits prescribed under section 224 (1B) of the Companies Act, 1956.

The observations made in the Auditors' Report are self-explanatory and therefore do not call for further comments.

DIRECTORS' RESPONSIBILITY STATEMENT

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

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

PUBLIC DEPOSITS

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

CORPORATE GOVERNANCE REPORT

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

SHIFTING OF REGISTERED OFFICE

During the year under review, the Registered Office of the Company shifted from New No. 29, Old No. 12, No. 3-B, Riaz Garden, Kodambakkam High Road, Nungambakkam, Chennai, Tamilnadu - 600034 to Panchalam Village, Melpettai Post, Tindivanam, Tamilnadu – 604307 vide special resolution passed by the shareholders of the Company through Postal Ballot voting process on 29th December, 2009.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

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

CEO AND CFO CERTIFICATION

As required under Clause 49 of the Listing Agreement, the CEO and CFO certification is attached with the Annual Report. The Managing Director & CEO and the Chief Financial Officer also give quarterly certification on financial results while placing the financial results before the Board in terms of Clause 41 of the Listing Agreement.

HIMALAYA GRANITES LIMITED



CODE OF CONDUCT FOR DIRECTORS AND SENIOR MANAGEMENT PERSONNEL

The Managing Director & CEO of the Company has given a declaration that all directors and the senior management personnel concerned have affirmed compliance with the code of conduct with reference to the year ended on 31 March 2010. The declaration is attached with the annual report.

PARTICULARS OF EMPLOYEES

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

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

The particulars regarding conservation of energy, technology absorption, foreign exchange earnings and outgo, as required under Section 217(1)(e) of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 are annexed hereto and form part of this report.

ACKNOWLEDGEMENT

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

On behalf of the Board of Directors

Place : Kolkata
Dated : 30 May, 2010

S. P. Mittal
Chairman



HIMALAYA GRANITES LIMITED

Annexure to the Directors' Report

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

A. CONSERVATION OF ENERGY :

Energy Conservation measures taken

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

	<u>2009-10</u>	<u>2008-09</u>
I. POWER & FUEL CONSUMPTION		
Electricity Purchased :		
Units	33570	42255
Total Amount (Rs.)	4,96,958	5,61,342
Rate per Unit (Rs.)	14.80	13.28
II CONSUMPTION PER UNIT OF PRODUCTION :		
Units		
a) Granite Monuments	Sq.Mtr.	Sq.Mtr.
b) Dimensional Granite Blocks	Cbm.	Cbm.
Electricity Consumption (Unit):		
a) Granite Monuments	Nil	Nil
b) Dimensional Granite Blocks	N.A.	N.A.

B. TECHNOLOGY ABSORPTION :

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

Expenditure on R & D

Rs. In lacs

Capital	-
Revenue	-
Total	-

Total R & D expenditure as percentage of total turnover Nil.

C. FOREIGN EXCHANGE EARNINGS & OUTGO :

Earnings and outgo:

	2009-10	2008-09
	(Rs. in Lacs)	(Rs. in Lacs)
Earnings (FOB Value of Exports)	-	107.55
Outgo on account of :		
a) Raw-Materials & Consumables	-	-
b) Travelling	-	-
c) Others	-	7.19
TOTAL	-----	-----
	-	7.19

On behalf of the Board of Directors

Place : Kolkata
Dated : 30 May, 2010

S. P. Mittal
Chairman

HIMALAYA GRANITES LIMITED



MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

INDUSTRY STRUCTURE AND DEVELOPMENT

The growth in this sector over the years has been inconsistent in terms of value because of the global competition.

There was no manufacturing activity in the Company during the year under review.

OPPORTUNITIES AND THREATS

The management could not tap any opportunity during the year under review since there was no manufacturing activity.

OUTLOOK

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

RISK AND CONCERN

The closure of the Company's unit has posed a challenge for the Company to resume operation. However your directors are exploring alternate avenues to make the Company operative.

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

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

HUMAN RESOURCES DEVELOPMENT

The production facilities of the Company continue to remain close since 27-02-2008. However, the Company has since paid the entire dues of its workers pursuant to the Memorandum of Settlement executed between Company and Workers under Section 12(3) of Industrial Dispute Act, 1947.

CAUTIONARY STATEMENT

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

On behalf of the Board of Directors

Place : Kolkata
Dated : 30 May, 2010

S. P. Mittal
Chairman



HIMALAYA GRANITES LIMITED

CORPORATE GOVERNANCE REPORT :

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

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

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

2. Board of Directors

Composition

The present strength of your Company's Board is six directors headed by a Non-Executive Chairman comprising:

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

Board Meetings

During the financial year ended 31st March 2010, seven Board Meetings were held on 13 April 2009, 30 June 2009, 31 July 2009, 31 October 2009, 9 November 2009, 30 December 2009 and 30 January 2010. The composition of the Board of Directors and their attendance at the Board Meetings during the year and at the last Annual General Meeting and also the number of other Boards or Board Committees in which the Directors are holding the position of member /Chairperson are as follows:

Name of the Directors and Director Identification Number (DIN)	Category of Directorship	No. of Board Meetings		Attendance at last AGM	No. of outside directorship held *		No. of outside Committees	
		Held	Attd.		Public	Private	Member	Chairman
Mr. Shiv Prakash Mittal (DIN 00237242)	Non-Executive Chairman-Promoter Director	7	5	No	1	1	2	1
Mr. Saurabh Mittal (DIN 00273917)	Non-Executive-Promoter Director	7	1	No	2	3	4	-
Mr. Ramesh Kumar Haritwal (DIN 01486666)	Managing Director & CEO	7	7	Yes	-	-	-	-
Ms. Janaki Venkatramani (DIN 00277900)	Non-Executive-Independent Director	7	6	No**	-	-	-	-
Mr. Beni Gopal Saraf (DIN 00267858)	Non-Executive-Independent Director	7	4	No	-	-	-	-
Mr. Mahesh Kumar Malpani (DIN 02603222)	Non-Executive-Independent Director	7	6	No	-	2	-	-

* including directorship in Foreign Company.

** Due to sickness Ms. Janaki Vankatramani, Chairperson of the Audit Committee could not attend the last Annual General Meeting.

HIMALAYA GRANITES LIMITED



Information supplied to the Board of Directors :

During the year under review all necessary information as required under the provisions of the Companies Act, 1956, Corporate Governance and other laws and rules were placed and discussed at the Board Meetings.

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

Name	Ms. Janaki Venkatramani	Mr. Beni Gopal Saraf
Father's Name	Mr. Rajamani Subramanian	Mr. Shyam Lal Saraf
Date of Birth	4 August, 1967	28 June 1947
Date of Appointment	31 March, 2000	31 January, 2005
Expertise in specific functional area	She has vast knowledge in the area of Marketing & Finance.	He possesses vast knowledge in the area of Finance & Marketing.
Qualification	B.A.(Hons), M.B.A. specialisation in Marketing.	B.Com
List of outside directorship held excluding alternate directorship	NIL	NIL
Chairman/Member of the Committee of the Board of the Company	<u>Chairperson:</u> Audit Committee <u>Member:</u> Share Transfer & Investors Grievance Committee Remuneration Committee	<u>Chairperson:</u> Nil <u>Member:</u> Share Transfer & Investors Grievance Committee Remuneration Committee
Chairman/Member of the Committee of the Board of Directors of other companies in which he is a director	NIL	NIL
Number of shares held in the company	NIL	NIL



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Disclosures of relationships between directors :

Name of the Directors	Category of Directorship	Relationship between directors
Mr. Shiv Prakash Mittal	Non-Executive Chairman - Promoter Director	Mr. Saurabh Mittal (Son)
Mr. Saurabh Mittal	Non-executive - Promoter Director	Mr. Shiv Prakash Mittal (Father)
Mr. Ramesh Kumar Haritwal	Managing Director & CEO	None
Ms. Janaki Venkatramni	Non-Executive - Independent Director	None
Mr. Beni Gopal Saraf	Non-Executive - Independent Director	None
Mr. Mahesh Kumar Malpani	Non-Executive - Independent Director	None

3. Code of conduct

Pursuant to clause 49(1)(d) of the Listing Agreement, the Board of Directors has adopted the Code of Conduct for the directors and senior management ("the Code"). The Code has been circulated to all the members of the Board and Senior Management and the compliance of the same has been affirmed by them. A declaration signed by the Managing Director & CEO of the Company, is attached with the annual report.

4. Audit Committee

Composition :

The Company's Audit Committee comprises two non-executive independent directors, and one non-executive promoter director. The Company Secretary acts as a secretary to the Audit Committee.

Ms. Janaki Venkatramani, Chairperson
Mr. Saurabh Mittal
Mr. Mahesh Kumar Malpani

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

The powers and role of the Audit Committee

Powers:

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



Role:

- Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
- Approval of payment to statutory auditors for any other services rendered by them.
- Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
 - a) Matters required in the Director's Responsibility Statement to be included in the Board's report in terms of clause (2AA) of section 217 of the Companies Act, 1956.
 - b) Changes, if any, in accounting policies and practices and reasons for the same.
 - c) Major accounting entries involving estimates based on the exercise of judgement by the management.
 - d) Significant adjustments made in the financial statements arising out of audit findings
 - e) Compliance with listing and other legal requirements relating to financial statements
 - f) Disclosure of any related party transactions
 - g) Qualifications in the draft audit report.
- Reviewing, with the management, the quarterly financial statements before submission to the Board for approval.
- Reviewing, with the management, the statement of uses/application of fund raised through an issue (public issue, right issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public/right issue, and making the appropriate recommendation to the Board to take up steps in this matter.
- Reviewing, with the management, performance of statutory and internal auditors, the adequacy of the internal control systems
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- Discussion with internal auditors any significant finding and follow up there on.
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors.
- To review the functioning of the Whistle Blower mechanism, in case it is existing.
- Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.



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Review of information by the Audit Committee:

The Audit Committee will mandatorily review the following information:

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

Meetings and Attendance during the year:

During 2009-10, five meetings were held on 13 April 2009, 30 June 2009, 31 July 2009, 31 October 2009 and 30 January 2010. The meetings are generally held before finalisation of quarterly and annual accounts.

Name of the Members	Status	No. of Meetings	
		Held	Attended
Ms. Janaki Venkatramani	Non-executive independent director	5	5
Mr. Saurabh Mittal	Non-Executive promoter director	5	1
Mr. Mahesh Kumar Malpani	Non-executive independent director	5	5

5. Subsidiaries Companies

The Company does not have any subsidiaries.

6. Remuneration Committee

Composition:

Ms. Janaki Venkatramani
Mr. Beni Gopal Saraf
Mr. Mahesh Kumar Malpani

All the above members directors are Non-executive Independent Directors.

Terms of reference:

- To determine the Company's policy on the remuneration package for Executive Directors and any compensation payment.
- To discuss, approve the appointment and re-appointment of executive directors, Managing Directors and also to fix their remuneration package and designation.

Meetings and attendance:

There was no meeting of the remuneration committee during 2009-10.



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

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

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

(I) Executive Director

The details of remuneration to Executive director for the year ended 31 March, 2010 are as follows and the same is within the ceiling prescribed within the applicable provisions of the Companies Act, 1956

Name and designation	Service Contract/ Notice period*	Salary	Perquisite & other allowances
Mr. Ramesh Kumar Haritwal, Managing Director & CEO	Appointed as Managing Director & CEO for five years w.e.f 01.06.2007	1329000	154080

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

(II) Non-Executive Directors

The details of sitting fees to Non-executive Directors for the financial year 2009-10 are as follows:

Name	Service Contracts/ Notice Period	Sitting Fees Paid (Rs.)	No of shares held in the Company
Ms. Janaki Venkatramani	Retire by rotation	3000/-	NIL
Mr. Beni Gopal Saraf	Retire by rotation	2000/-	NIL
Mr. Shiv Prakash Mittal	Retire by rotation	2500/-	12500
Mr. Saurabh Mittal	Retire by rotation	500/-	10000
Mr. Mahesh Kumar Malpani	Retire by rotation	3000/-	NIL

7. Share Transfer and Investors' Grievance Committee

Composition:

The Share Transfer and Investors Grievance Committee comprises three Non-executive independent directors and one Non-executive promoter directors.

Ms. Janaki Venkatramani, Chairperson

Mr. Saurabh Mittal

Mr. Beni Gopal Saraf

Mr. Mahesh Kumar Malpani



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Mr. Prakash Kumar Biswal, company secretary, acts as the secretary to the committee and compliance officer of the company. The Committee deals with matters relating to approval of transfers and transmissions, issue of duplicate share certificates, split and consolidation of certificates, dematerialization and rematerialisation requests, monitoring of shareholder complaints and share price movements.

The table gives the number of complaints received, resolved and pending during the year 2009-10.

Number of complaints:

Received	Resolved	Pending
Nil	Nil	Nil

During 2009-10, five meetings were held on 12 May 2009, 10 July 2009, 10 August 2009, 10 December 2009 and 28 January 2010 and the attendance of member Directors were as follows:

Name of the members	Status	No of meeting held	No of Meeting attended
Mr. Saurabh Mittal	Non-executive- promoter director	5	–
Ms. Janaki Venkatramani	Non-executive -independent director	5	5
Mr. Beni Gopal Saraf	Non-executive -independent director	5	5
Mr. Mahesh Kumar Malpani	Non-executive -independent director	5	5

8. General Body Meetings

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

Financial Year	Date of AGM	Venue	Time
31.03.2009	30.09.2009	New No.29,Old No.12 No.3-B, Riaz Garden, Kodambakkam High Road, Nungambakkam, Chennai-600 034	11.00 A.M.
31.03.2008	26.09.2008	New No.29,Old No.12 No.3-B, Riaz Garden, Kodambakkam High Road, Nungambakkam, Chennai-600 034	11.00 A.M.
31.03.2007	27.09.2007	New No.29,Old No.12 No.3-B, Riaz Garden, Kodambakkam High Road, Nungambakkam, Chennai-600 034	11:00 A.M



- ii. Special Resolutions passed at the last three Annual General Meetings:
- a. At the Twenty-first Annual General Meeting held on: 30 September, 2009. NIL
 - b. At the Twentieth Annual General Meeting held on: 26 September, 2008. NIL
 - c. At the Nineteenth Annual General Meeting held on: 27 September, 2007. NIL
- iii. Special resolution put through postal ballot during last year:

The Members approved, by means of postal ballot, a Special Resolution under Section 146(2) of the Companies Act, 1956, accorded for shifting the Registered office of the Company from New No. 29, Old No. 12, No. 3-B, Riaz Garden, Kodambakkam High Road, Nungambakkam, Chennai, Tamilnadu - 600 034 to Panchalam Village, Melpettai Post, Tindivanam, Tamilnadu – 604 307 as contained in the postal ballot notice dated 9th November, 2009. The salient features of the postal ballot, in respect of the above, are provided below:

The Board of Directors of the Company, at its meeting held on 9th November, 2009, appointed Mr. Dhaneswar Sahoo, a Practicing Company Secretary as the Scrutiniser for conducting the Postal Ballot voting process;

Notice along with the Postal Ballot Form was despatched to the Members whose names appeared in the Register of Members on 13th November, 2009; such despatch was completed on 20th November, 2009;

The last date of the receipt of Postal Ballot Forms was 21st December, 2009;

The Scrutiniser submitted his Report dated 28th December, 2009 to the Chairman of the Company;

Based on the Scrutiniser's report and having been authorized by the Chairman to declare the result in his absence, the result of the Postal Ballot was declared by Mr. Prakash Kumar Biswal, Company Secretary of the Company, on 29th December, 2009 at its Registered Office, as follows:

Particulars	No. of Members voted	No. of Shares voted	% of total valid votes cast
Total Postal Ballots received	34	2070612	–
Postal Ballots - Valid	32	2069712	–
Postal Ballots - Invalid	2	900	–
Postal ballots - In favour of the Resolution	31	2069612	(99.995%)
Postal ballots - Against the Resolution	1	100	(0.005%)

RESULT: Passed with the requisite majority.

No special resolution is proposed to be conducted through postal ballot so far.



HIMALAYA GRANITES LIMITED

9. Disclosures

- a) The company does not have related party transactions, which may have potential conflict with the interest of the company at large. Further, the statutory disclosure requirements relating to related party transactions have been complied with the Annual Accounts.
- b) The financial statements have been made in accordance with the accounting standards so as to represent a true and fair view of the state of affairs of the company.
- c) The company laid down procedures to inform Board members about the risk assessment and minimization procedures, which are periodically reviewed.
- d) No penalties or strictures have been imposed on the company by the stock exchanges or SEBI, or any statutory authority on any matter related to the capital market during the last three years.
- e) The company complied with all the mandatory requirements as prescribed and made considerable progress towards adopting the non-mandatory requirements. The Company does not have a whistleblower policy, however, no person has been denied access to the Audit Committee.
- f) In addition to Directors report, a Management Discussion and Analysis Report form part of the Annual Report to the shareholders. All Key Managerial Personnel and Senior Management have confirmed that they do not have any material, financial and commercial interest in transactions with the Company that may have a potential conflict with the interest of the Company at large.

10. Adoption of non-mandatory requirements

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

11. Means of Communication

The quarterly/half yearly/annual financial results of the company are sent to the Stock Exchange immediately after they are approved by the Board of Directors. These are also published in the prescribed performa within 48 hours of the conclusion of the meeting of the Board in which they are considered in English Newspaper circulating in the whole or substantially the whole of India, and in one vernacular newspaper of the state where the registered office of the Company is situated.

Details about the means of communication:

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

HIMALAYA GRANITES LIMITED



12. General Shareholder information

- i. Date, time & venue of the Annual General Meeting Friday, 10th September, 2010 at 1:00 P.M at Panchalam Village, Melpettai Post, Tindivanam, Tamilnadu-604 307
- ii. Financial Year Financial year of the company is from 1 April to 31 March. Publication of results for the financial year 2010-11 (tentative and subject to change)
First quarter results: On or before 14th August, 2010
Second quarter and half year results: On or before 14th November, 2010
Third quarter results: On or before 14th February, 2011
Fourth quarter results and results for the year ending 31 March 2011: On or before 15th May 2011 and on or before 30th May, 2011 respectively.
- iii. Book Closure Period From 7 September, 2010 to 10 September, 2010 (both days inclusive)
- iv. Listing of equity shares at stock exchange Bombay Stock Exchange Ltd. (BSE), Floor 25, P.J.Towers Dalal Street, Fort, Mumbai - 400 001
- v. Stock code BSE:513723
- vi. Market price data for the financial year 2009-10.

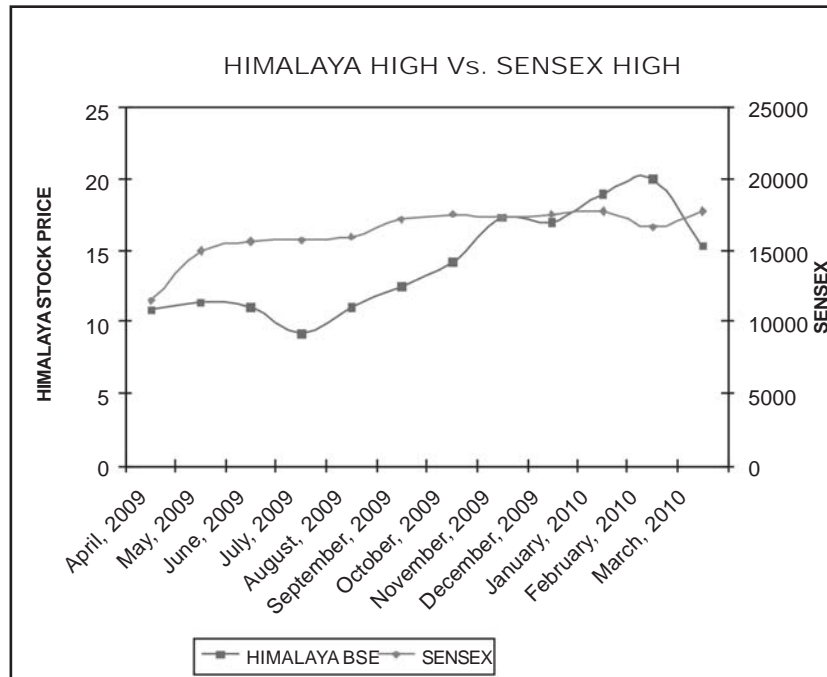
Month	At BSE	
	High (Rs)	Low (Rs)
April 2009	10.88	9.84
May 2009	11.34	9.70
June 2009	11.10	8.56
July 2009	9.14	7.95
August 2009	11.02	8.55
September 2009	12.50	9.50
October 2009	14.20	10.35
November 2009	17.25	9.75
December 2009	17.00	15.70
January 2010	19.00	17.45
February 2010	20.00	15.40
March 2010	15.25	10.55

- vii. E-mail ID for Investors: himgran@eth.net
- viii. Corporate Identity Number (CIN):L13206TN1987PLC015161



HIMALAYA GRANITES LIMITED

- ix. Performance of the company's share on BSE.



- x Registrar & Share Transfer Agent M/s. S. K. Computers
34/1A, Sudhir Chatterjee Street
Kolkata - 700 006.
Phone: 2219-4815, Fax: 033-2219-4815
- xi. Share Transfer System The Company has a committee of the Board of Directors called Share Transfer and Investors' Grievance Committee, which meets as and when required to approve the transfer of shares. The formalities for transfer of shares in the physical form are completed and the share certificates are dispatched to the transferee within 30 days of receipt of the transfer documents, provided the documents are complete and the shares under transfer are not under dispute.

HIMALAYA GRANITES LIMITED



xii. Distribution of shareholding as on 31 March 2010

Equity shares held	Number of Shareholders	Percent of Shareholders	Number of Shares held	Percent of Shares held
1-500	1305	88.77	161141	5.36
501-1000	83	5.65	68596	2.28
1001-2000	30	2.04	46657	1.55
2001-3000	12	0.82	29343	0.98
3001-4000	5	0.34	17784	0.60
4001-5000	6	0.41	28024	0.93
5001-10000	5	0.34	40632	1.35
10001-50000	12	0.82	242303	8.06
50001-100000	3	0.20	254443	8.47
100001 & above	9	0.61	2116077	70.42
Total	1449	100.00	3005000	100.00

xiii. Dematerialisation of Shares and Liquidity

The Company's equity shares are tradable compulsorily in electronic form and are available for trading in the depository systems of both National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL). The International Securities Identification Number (ISIN) of the Company, as allotted by NSDL and CDSL is INE 464C01016. Nearly 96.29% of total equity shares have been dematerialized as on 31.03.2010.

xiv. Outstanding ADRs/GDRs

Not Applicable

xv. Plant Location :

Panchalam Village, Melpettai Post
Tindivanam-604 307

xvi. Address for correspondence :

M/s. S.K. Computers
34/1A, Sudhir Chatterjee Street
Kolkata - 700 006
Phone : (033) 2219-4815, Fax : (033) 2219-4815
Contact Person : Mr. Dilip Bhattacharya
Email : agarwalskc@rediffmail.com

On behalf of the Board of Directors

Place : Kolkata
Dated : 30 May, 2010

S. P. Mittal
Chairman



HIMALAYA GRANITES LIMITED

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

To
The Members of
Himalaya Granites Limited

In accordance with Clause 49(I)(D) of the Listing Agreement with the Stock Exchanges, I hereby confirm that, all the Directors and Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct, as applicable to them, for the financial year ended on 31 March, 2010.

Place : Kolkata
Dated : 30th May, 2010

Ramesh Kumar Haritwal
Managing Director & CEO

HIMALAYA GRANITES LIMITED



AUDITORS' CERTIFICATE

To
The Members of
Himalaya Granites Limited

We have examined the compliance of conditions of Corporate Governance by Himalaya Granites Ltd., for the year ended 31 March 2010, as stipulated in clause 49 of the Listing Agreement of the said company with stock exchange.

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

We certify that the company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

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

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

Place : Kolkata
Dated : 30 May, 2010

(Dindayal Dhandaria)
Partner
Membership No. **10928**



HIMALAYA GRANITES LIMITED

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

To
The Board of Directors
Himalaya Granites Limited

- (a) We have reviewed the financial statements and the cash flow statement for the financial year ended 31 March, 2010 and that to the best of our knowledge and belief:
- (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the Auditors and the Audit Committee that there are no
- (i) Significant changes in internal control over financial reporting during the year;
 - (ii) Significant changes in accounting policies during the year; and
 - (iii) instances of significant fraud of which we have become aware and the involvement therein of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Ramesh Kumar Haritwal
Managing Director & CEO

R. Jayasankar
Chief Financial Officer

Dated : 30th May, 2010

HIMALAYA GRANITES LIMITED



AUDITORS' REPORT TO THE MEMBERS OF HIMALAYA GRANITES LIMITED

We have audited the attached Balance Sheet of M/s. **HIMALAYA GRANITES LIMITED** as at 31st March, 2010, the Profit and Loss Account and also the Cash Flow Statement for the year ended on that date annexed hereto.

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

- (1) As required by the Companies (Auditors' Report) Order, 2003 issued by the Central Government of India in terms of section 227(4A) of the Companies Act, 1956, we enclose in the Annexure, a statement on the matters specified in paragraphs 4 and 5 of the said Order.
- (2) Further to our comments in the Annexure referred to in paragraph (1) above:
 - (a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account, as required by the Companies Act, 1956 have been kept by the Company so far as appears from our examination of those books and proper returns, certified by the Branch Managers, adequate for the purpose of our audit have been received from some of the branches which have not been visited by us ;
 - (c) The Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with in this report are in agreement with the books of account and returns made available to us;
 - (d) In our opinion, the Balance Sheet, Profit & Loss Account and Cash Flow Statement, together with notes thereon, comply with the Accounting Standards referred to in Sub-section (3C) of Section 211 of the Companies Act, 1956.
 - (e) On the basis of the written representations received from the directors and taken on record by Board of Directors, we report that none of the said directors is disqualified as on 31st March, 2010 from being appointed as directors in terms of clause (g) of sub section (1) of section 274 of the Companies Act, 1956.
 - (f) *The Financial Statements have been prepared on the basis that the Company is a going concern, which assumes continuity of normal business activities and the realization of assets and the settlement of liabilities in the ordinary course of business. The production facilities of the Company continue to remain close since 27-02-2008 and to the best of our information and belief, the Management has not yet drawn any future plan for revival of the closed business. These events*



HIMALAYA GRANITES LIMITED

indicate a material uncertainty and cast significant doubt on the Company's ability to continue as a going concern. However, the Company has since paid the entire dues of its workers, repaid its borrowings from banks and / or financial institutions in full and also discharged a significant portion of its other liabilities. In the opinion of the Management, the Company would be able to realize its assets and discharge the remaining liabilities also in full in the normal course of business. Accordingly, the accounts have been prepared on the assumption that it is a going concern and as such, no adjustments have been made to the financial statements relating to the recoverability and classification of recorded asset amounts, or to the amounts and classification of liabilities, except that a sum of Rs 28,935/- has been written off on account of damage / deterioration of inventory.

Subject to above, in our opinion, the financial statements give the information required by the Companies Act, 1956, in the manner so required and also give a true and fair view:

- (i) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2010; and
- (ii) in the case of the Profit & Loss Account, of the Loss of the Company for the year ended on that date.
- (iii) in the case of the Cash Flow Statement of the cash flows for the year ended on that date.

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

Place : Kolkata
Date : 30th May, 2010

(Dindayal Dhandaria)
Partner
Membership No. **10928**



ANNEXURE TO AUDIT REPORT

1. (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
(b) A substantial portion of the fixed assets have been physically verified by the management during the year and there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification.
(c) As the company has disposed off part of its fixed assets and so the going concern status of the company is affected.
2. (a) As explained to us, the inventory has been physically verified during the year by the management at reasonable intervals.
(b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
(c) In our opinion and according to the information and explanations given to us, the company has maintained proper records of its inventory and no material discrepancies were noticed on physical verification.
3. (a) As informed to us, the Company has not granted any loans, secured and unsecured, to companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956 and as such clauses (iii)(a) to (iii)(d) are not applicable.
(b) As informed to us, the company has not taken any loans, secured or unsecured from companies, firms or other parties covered in the registered maintained under section 301 of the Act and as such clauses (iii)(e) to (iii)(g) are not applicable.
4. In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control system;
5. (a) According to the information and explanations given to us, we are of the opinion that the particulars of contracts or arrangements referred to in section 301 of the Act have been entered in the registered required to be maintained under that section; and
(b) In our opinion and according to the information and explanations given to us, no transactions have been made in pursuance of such contracts or arrangements.
6. The company has not accepted any deposits from the public during the year.
7. In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
8. In respect of the company, no cost records have been prescribed by the Central Government under section 209 (1) (d) of the Companies Act, 1956.
9. According to the information and explanation given to us in respect of statutory and other dues:
 - (a) The company has been regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education protection fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, custom duty, excise duty, cess and other material statutory dues applicable to it.
 - (b) According to information and explanations given to us, the following disputed amounts have not been deposited by the company:



HIMALAYA GRANITES LIMITED

Statement of Disputed Dues

Name of the Statute	Nature of the Dues	Amount (Rs)	Period to which the amount relates (Financial Year)	Forum where dispute is pending
Income Tax Act 1961	Income Tax, Surcharge, Education Cess and Interest	22,46,480	2001-2002	Commissioner (Appeals) C-III, Kolkata
Income Tax Act 1961	Income Tax, Surcharge, Education Cess and Interest	21,47,537	2002-2003	Commissioner (Appeals) C-III, Kolkata
Income Tax Act 1961	Income Tax, Surcharge, Education Cess and Interest	32,43,128	2005-2006	Commissioner (Appeals) C-III, Kolkata

- (c) According to information and explanations given to us, apart from above, there are no other dues of income tax, sales tax, wealth tax, service tax, customs duty, excise duty and cess which have not been deposited on account of any dispute.
- The company does not have accumulated losses at the year-end and has incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
 - In our opinion and according to the information and explanations given to us, the Company has issued no debentures. According to the records of the Company examined by us and the information and explanations given to us, the Company has not defaulted in repayment of dues to any financial institution or bank as at the Balance Sheet date.
 - The company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
 - In our opinion, the company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
 - In our opinion, the company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
 - According to information and explanations given to us, the company has not given guarantees for loans taken by others from banks or financial institutions.
 - According to information and explanations given to us, no term loans were taken by the Company during the year. Balance brought forward from earlier year was repaid in full.
 - According to the information and explanations given to us and on an overall examination of the balance sheet of the company, we report that no funds raised on short-term basis have been used for long-term investment.
 - According to the information and explanations given to us, the company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Act during the year and hence the question of disclosure and verification of end use of such money does not arise.
 - According to the information and explanations given to us, the company has not issued any debentures.
 - The company has not raised money by public issue during the year and hence the question of disclosure and verification of end use of such money does not arise.
 - According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the course of our audit.

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

(Dindayal Dhandaria)
Partner
Membership No. **10928**

Place: Kolkata
Dated: 30th May, 2010

HIMALAYA GRANITES LIMITED



BALANCE SHEET AS AT 31ST MARCH, 2010

SOURCES OF FUNDS:	Schedules	AS AT 31ST MARCH, 2010		AS AT 31ST MARCH, 2009	
		Rs.	Rs.	Rs.	Rs.
1. SHAREHOLDERS' FUNDS :					
Share Capital	A	30050000		30050000	
Reserves & Surplus	B	<u>75365304</u>		<u>87654216</u>	
			105415304		117704216
2. LOAN FUNDS :					
Secured Loans	C		—		42143383
3. Deferred Tax Liabilities (Net)	D		<u>6571769</u>		<u>5908203</u>
TOTAL :			<u>111987073</u>		<u>165755802</u>
APPLICATION OF FUNDS :					
1. <u>FIXED ASSETS :</u>	E				
Gross Block		159277418		170644698	
Less: Depreciation		<u>109663138</u>		<u>116814656</u>	
Net Block			49614280		53830042
2. <u>INVESTMENTS:</u>	F		17000000		30000000
3. <u>CURRENT ASSETS, LOANS & ADVANCES :</u>					
Inventories	G	2137943		2656147	
Sundry Debtors	H	23450585		29276015	
Cash & Bank Balances	I	4175617		5690283	
Loans & Advances	J	<u>18778518</u>		<u>61659286</u>	
		48542663		99281731	
Less : CURRENT LIABILITIES & PROVISIONS	K	<u>3169870</u>		<u>17355971</u>	
NET CURRENT ASSETS			45372793		81925760
TOTAL :			<u>111987073</u>		<u>165755802</u>
SIGNIFICANT ACCOUNTING POLICIES & NOTES ON ACCOUNTS	T				

The Schedules referred to above form an integral part of the Balance Sheet.

AS PER OUR ANNEXED REPORT OF EVEN DATE.

For **D. DHANDARIA & COMPANY** **Janaki Venkatramani** **Shiv Prakash Mittal**
Chartered Accountants Director Chairman
ICAI Firm Reg. No. **306147E**

(Dindayal Dhandaria)
Place : Kolkata Partner **Prakash Kr. Biswal** **Ramesh Kumar Haritwal**
Dated : 30th May, 2010 Membership No. **10928** Company Secretary Managing Director & CEO



HIMALAYA GRANITES LIMITED

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2010

	Schedules	FOR THE YEAR ENDED	
		31ST MARCH, 2010	31ST MARCH, 2009
INCOME:		Rs.	Rs.
Sales	L	409794	12284914
Other Income	M	2416168	7368256
Increase/(Decrease) in Stocks	N	—	—
TOTAL		2825962	19653170
EXPENDITURE:			
Cost of Raw Materials Sold	O	489269	1342536
Purchase of Finished Goods		—	9105684
Manufacturing Expenses	P	—	1428401
Payments & Other Benefits to Employees	Q	2539980	5877718
Administrative Expenses	R	4913640	6033819
Selling & Distribution Expenses	S	—	973744
Interest		3147499	7484296
Depreciation		3173798	3153278
Extra Ordinary Items:			
Compensation to Workers on lay off		—	23328268
Damage /Deterioration of inventory		28935	18764378
TOTAL		14293121	77492122
PROFIT BEFORE TAX		(11467159)	(57838952)
For Tax on Fringe Benefits		—	(35000)
For Deferred Tax Release / (Provision)		(663566)	(576059)
Income Tax for Earlier Year		(158187)	—
PROFIT AFTER TAX		(12288912)	(58450011)
Add : Balance brought forward from last year		3059968	61509979
BALANCE TRANSFERRED TO BALANCE SHEET		(9228944)	3059968
BASIC & DILUTED EARNINGS PER SHARE	T	(4.09)	(19.45)
SIGNIFICANT ACCOUNTING POLICIES & NOTES ON ACCOUNTS	T		

The Schedules referred to above form an integral part of the Profit & Loss Account.

AS PER OUR ANNEXED REPORT OF EVEN DATE.

For **D. DHANDARIA & COMPANY** **Janaki Venkatramani** **Shiv Prakash Mittal**
Chartered Accountants Director Chairman
ICAI Firm Reg. No. **306147E**

(Dindayal Dhandaria)
Place : Kolkata Partner **Prakash Kr. Biswal** **Ramesh Kumar Haritwal**
Dated : 30th May, 2010 Membership No. **10928** Company Secretary Managing Director & CEO

HIMALAYA GRANITES LIMITED



	AS AT 31ST MARCH, 2010 Rs.	AS AT 31ST MARCH, 2009 Rs.
SCHEDULE 'A' :-		
SHARE CAPITAL :		
AUTHORISED :		
40,00,000 Equity Shares of Rs. 10/- each	40000000	40000000
ISSUED, SUBSCRIBED AND PAID UP :		
30,05,000 Equity Shares of Rs. 10/- each (Of the above 12,03,000 Equity Shares of Rs 10/- each have been allotted as fully paid Bonus Shares by capitalisation of General Reserve)	30050000	30050000
SCHEDULE 'B' :-		
RESERVES & SURPLUS :		
(a) Securities Premium Account	20000000	20000000
(b) Capital Reserve (Capital Investment Subsidy)	1500000	1500000
(c) General Reserve	63094248	63094248
Less : Debit Balance in Profit & Loss Account	9228944	—
	53865304	63094248
(d) Profit & Loss Account - balance at credit	—	3059968
	75365304	87654216



HIMALAYA GRANITES LIMITED

<u>SCHEDULE 'C' :-</u>	AS AT 31ST MARCH, 2010 Rs.	AS AT 31ST MARCH, 2009 Rs.
<u>SECURED LOANS :</u>		
A. <u>TERM LOANS</u>		
Axis Bank Limited (Axis)	—	18398732
B. <u>WORKING CAPITAL</u>		
Union Bank of India (UBI)	—	23744651
	—	42143383
	<hr/>	<hr/>
<u>SCHEDULE 'D' :-</u>		
<u>DEFERRED TAX ASSETS & LIABILITIES</u>		
<u>DEFERRED TAX ASSETS</u>		
Provision for Gratuity / Others	390451	373538
<u>DEFERRED TAX LIABILITIES</u>		
Depreciation	6962220	6281741
<u>NET DEFERRED TAX LIABILITIES</u>	<hr/>	<hr/>
	6571769	5908203

HIMALAYA GRANITES LIMITED



SCHEDULE 'E' :

FIXED ASSETS

Particulars	GROSS BLOCK			DEPRECIATION			NET BLOCK			
	Cost As At 01/04/2009 Rs.	Addition during the year Rs.	Deductions during the year Rs.	Cost As At 31/3/2010 Rs.	Upto 31/03/2009 Rs.	For the year Rs.	Adjustment Rs.	Upto 31/03/2010 Rs.	As At 31/03/2010 Rs.	As At 31/03/2009 Rs.
1. Land & Developments	1132849	—	—	1132849	—	—	—	—	1132849	1132849
2. Building (Factory)	33711409	—	—	33711409	14533760	1125960	—	15659720	18051689	19177649
3. Building (Others)	13619568	—	—	13619568	2177601	222001	—	2399602	11219966	11441967
4. Plant & Machinery	104719448	—	10917221	93802227	88047429	1043843	9928620	79162652	14639575	16672019
5. Vehicles	5375690	—	450059	4925631	2287618	470253	396696	2361175	2564456	3088072
6. Electrical Fittings	6608650	—	—	6608650	6148154	13186	—	6161340	447310	460496
7. Furniture & Fittings	3280864	—	—	3280864	2186031	186125	—	2372156	908708	1094833
8. Office Equipments	2196220	—	—	2196220	1434063	112430	—	1546493	649727	762157
Total	170644698	—	11367280	159277418	116814656	3173798	10325316	109663138	49614280	53830042
Previous Year's Total	213466793	—	42822095	170644698	156197868	3153278	42536490	116814656	53830042	—



HIMALAYA GRANITES LIMITED

	AS AT 31ST MARCH, 2010 Rs.	AS AT 31ST MARCH, 2009 Rs.
SCHEDULE 'F' :		
INVESTMENTS (At Cost)		
LONG TERM INVESTMENTS OTHER THAN TRADE UNQUOTED		
In Ashiana Properties (P) Limited 25000 Shares of Rs.10 each	—	2500000
In Avinash Mercantile (P) Limited 60000 Shares of Rs.10 each	3000000	3000000
In Binod Resources (P) Limited 25000 Shares of Rs.10 each	—	2500000
In Ekta Nivesh (P) Limited 50000 Shares of Rs.10 each	2500000	2500000
In Hanuman Trading & Feeds (P) Limited 30000 Shares of Rs.10 each	3000000	3000000
In Harvard Trading (P) Limited 40000 Shares of Rs.10 each	4000000	4000000
In Laxminarayan Vyapaar (P) Limited 100000 Shares of Rs.10 each	2500000	2500000
In R.A. Trading (P) Limited 25000 Shares of Rs.10 each	—	2500000
In Safeaid Finance Company (P) Limited 30000 Shares of Rs.10 each	—	3000000
In Suryalata Trexim (P) Limited 25000 Shares of Rs.10 each	—	2500000
In Usha Polychem (I) (P) Limited 20000 Shares of Rs.10 each	2000000	2000000
	<u>17000000</u>	<u>30000000</u>
Aggregate Book Value of Investments		
Quoted	—	—
Unquoted	<u>17000000</u>	<u>30000000</u>
	<u>17000000</u>	<u>30000000</u>
Market Value of Quoted Investments	—	—

HIMALAYA GRANITES LIMITED



	AS AT 31ST MARCH, 2010 Rs.	AS AT 31ST MARCH, 2009 Rs.
<u>SCHEDULE 'G' :</u>		
<u>INVENTORIES :</u>		
(As taken, valued and certified by the Management)		
Raw Materials	—	489269
Consumables	102893	102893
Stores & Spares	126508	126508
Finished Goods	402304	431239
Goods under process	1506238	1506238
	<u>2137943</u>	<u>2656147</u>
<u>SCHEDULE 'H' :-</u>		
<u>SUNDRY DEBTORS</u> (unsecured, considered good) :		
Debts outstanding for a period exceeding six months	23450585	29276015
	<u>23450585</u>	<u>29276015</u>
<u>SCHEDULE 'I' :-</u>		
<u>CASH & BANK BALANCES :</u>		
Cash in Hand	3734484	3907598
Balances with Scheduled Banks :		
On Current Accounts	441133	1782685
	<u>4175617</u>	<u>5690283</u>



HIMALAYA GRANITES LIMITED

	AS AT 31ST MARCH, 2010 Rs.	AS AT 31ST MARCH, 2009 Rs.
<u>SCHEDULE 'J' :-</u>		
<u>LOANS & ADVANCES:</u>		
(Unsecured, Considered good):		
Advances (recoverable in cash or in kind or for value to be received or adjusted):		
- To Staff	724458	171684
- Against Purchase of Raw Materials, Stores & Others	5175578	10632311
- To Others	4296460	42627383
Prepaid expenses	94982	76442
Security Deposits	1128262	1143497
Income Tax Advance (net off Provisions)	7164817	6814008
Service Tax Refund Receivable	193961	193961
	<u>18778518</u>	<u>61659286</u>
<u>SCHEDULE 'K' :-</u>		
<u>CURRENT LIABILITIES & PROVISIONS :</u>		
[A] <u>CURRENT LIABILITIES :</u>		
Sundry Creditors for Goods , Expenses etc	715863	3382966
Unclaimed Dividends *	230399	249488
Liabilities		
For Expenses	888788	12483760
For Other Finance	186098	140794
TOTAL-A	<u>2021148</u>	<u>16257008</u>
[B] <u>PROVISIONS :</u>		
For Gratuity	1148722	1098963
TOTAL-B	<u>1148722</u>	<u>1098963</u>
TOTAL (A+B)	<u>3169870</u>	<u>17355971</u>

* Amounts due and outstanding to be credited to the Investor Education and Protection Fund Nil (Previous year Nil)

HIMALAYA GRANITES LIMITED



	FOR THE PERIOD ENDED 31ST	
	MARCH, 2010	MARCH, 2009
	Rs.	Rs.
<u>SCHEDULE 'L' :-</u>		
<u>SALES :</u>		
Monuments & Slabs (Exports)	—	10922292
Dimensional Granite Blocks (Local)	409794	1362622
	409794	12284914
<u>SCHEDULE 'M' :-</u>		
<u>OTHER INCOME :</u>		
Interest Received	1891182	6539195
Profit on Sale of Fixed Assets	452536	4770
Liabilities Written Back	72450	453166
Miscellaneous Income	—	371125
	2416168	7368256
<u>SCHEDULE 'N' :-</u>		
<u>INCREASE/(DECREASE) IN STOCKS :</u>		
OPENING STOCK		
Finished Goods	431239	1034694
Goods under Process	1506238	15062377
	1937477	16097071
Less : Damage /Detorioration of inventory	28935	14159594
	A 1908542	1937477
CLOSING STOCK		
Finished Goods	402304	431239
Goods under Process	1506238	1506238
	B 1908542	1937477
Increase / (Decrease) in Stocks	(A-B) —	—
<u>SCHEDULE 'O' :-</u>		
<u>COST OF RAW MATERIALS SOLD :</u>		
Opening Stock	489269	6436589
Less : Damage /Detorioration of inventory	—	4604784
	A 489269	1831805
Less : Closing Stock	B —	489269
Cost of Raw Materials sold during the year	(A-B) 489269	1342536



HIMALAYA GRANITES LIMITED

SCHEDULE 'P' :-

MANUFACTURING EXPENSES :

	FOR THE PERIOD ENDED 31ST	
	MARCH, 2010	MARCH, 2009
	Rs.	Rs.
Consumption of consumables & stores	—	746115
Power & Fuel	—	561342
Repairs		
- To Machinery	—	39954
- To Building	—	30015
Yard Expenses	—	50975
	<u>—</u>	<u>1428401</u>

SCHEDULE 'Q' :-

PAYMENTS & OTHER BENEFITS TO EMPLOYEES :

Salary, Wages & Bonus	2147438	27042111
Contribution to Provident & Other Funds	219552	332072
Employees' Welfare Expenses (including Workmens' compensation)	52475	122353
Gratuity	120515	1709450
	<u>2539980</u>	<u>29205986</u>

SCHEDULE 'R' :-

ADMINISTRATIVE EXPENSES :

Rent	305700	376100
Rates & Taxes	148418	276902
Insurance Charges	498323	644611
Telephone Expenses	110955	176379
Travelling Expenses (including Foreign Travel)	99588	184531
Miscellaneous Expenses	1950073	1771255
Vehicle Expenses	335365	349103
Sales Tax	2487	88112
Directors' Remuneration	1314000	1329000
Directors' Sitting Fees	11000	—
Bank Charges	37245	438012
Auditors' Remuneration	103684	106676
Loss due to fluctuation in foreign exchange rates	—	27764
Loss on Sale of Fixed Assets	—	13763
Value of Assets Discarded	—	251611
	<u>4913640</u>	<u>6033819</u>

SCHEDULE 'S' :-

SELLING & DISTRIBUTION EXPENSES :

Advertisement & Sales Promotion Expenses	—	196787
Packing & Forwarding	—	521237
Commission	—	255720
	<u>—</u>	<u>973744</u>



SCHEDULE 'T'

SIGNIFICANT ACCOUNTING POLICIES & NOTES ON ACCOUNTS

A. SIGNIFICANT ACCOUNTING POLICIES :

1. ACCOUNTING CONCEPTS & BASIS OF PRESENTATION

- a) The company follows mercantile system of accounting and recognises income and expenditure on accrual basis except in case of few items stated under the heading "Revenue Recognition" hereinafter. The accounts have been prepared on historical cost basis, as a going concern and are prepared in accordance with generally accepted accounting principles.
- b) Where changes are made in presentation, the comparative figures of the previous year are regrouped accordingly.
- c) Figures have been rounded off to the nearest rupee.

2. FIXED ASSETS:

Capitalised at acquisition cost including directly attributable costs such as freight, insurance, installation charges and incidental expenses for bringing the assets to its working condition for use.

3. INVESTMENTS:

Investments, being long term in nature, are stated at cost of acquisition. Adjustment for increase/decrease in the value of investments, if any, will be accounted for on realisation of the investments. However, any permanent fall in market value of investments is considered.

4. INVENTORIES:

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

5. TAXATION:

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

6. FOREIGN CURRENCY TRANSACTIONS:

- a) Transactions denominated in foreign currencies are normally recorded at the exchange rates prevailing at the time of the transactions.
- b) In conformity with revised Accounting Standard (AS – 11), issued by the Institute of Chartered Accountants of India (ICAI), monetary items denominated in foreign currencies at the year end and not covered by forward exchange contracts are translated at year end rates and those covered by forward exchange contracts are translated at the rate ruling at the date of transaction as increased or decreased by the difference between the forward rate and exchange rate on the date of transaction, such difference having been amortised over the life of the contract.



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- c) Non-monetary items carried at historical cost are reported using the rate at the date of transaction.
- d) Other non-monetary items are carried at fair value, are reported using the rate that existed when the fair values were determined.
7. **CONTINGENT LIABILITIES:**
Contingent Liabilities are not provided for but are disclosed by way of Notes on Accounts.
8. **REVENUE RECOGNITION:**
Income and Expenditure are recognised on accrual basis.
9. **VAT, SERVICE TAX & EDUCATION CESS:**
Various expenses are accounted for after deducting the refunds receivable in respect of VAT, Service Tax & Education cess.
10. **DEPRECIATION:**
- a) Depreciation on Fixed Assets is provided for on straight line method in accordance with and generally at the rates specified in Schedule XIV to the Companies Act, 1956. The revised rates have been straightaway applied to all existing assets and to those assets acquired during the year.
- b) Depreciation in respect of additions to assets has been charged on pro rata basis with reference to the period of use of such assets. The provision for depreciation for multiple shifts has been made on the basis of the actual utilisation of respective eligible assets.
11. **EMPLOYEE BENEFITS:**
- a) Short-term employee benefits are recognised as an expense at the undiscounted amount in the Profit and Loss Account of the year in which the related service is rendered.
- b) Post Employment and other long term employee benefits are charged off in the year in which the employee has rendered services. The amount charged off is recognised at the present value of the amounts payable determined using actuarial valuation techniques. Actuarial gains and losses in respect of past employment and other long term benefits are charged to the Profit and Loss Account.

B. NOTES ON ACCOUNTS:	31.03.2010	31.03.2009
	Rs.	Rs.
1) CONTINGENT LIABILITIES		
Contingent liabilities not provided for:		
i) Counter guarantees given to the banker /others in respect of the others guarantees given by them, for removal of excisable goods/customs duty	15000000	15000000
ii) Disputed Demand of Income Tax in Appeal	7637145	7637145

HIMALAYA GRANITES LIMITED



2)	AUDITORS' REMUNERATION INCLUDES :	<u>FOR THE YEAR ENDED</u>			
		31.03.2010		31.03.2009	
	(a) Audit fees	85000		(75000)	
	(b) Tax Audit fees	—		(10000)	
	(c) Fees for Certifications	9000		(10500)	
	(d) For Service Tax	9684		(10052)	
		<u>103684</u>		<u>(105552)</u>	
3)	a) The Company has been advised that the computation of net profits for the purpose of Directors' remuneration under Section 349 of the Companies Act, 1956 need not be enumerated since no commission has been paid to the Directors. Fixed monthly remuneration has been paid to the Managing Director as per Schedule XIII to the Companies Act, 1956.				
	(b) DIRECTORS' REMUNERATION:				
	Managing Director's Salary	1329000		(1329000)	
	Contribution to Provident Fund	110016		(110016)	
		<u>1439016</u>		<u>(1439016)</u>	
4)	As no enterprise has informed to the company that it is registered under the Micro, Small & Medium Enterprises Development (MSMED) Act, 2006, the company has nothing to disclose under this Act.				
5)	Balances under Sundry Debtors, Sundry Creditors, Loans and Advances payable or receivable are subject to confirmation to be received from some of the parties.				
6)	Damage / Deterioration in inventories have been written off as estimated by the Management.				
7.	Additional information pursuant to the provisions of Paragraph III & IV of the Schedule VI of the Companies Act, 1956.	31/03/2010		31/03/2009	
a.	Licensed Capacity:				
	Granite Monuments (Sq. mtr)	26500		26500	
	Dimensional Granite Blocks (CBM)	Not Applicable		Not Applicable	
b.	Installed Capacity:				
	Granite Monuments (Sq. mtr)	26500		26500	
	Dimensional Granite Blocks (CBM)	Not Ascertainable		Not Ascertainable	
c.	Particulars of Manufactured/Traded Goods:				
	Granite Monuments	Quantity (Sq. mtr.)		Value (Rs.)	
		31/03/2010	31/03/2009	31/03/2010	31/03/2009
	Opening Stock	90.247	90.247	402304	1005759
	Production *	—	—	—	—
	Purchases	—	577.090	—	9105684
	Sales	—	577.090	—	10922292
	Closing Stock	90.247	90.247	402304	402304
	* as certified by the management, being a technical matter.				
		Quantity (Sq. mtr.)		Value (Rs.)	
	Goods under process (Monuments)	31/03/2010	31/03/2009	31/03/2010	31/03/2009
	Opening Stock	1638.112	1638.112	1506238	15062377
	Closing Stock	1638.112	1638.112	1506238	1506238



HIMALAYA GRANITES LIMITED

Dimensional Granite Blocks	Quantity (CBM)		Value (Rs.)	
	31/03/2010	31/03/2009	31/03/2010	31/03/2009
Opening Stock	11.630	11.630	28935	28935
Production *	–	–	–	–
Purchases	–	–	–	–
Sales	–	–	–	–
Closing Stock	–	11.630	–	28935

* as certified by the management, being a technical matter.

	31.03.2010		31.03.2009	
	Qty.	Value	Qty.	Value
d. Raw Materials Consumed				
Dimensional Granite Blocks (CBM)	180.816	489269	47.65	1342536
e. Value of Imports calculated on CIF Basis :			31.03.2010	31.03.2009
i. Components, Spare Parts and consumables			–	–
f. Expenditure in Foreign Currency				
i. Travelling			–	–
ii. Others			–	718668
g. Earnings in Foreign Currency				
FOB value of Exports			–	10755051
h. Value of raw materials, stores & spare parts consumed			CONSUMPTION VALUE	PERCENTAGE TO TOTAL CONSUMPTION
a) Raw Materials				
Indigenous			489269	100
			(1342536)	(100)
b) Consumable Stores & Spares				
Imported			–	–
			(–)	(–)
Indigenous			–	–
			(746115)	(100)

Note: The figures and words in brackets are for previous year.

8. Earnings per Share

Profit after taxation as per Profit & Loss Account	(12288912)	(58450011)
Weighted average number of equity shares outstanding	3005000	3005000
Basic and diluted earnings per share in rupees (face value Rs. 10 per share)	(4.09)	(19.45)

HIMALAYA GRANITES LIMITED



9. Segment Reporting (Under Accounting Standard AS - 17 issued by ICAI)

Segment information has been prepared in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company. As part of Secondary reporting, revenues are attributed to geographical areas based on the location of the customers. The following table present the revenue, profit, assets and liabilities information relating to the business / geographical segment for the year ended 31st March, 2010.

Information about Business Segments - Primary

REPORTABLE SEGMENT	MONUMENTS		DIMENSIONAL GRANITE BLOCKS		UNALLOCATED		TOTAL	
	(2009-2010)	(2008-2009)	(2009-2010)	(2008-2009)	(2009-2010)	(2008-2009)	(2009-2010)	(2008-2009)
REVENUE								
External Sales	409794	12284914	-	-	-	-	409794	12284914
Other Income					2416168	7368256	2416168	7368256
Total Revenue	409794	12284914	-	-	2416168	7368256	2825962	19653170
RESULT								
Segment Result	(4494171)	-22170467	(615521)	(618288)	2416168	7368256	-2693524	-15420499
Unallocated Corporate Expenses					5626136	30329373	5626136	30329373
Operating Profit							(8319660)	(45749872)
Less : Interest (net)					3147499	7484296	3147499	7484296
Profit before Tax							(11467159)	(53234168)
Less : Provision for Taxation							-	-
Less : Provision for Fringe Benefit Tax							-	(35000)
Add/(Less) : Deferred Tax Release / (Provision) & adjustment of earlier years							(821753)	(576059)
Profit after Tax							(12288912)	(53845227)
OTHER INFORMATION								
Segment Assets	69343253	51828563	5496765	34816111	40316925	96467099	115156943	183111773
Segment Liabilities	2143729	15214480	-	117202	1026141	2024288	3169870	17355970
Loan Funds					-	42143383	0	42143383
Deferred Tax Liabilities (Net)					6571769	5908203	6571769	5908203
Shareholders' Funds					105415304	117704217	105415304	117704217
Total Liabilities							115156943	183111773
Capital Expenditure	-	-	-	-	-	-	-	-
Depreciation	1825625	1878636	615521	618288	732652	656354	3173798	3153278
Non-cash expenses other than depreciation	-	-	-	-	49759	-	49759	-

Secondary Segment - Geographical by location of customers

	Sales Revenue		Carrying Amount of Segment Assets		Additions to Fixed Assets	
	(2009-2010)	(2008-2009)	(2009-2010)	(2008-2009)	(2009-2010)	(2008-2009)
India	409794	1362622	115156943	183111773	-	-
Australia	-	-	-	-	-	-
European Union	-	9701019	-	-	-	-
Canada & United States	-	1221273	-	-	-	-
	409794	12284914	115156943	183111773	-	-



HIMALAYA GRANITES LIMITED

NOTES:

a) Segment Assets and Liabilities :

All Segment Assets and liabilities are directly attributable to the segment. Segment assets include all operating assets used by the segment and consist principally of fixed assets, inventories, sundry debtors, advances and operating cash and bank balances. Segment assets and liabilities do not include investments, inter-corporate deposits and advances, share capital, reserves and surplus, borrowings, provision for gratuity, proposed dividend and income tax (both current and deferred).

b) Segment Revenue and Expenses :

Segment revenue and expenses are directly attributable to the segment. It does not include dividend income, profit on sale of investments, interest expense, other expenses which cannot be allocated on a reasonable basis and provision for income tax (both current and deferred).

10. Related Party Disclosures (under Accounting Standard AS - 18 issued by ICAI)

A) List of Related Parties

Parties with whom the Company has entered into transactions during the year

Parties where control exists

- i) Greenply Industries Ltd.
- ii) Sri Shiv Prakash Mittal, Chairman
- iii) Sri Ramesh Kumar Haritwal, Managing Director & CEO
- iv) Sri Saurabh Mittal, Director

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

B) Transactions with Related Parties :

Particulars	Control	
	(2009-10)	(2008-09)
Receiving of Services	—	8874
Managerial Remuneration & meeting fees	1439016	1439016

HIMALAYA GRANITES LIMITED



11) BALANCE SHEET ABSTRACT AND GENERAL BUSINESS PROFILE AS AT & FOR THE YEAR ENDED 31ST MARCH, 2010

1	REGISTRATION DETAILS				
	REGISTRATION NO.	15161	STATE CODE :		18
	BALANCE SHEET DATE	31/03/2010			
2	CAPITAL RAISED DURING THE YEAR				
	PUBLIC ISSUE	NIL	BONUS ISSUE		NIL
	RIGHT ISSUE	NIL	PRIVATE PLACEMENT		NIL
3	POSITION OF MOBILISATION AND DEVELOPMENT OF FUNDS (Amount in Rs. Thousands)				
	TOTAL LIABILITIES	115157	TOTAL ASSETS		115157
	SOURCE OF FUNDS		APPLICATION OF FUNDS		
	PAID-UP-CAPITAL	30050	NET FIXED ASSETS		49614
	RESERVES & SURPLUS	75365	INVESTMENTS		17000
	SECURED LOANS	—	NET CURRENT ASSETS		45373
	UNSECURED LOANS	—	MISC. EXPENDITURE		—
	DEFERRED TAX LIABILITIES	6572			
4	PERFORMANCE OF COMPANY				
	TURNOVER	2826	PROFIT BEFORE TAX		(11467)
	(INCLUDING OTHER INCOME)		PROFIT AFTER TAX		(12289)
	TOTAL EXPENDITURE	14293	DIVIDEND RATE (%)		—
	EARNING PER SHARE (IN Rs.)	(4.09)			
5	GENERIC NAMES OF PRINCIPAL PRODUCTS/SERVICES OF COMPANY				
	ITEM CODE NO. (ITC) CODE	2516.90.90			
	PRODUCT DESCRIPTION	GRANITE MONUMENTS			
	ITEM CODE NO. (ITC) CODE	2516.11.00			
	PRODUCT DESCRIPTION	DIMENSIONAL GRANITE BLOCKS			

Signatures to Schedules A to V

AS PER OUR ANNEXED REPORT OF EVEN DATE.

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

(Dindayal Dhandaria)

Partner

Membership No. **10928**

Janaki Venkatramani
Director

Shiv Prakash Mittal
Chairman

Place : Kolkata

Dated : 30th May, 2010

Prakash Kr. Biswal

Company Secretary

Ramesh Kumar Haritwal

Managing Director & CEO



HIMALAYA GRANITES LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2010

	FOR THE YEAR ENDED 31ST MARCH, 2010		FOR THE YEAR ENDED 31ST MARCH, 2009	
	Rs.	Rs.	Rs.	Rs.
A. CASH FLOW ARISING FROM OPERATING ACTIVITIES:				
Net Profit before Tax and Extraordinary items		(11467159)		(57838952)
Add: a) Depreciation	3173798		3153278	
b) Interest	3147499		7484296	
c) Loss on Sale of Fixed Assets	—		265374	
d) Gratuity	120515		1709450	
		<u>6441812</u>		<u>12612398</u>
		(5025347)		(45226554)
Less: a) Interest Income	1891182		6539195	
b) Profit on sale of investments	—		—	
c) Profit on Sale of Fixed Assets	452536		4770	
d) Dividend Received	—	2343718	—	6543965
Operating Profit before Working Capital Changes		<u>(7369065)</u>		<u>(51770519)</u>
Less: a) Increase in Trade and Other Receivables	(48706198)		(75172581)	
b) Decrease in Inventories	(518204)		(20853029)	
c) Decrease in Trade Payables	14235860	(34988542)	5571313	(90454297)
Cash Inflow (+)/Outflow (-) from Operations		<u>(+)27619477</u>		<u>(+)38683778</u>
Add/Less:				
a) Interest Paid	3147499		7484296	
b) Gratuity Paid	70756		5942300	
c) Income Tax Paid/refund received (-)	158187	3376442	35000	13461596
Net Cash Inflow (+)/Outflow (-) in course of Operating Activities		<u>(+)24243035</u>		<u>(+)25222182</u>
B. CASH FLOW ARISING FROM INVESTING ACTIVITIES:				
INFLOW				
a) Sale of Fixed Assets	1494500		25001	
b) Sale of Investments	13000000		2500000	
c) Interest Received	1891182	16385682	6539195	9064196
Less: OUTFLOW				
a) Acquisition of Fixed Assets	—		—	
b) Acquisition of Investments	—	—	—	—
Net Cash Inflow (+) / Outflow (-) in course of Investing Activities		<u>(+)16385682</u>		<u>(+)9064196</u>

HIMALAYA GRANITES LIMITED



	FOR THE YEAR ENDED 31ST MARCH, 2010		FOR THE YEAR ENDED 31ST MARCH, 2009	
	Rs.	Rs.	Rs.	Rs.
C. CASH FLOW ARISING FROM FINANCING ACTIVITIES:				
INFLOW				
a) Borrowings	(23744651)	(16866489)		
		<u>(23744651)</u>		<u>(16866489)</u>
DEDUCT : OUTFLOW				
a) Repayment of Borrowings	18398732	18643121		
b) Dividend & Corporate Dividend Tax Paid	—	—		
		<u>18398732</u>		<u>18643121</u>
Net Cash Outflow/(Inflow) in course of Financing Activities		<u>42143383</u>		<u>35509610</u>
Net Increase/ (Decrease) in Cash/Cash Equivalents (A+B+C)	(1514666)		(1223232)	
ADD : Balance at the begining of the year	5690283		6913515	
Cash / Cash Equivalents at the close of the Year		<u>4175617</u>		<u>5690283</u>

AS PER OUR ANNEXED REPORT OF EVEN DATE.

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

Janaki Venkatramani
Director

Shiv Prakash Mittal
Chairman

Place : Kolkata
Dated : 30th May, 2010

(Dindayal Dhandaria)
Partner
Membership No. **10928**

Prakash Kr. Biswal **Ramesh Kumar Haritwal**
Company Secretary Managing Director & CEO



HIMALAYA GRANITES LIMITED

Regd. Office : Panchalam Village, Melpettai Post, Tindivanam,
Tamilnadu - 604 307

DP.ID★	
Client ID★	

PROXY FORM

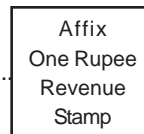
Regd. Folio No.	
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I/We..... of..... in the district of
..... being member(s) of **HIMALAYA GRANITES LIMITED**, hereby appoint
..... of.....
in the District ofor failing him/her of
.....in the district ofas my/our proxy
to attend and vote for me / us and on my / our behalf at the 22nd Annual General Meeting of the Company to
be held on Friday the 10th September, 2010 and at any adjournment thereof.

Signed this..... day of2010.

Full Name.....

Folio No.....No. of Share Held.....



Note :

The Proxy must be deposited at the Registered Office of the Company, not less than 48 hours before the time for holding of the aforesaid meeting.

★ Applicable for investors holding shares in electronic form.

HIMALAYA GRANITES LIMITED

Regd. Office : Panchalam Village, Melpettai Post, Tindivanam,
Tamilnadu - 604 307

DP.ID★	
Client ID★	

ATTENDANCE SLIP

Regd. Folio No.	
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Please complete this Attendance Slip and hand it over at the entrance of the meeting hall.

NAME OF THE MEMBERS

NO. OF SHARE(S) HELD

I hereby record my presence at the 22nd Annual General Meeting being held at Himalaya Granites Limited, Panchalam Village, Melpettai Post, Tindivanam, Tamilnadu - 604 307

SIGNATURE OF THE MEMBER OR PROXY

★ Applicable for investors holding shares in electronic form.