



# MAHAAN FOODS LIMITED

Registered Office: M-19, 1st Floor, M Block Market, Greater Kailash-II, New Delhi-110048 India

Ref: MFL/BSE/2020-21

04<sup>th</sup> September, 2020

The General Manager  
(Listing & Corporate Relations)  
Bombay Stock Exchange Ltd.  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Mumbai — 400001

**Scrip Code: 519612 MAHAAN FOODS LIMITED**

**SUB: Notice of Annual General Meeting (AGM) and Annual Report for FY-20**

Dear Sir,

This is to inform you that 33<sup>rd</sup> Annual General meeting (AGM) of the company is scheduled on Monday, the 28<sup>th</sup> day of September, 2020 at 12:00 P.M. (IST) through Video Conferencing (“VC”)/ Other Audio Visual Means (“OVAM”)

In the above connection, please find enclosed the following:

- Notice convening the 33<sup>rd</sup> AGM
- Annual Report of the Company for FY-20

The aforesaid documents are also available on the website of the Company viz. <http://www.mahaanfoods.com/docs/Annual%20Report%202019-20.pdf>, and are being dispatched via e-mail to all eligible shareholders whose email ID registered with the Company/Depository Participant(s).

This is for your information and record please.

Thanking You,

Yours faithfully

**FOR MAHAAN FOODS LIMITED**

Ayushi Vijay

Company Secretary & Compliance Officer

M.NO.: A55853



**Enc: As Above**

CIN: L15419DL1987PLC350285

+91 11 43107200 info@mahaanfoods.com <http://mahaanfoods.com>





## **CORPORATE INFORMATION**

### **BOARD OF DIRECTORS**

MR. SANJEEV GOYAL, CHAIRMAN & MANAGING DIRECTOR

MRS. SALONI GOYAL, DIRECTOR

MRS. MANISHA GOYAL, INDEPENDENT DIRECTOR

MRS. RUPALI CHAWLA, INDEPENDENT DIRECTOR

### **COMPANY SECRETARY & COMPLIANCE OFFICER**

MS. AYUSHI VIJAY

### **CHIEF FINANCIAL OFFICER**

MR. JITENDER SINGH BISHT

### **STATUTORY AUDITORS**

M/S DMARKS & ASSOCIATES

CHARTERED ACCOUNTANTS

### **SECRETARIAL AUDITORS**

M/S SHAKSHI & ASSOCIATES

COMPANY SECRETARIES

### **REGISTRAR & TRANSFER AGENTS**

ALANKIT ASSIGNMENTS LIMITED

1 E/ 13, ALANKIT HOUSE, JHANDEWALAN EXTENSION,  
NEW DELHI - 110055

### **BANKERS**

AXIS BANK

HDFC BANK

STATE BANK OF INDIA

### **REGISTERED & CORPORATE OFFICE**

M-19, 1ST FLOOR, M-BLOCK MARKET,

GREATER KAILASH - II,

NEW DELHI - 110048

**WEBSITE :** [HTTPS://WWW.MAHAANFOODS.COM](https://www.mahaanfoods.com)

**(CIN) :** L15419DL1987PLC350285

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**NOTICE**

NOTICE is hereby given that the Thirty-third Annual General Meeting of the members of Mahaan Foods Limited will be held on Monday, the 28<sup>th</sup> day of September 2020 at 12:00 P.M. through Video Conference (VC)/ Other Audio Visual Means (OAVM) to transact to transact with or without modification(s), as may be permissible the following business:

**Ordinary Business:**

1. To receive, consider and adopt the Audited financial statements of the Company for the financial year ended 31st March, 2020, including the Audited Balance Sheet as at 31st March, 2020, the Statement of Profit & Loss and cash flow statement for the year ended on that date and reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mrs. Saloni Goyal (Din: 00400832), who retires by rotation and being eligible, offers herself for reappointment.
3. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

**“RESOLVED THAT** pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any of the Companies Act, 2013 and the Companies (Audit & Auditors) Rules, 2014 including any amendment, modification or variation thereof and pursuant to the recommendation of the Audit Committee of the Company, M/s R C Sharma & Associates, Chartered Accountants (Firm Registration No. 021847N) be and are hereby appointed as Statutory Auditors of the Company for a term of Five (05) consecutive Financial years commencing from the conclusion of this Annual General Meeting till the conclusion of the 38<sup>th</sup> Annual General Meeting at such a remuneration and out of pocket expenses as may be mutually agreed between the Company and the Statutory Auditors.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things as it may think necessary for the purpose of making effectuating this resolution.”

By Order of the Board of Directors  
**For Mahaan Foods Limited**

**Sd/-**  
**Ayushi Vijay**  
Company Secretary and Compliance Officer  
Membership No.: A55853

Registered Office  
M-19, 1st Floor, M Block Market,  
Greater Kailash-II New Delhi-110048

Delhi, August 28, 2020

**Notes:**

1. In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs (“MCA”) has vide its circular dated May 5, 2020 read with circulars dated April 8, 2020 and April 13, 2020 (collectively referred to as “MCA Circulars”) and Securities and Exchange Board of India vide its Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 (referred to as “SEBI Circular”) permitted the holding of the “AGM” through Video Conferencing (VC) / Other Audio-Visual Means (OAVM), without the physical presence of the Members at a common venue. Accordingly, in compliance with the provisions of the MCA Circulars and SEBI Circulars, the AGM of the Company is being held through VC / OAVM.
2. As the AGM shall be conducted through VC / OAVM, the facility for appointment of Proxy by the Members is not available for this AGM and hence the Proxy Form and Attendance Slip including Route Map are not annexed to this Notice.
3. The relevant details, pursuant to Regulations 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Directors seeking appointment/re-appointment at this Annual General Meeting (“AGM”) are also annexed.
4. Members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
5. Only those members, who are present in the meeting through VC/OAVM facility and have not cast their vote on resolutions through remote e-voting and are otherwise not barred from doing so, will be allowed to vote through e-voting system at the AGM.
6. Institutional/Corporate Shareholders (i.e. other than individuals/HUF, NRI, etc.) are required to send a scanned copy (PDF/ JPG Format) of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the AGM through VC/OAVM on its behalf and to vote through remote e-voting. The said Resolution/Authorization should be sent via email to Alankit Assignments Limited (RTA) at [rta@alankit.com](mailto:rta@alankit.com) from the registered email address and to the Company at [csmf@mahaanfoods.com](mailto:csmf@mahaanfoods.com).
7. All investor related communication may be addressed to at the following Address:  
**Alankit Assignments Limited**  
**Unit: Mahaan Foods Limited**  
 Alankit Hosue”, 4E/2, Jhandewalan Extension,  
 New Delhi-110055  
**Tel:** +91-11-4254 1234/2354 1234; **Fax** : +91-11-2355 2001  
**Email:** [info@alankit.com](mailto:info@alankit.com)
8. In compliance of the MCA Circulars and SEBI Circular, the Notice calling this AGM along with the Annual Report for FY-20 is being sent by electronic mode only to those Members whose e-mail address are registered with the Depository Participant or the Company’s RTA. The Notice of AGM and Annual Report for FY-20 will also be available on the Company’s website viz. [www.mahaanfoods.com](http://www.mahaanfoods.com) and website of the Stock Exchange i.e. BSE Limited ([www.bseindia.com](http://www.bseindia.com))
9. In order to enable the Company to comply with the MCA circulars regarding holding AGM via VC/OAVM and to participate in the green initiative in Corporate Governance, members are requested to register their email address in respect of shares held in electronic form with their Depository Participant and in respect of shares held in physical form by writing to the RTA with details of folio number and self-attested copy of PAN card at **Alankit Assignments Limited Unit: Mahaan Foods Limited** Alankit Hosue”, 4E/2, Jhandewalan Extension, New Delhi-110055 or by sending email to [rta@alankit.com](mailto:rta@alankit.com).
10. In terms of SEBI’s circular dated April 20, 2018, members holding shares in physical form and whose PAN and Bank details are not updated in the records of Alankit, are requested to submit their PAN and Bank Account details, along with self-attested copy of PAN Card and original cancelled cheque/attested copy of bank passbook bearing name of the Member to the Company/Alankit.
11. SEBI has mandated submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic mode are, therefore, requested to submit their PAN to their

Depository Participant with whom they are maintaining the demat account. Members holding shares in physical mode can submit their PAN to the Company/Alankit.

12. In terms of SEBI (Listing Obligations and Disclosure Requirements) (Fourth Amendment) Regulations, 2018, with effect from April 1, 2019, securities of listed companies can be transferred only in dematerialized form (except for transmission or transposition of securities). Accordingly, the Company will not accept any fresh lodgment of transfer of shares in physical form. In view of the same, Members are advised, in their own interest, to dematerialize the shares held by them in physical form.
13. Members holding shares in physical form in identical order of names in more than one folio are requested to send to the Company or Company's RTA, details of such folios together with the share certificates and KYC proof(s) viz. PAN, Aadhaar etc. for consolidating their holding in one folio. The share certificates will be returned to the members after making requisite changes, thereon.
14. Members are requested to send their queries, if any, on the financial statements/operations of the Company, by writing email to the Company Secretary at [csmfl@mahaanfoods.com](mailto:csmfl@mahaanfoods.com) at least 7 days before the AGM, so that the information can be compiled in advance.
15. Relevant documents referred to in this Notice are available for inspection electronically without any fee by the Members on all business days (except Saturday, Sunday and Public Holidays) upto the date of AGM. The Register of Directors, Key Managerial Personnel and their shareholding maintained under Section 170 of the Act and the Register of Contracts and Arrangements, in which Directors are interested, maintained under Section 189 of the Act, will be available for inspection electronically by the members during the AGM. Members seeking to inspect such documents may send request from their email id registered with the Company/RTA to the Company at [csmfl@mahaanfoods.com](mailto:csmfl@mahaanfoods.com).
16. Pursuant to the provisions of Section 108 and other applicable provisions, if any, of the Act read with the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of SEBI LODR, the Company is providing to its members the facility to exercise their right to vote on Resolutions set out in notice of AGM, by electronic means ("e-voting"). Members may cast their vote remotely, using an electronic voting system on the dates mentioned herein below ("remote e-voting"). Further, the facility for Voting through electronic voting system will also be available at the AGM ("Instapoll") and members attending the Meeting who have not cast their vote(s) by remote e-voting, will be able to vote at the meeting through InstaPoll. The Company has engaged the services of Alankit as the agency to provide e-voting facility at the AGM.
17. Persons whose name appear in the Register of Member/list of Beneficial Owners as on Monday, September 21, 2020 (**Cut-off date**) shall be entitled to cast their vote by remote e-voting on the Resolutions set forth in this Notice or participating at the AGM. Any person who is not a Member as on the Cut-off date should treat this Notice for information purpose only.
18. The Board of Directors has appointed Mr. Deepak Bansal, Company Secretary-in-Practice (Membership No. FCS 3736 and CP No. 7433), Proprietor, M/s Deepak Bansal & Associates, as Scrutinizer to scrutinize the remote e-voting in a fair and transparent manner.
19. After conclusion of e-voting at the AGM, the Scrutinizer shall, scrutinize the votes cast through remote e-voting, and will make a consolidated Scrutinizer's Report for onward submission to the Chairman/Director/Company Secretary.
20. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast during the AGM, thereafter unblock the votes cast through remote E-voting and make, not later than 48 (forty eight) hours of conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same.
21. The result of e-voting will be declared within 48 hours of the conclusion of AGM, and the same along with the consolidated Scrutinizer's Report, will be placed on Company's website viz. [www.mahaanfoods.com](http://www.mahaanfoods.com). The result will be simultaneously communicated to BSE. The results shall also be displayed on the notice board at the Registered Office of the Company.
22. The resolutions set out in the notice of AGM shall be deemed to be passed on the date of AGM, subject to receipt of requisite number of votes in favour of the resolution(s).
23. Members are requested to visit the website of the Company viz. [www.mahaanfoods.com](http://www.mahaanfoods.com) for viewing the quarterly and annual financial results and other information on the Company.

24. For effecting change in address / bank details / NECS (National Electronic Clearing Services) mandate; members are requested to notify:
  - (i) Alankit, if shares are held in physical form; and
  - (ii) their respective Depository Participant (DP), if shares are held in electronic form.
25. The Members can join the AGM in the VC/OAVM mode 30 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
26. Members are requested to carefully read the “Procedure and Instructions for remote e-voting given hereunder.
27. **The remote e-voting facility will be available during the following period:**

<b>Commencement of remote e-voting</b>	<b>From 10.00 a.m. (Server time) on September 25, 2020 (Friday)</b>
<b>End of remote e-voting</b>	<b>Up to 5.00 p.m. (Server time) on September 27, 2020 (Sunday)</b>

Remote e-voting will not be allowed beyond the aforesaid date and time and the remote e-voting module shall be forthwith disabled by Alankit upon expiry of aforesaid period.

**THE DETAILS OF THE PROCESS AND MANNER FOR REMOTE E-VOTING ARE EXPLAINED HEREIN BELOW:**

- Step 1: Log-in to NSDL e-voting system at <https://www.evoting.nsdl.com>**  
**Step 2: Cast your vote electronically on NSDL e-voting system.**

**DETAILS ON STEP 1 ARE MENTIONED BELOW:**

**How to Log-in to NSDL e-voting website?**

1. Visit the e-voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com> either on a Personal Computer or on a mobile.
2. Once the home page of e-voting system is launched, click on the icon “Login” which is available under ‘Shareholders’ section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen. Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-voting and you can proceed to Step 2 i.e. cast your vote electronically.
4. Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID  For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.



<p>b) For Members who hold shares in demat account with CDSL.</p>	<p>16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****</p>
<p>c) For Members holding shares in Physical Form.</p>	<p>EVEN Number followed by Folio Number registered with the company  For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***</p>

5. Your password details are given below:

- a) If you are already registered for e-voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-voting system for the first time, you will need to retrieve the ‘initial password’ which was communicated to you by NSDL. Once you retrieve your ‘initial password’, you need to enter the ‘initial password’ and the system will force you to change your password.
- c) How to retrieve your ‘initial password’?
  - i) If your email ID is registered in your demat account or with the Company, your ‘initial password’ is communicated to you on your email ID. Trace the email sent to you from NSDL in your mailbox. Open the email and open the attachment i.e. .pdf file, Open the pdf file. The password to open the pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your ‘User ID’ and your ‘initial password’.
  - ii) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.

6. If you are unable to retrieve or have not received the “initial password” or have forgotten your password:

- a) Click on “Forgot User Details/Password?” (If you are holding shares in your demat account with NSDL or CDSL) option available on <https://www.evoting.nsdl.com>.
- b) “Physical User Reset Password?” (If you are holding shares in physical mode) option available on <https://www.evoting.nsdl.com>.
- c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address.
- d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-voting system of NSDL.

7. After entering your password, click on Agree to “Terms and Conditions” by selecting on the check box.

8. Now, you will have to click on “Login” button.

9. After you click on the “Login” button, Home page of e-voting will open.

**DETAILS ON STEP 2 ARE MENTIONED BELOW:**

**How to cast your vote electronically on NSDL e-voting system?**

1. After successful login at Step 1, you will be able to see the Home page of e-voting. Click on e-voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle is in active status.
3. Select “EVEN” of “Mahaan Foods Limited”
4. Now you are ready for e-voting as the Voting page opens

5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
6. Upon confirmation, the message “Vote cast successfully” will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

**OTHER INSTRUCTIONS**

- i. The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of voting, either through remote e-voting or voting at the AGM through electronic voting system or poll paper.
- ii. Any person, who acquires shares of the Company and becomes a Member of the Company after dispatch of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). However, if he/she is already registered with NSDL for remote e-voting then he/she can use his/ her existing User ID and password for casting the vote.

**PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE:**

1. For Physical shareholders – please provide necessary details link Folio No., Name of shareholder, scanned copy of the share certificate (front and back), Pan (self-attested scanned copy of Pan card), AADHAR (self-attested copy of aadhar card by email to [csmf@mahaanfoods.com](mailto:csmf@mahaanfoods.com) and [rta@alanakit.com](mailto:rta@alanakit.com)
2. For Demat shareholders- please provide Demat account details (CDSL- 16 digit beneficiary ID or NSDL-16 digit DPID+CLID), Name, client master or copy of Consolidated Account statement, Pan (self-attested scanned copy of Pan card), AADHAR (self-attested copy of aadhar card by email to [csmf@mahaanfoods.com](mailto:csmf@mahaanfoods.com) and [rta@alanakit.com](mailto:rta@alanakit.com)

**INSTRUCTIONS FOR MEMBERS ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:**

**PROCEDURE FOR JOINING THE AGM THROUGH VC/OAVM:**

1. Members will be able to attend the AGM through VC / OAVM or view the live webcast of AGM provided by NSDL at <https://www.evoting.nsdl.com> by using their remote e-voting login credentials and selecting the EVEN for Company's AGM.
2. Members who do not have the User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same by following the remote e-voting instructions mentioned in the Notice. Further Members can also use the OTP based login for logging into the e-voting system of NSDL.
3. Below window will open then click VC/OAVM to join meeting:  
e-Voting

View e-Voting Cycles / VC or OAVM										
EVEN	ISIN	Company Name	Start Date	End Date	Result Date	Cut-Off Date	Holdings On Record Date	e-Voting Status	Join General Meeting	AGM Docs
113063	INE979G01014	ALANKIT TECHNOLOGIES LIMITED EQ	01-07-2020 00:01	01-07-2020 14:00	02-07-2020	30-06-2020	1,000	Vote Pending	<a href="#">VC/OAVM</a>	

4. After logging in, click on “Video Conference” option

5. After clicking on 'VC/OAVM' tab, you will be redirected to 'cisco' website. Click join now button.
6. Event will start and you will be in the AGM through Video conferencing.
7. Then click on camera icon appearing against AGM event of Mahaan Foods Limited, to attend the AGM.
8. You can join meeting through laptop, tablet, and desktop. In case you want to join through mobile, you need to download the **webex** meet app from the respective play store.

**9. PRE-REQUISITE FOR JOINING OF MEETING THROUGH DESKTOP OR LAPTOP:**

1. System requirement:
2. Windows 7, 8 or 10
3. I3
4. Microphone, speaker
5. Internet speed minimum 700 kbps
6. Date and time of computer should be current date and time

**10. PRE-REQUISITE FOR JOINING OF MEETING THROUGH MOBILE:**

Please download **WEBEX** application from play store

**NOTE: IT IS ADVISABLE TO LOGIN BEFOREHAND AT E-VOTING SYSTEM AS EXPLAINED IN E-VOTING INSTRUCTIONS ABOVE, TO BE FAMILIAR WITH THE PROCEDURE, SO THAT YOU DO NOT FACE ANY TROUBLE WHILE LOGGING-INDURING THE AGM.**

11. Members who do not have User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same by following the procedure given in the e-voting instructions.
12. Members will be allowed to attend the AGM through VC/OAVM on first come, first served basis.
13. Members who would like to express their views/ ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast 7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at [csmfl@mahaanfoods.com](mailto:csmfl@mahaanfoods.com). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at [csmfl@mahaanfoods.com](mailto:csmfl@mahaanfoods.com). These queries will be replied to by the company suitably by email.
14. Those members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
15. Facility of joining the AGM through VC / OAVM shall open 30 minutes before the time scheduled for the AGM and will be available for Members on first come first served basis and shall be kept open throughout the proceedings of AGM.
16. Members who need assistance before or during the AGM, can contact NSDL on [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) / 1800-222-990.
17. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote at the AGM.

**Information of Directors to be re-appointed at the forthcoming Annual General Meeting pursuant to Regulation 36(3) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and in accordance with provisions of Companies Act, 2013, read with the Secretarial Standard 2.**

<b>Name of the Director</b>	<b>Mrs. Saloni Goyal</b>
Directors Identification Number (DIN)	00400832
Date of Birth (Age in years)	04 <sup>th</sup> December, 1965 (54 years)
Original date of appointment	27 <sup>th</sup> September, 2014
Qualifications	PG in International Trade
Experience and expertise in specific functional area	Mrs. Saloni Goyal is having corporate experience of around 19 years
Shareholding in the Company	516715 (14.76%) Equity Shares of Rs. 10/- each
Remuneration last drawn from the Company	NIL
No. of Board meetings attended during the year 2019-20	5 (Five)
Terms and conditions of re-appointment and remuneration	As per the Policy on Nomination & Remuneration and Board diversity
Relationship with other Directors or KMPs	Spouse of Mr. Sanjeev Goyal, Managing Director of the Company
Directorships held in other companies	Everbright Estates Private Limited
Membership / Chairmanship of committees of other Companies	NIL

By Order of the Board of Directors  
**For Mahaan Foods Limited**

Sd/-  
**Ayushi Vijay**  
 Company Secretary and Compliance Officer  
 Membership No.: A55853

Delhi, August 28, 2020

# Directors' Report

## REPORT OF THE BOARD OF DIRECTORS TO THE SHAREHOLDERS FOR THE YEAR ENDED MARCH 31, 2020.

Dear Members,

Your Directors are pleased to present the Company's 33<sup>rd</sup> Annual Report and the Company's audited financial statements for the financial year ended March 31, 2020.

### 1. FINANCIAL HIGHLIGHTS

The Company's financial performance for the year ended March 31, 2020, is summarized below:

Particulars	STANDALONE	
	2019-20 ₹ lacs	2018-19 ₹ lacs
Revenue & Other Income	588.10	135.01
Profit Before Interest and Depreciation & Taxes	174.86	52.37
Profit /(Loss) before exceptional item & Taxes	169.65	42.47
Exceptional Item	0	286.24
Profit/(Loss) before Tax	169.65	328.73
Taxation	64.10	9.27
Other Comprehensive Income	0	0
Profit/(Loss) after taxes	105.55	319.45

The Company achieved gross turnover including other income of Rs. 588.10 Lakh and post net profit of Rs. 105.55 lakh for the financial year ended on 31st March, 2020 as against gross turnover including other income of Rs. 135.01 Lakh and net profit of Rs. 319.45 Lakh in the previous financial year.

### 2. STATE OF COMPANY'S AFFAIRS AND FUTURE OUTLOOK

The Company registered higher turnover during the year 2019-20 as compared to the previous year. However the beginning of 2020 witnessed the global spread of COVID-19, i.e. Coronavirus. Global threat from Covid-19 is continuing to grow at a rapidly accelerating rate. The Governments in many countries announced lockdowns and asked people to stay indoors. Around the world, these coronavirus lockdowns have driven professional and social life out of the physical world and into the virtual realm. The economic fallouts of this are still difficult to assess as the situation is still evolving. Your Company is exploring available business opportunities which are in best interests of the Company in the given circumstances.

### 3. DIVIDEND

Your Directors do not recommend any dividend for the financial year ended 31st March, 2020.

### 4. DEPOSITS FROM PUBLIC

During the year, your Company has not accepted any deposits within the meaning of Sections 73 and 74 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014. The Company has not accepted deposits falling within the ambit of Section 73 and Section 74 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014.

## 5. TRANSFER TO RESERVES

During the year, the Company has transferred Rs. 1,05,55,188 to reserves.

## 6. CHANGES IN SHARE CAPITAL

There has been no change in the Authorized and Paid up share capital of the Company during the year. Your Company has neither issued any equity shares with differential rights nor granted any employees stock options/ sweat equity shares to the Directors, Officers or employees of the Company during the year.

## 7. CHANGE IN NATURE OF BUSINESS

There was no change in the nature of business of your Company during the year.

## 8. EXTRACT OF ANNUAL RETURN

The Extracts of the annual return in Form MGT 9 as required under Section 92(3) of the Companies Act, 2013 and Rule 12 of the Companies (Management and Administration) Rules, 2014 is attached as “Annexure- A” and has been placed on the website of the Company and can be accessed at the link – <https://mahaanfoods.com/mgt-9>

Extract of Annual Return (MGT-9) of the Company is annexed herewith marked as “Annexure A” to this Report.

## 9. PARTICULARS OF LOANS GIVEN, INVESTMENTS MADE, GUARANTEES GIVEN AND SECURITIES PROVIDED

The Company has not made any investment covered under Section 186 of the Companies Act, 2013 and also not extended any loan, guarantee or provided any security during the financial year ended March 31, 2020.

## 10. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

The Company does not have any material subsidiary whose net worth exceeds 20% of the Net worth of the Company in the immediately preceding accounting year or has generated 20% of the consolidated income of the Company during the previous financial Year. Accordingly, a policy on material subsidiaries has not been formulated.

## 11. MANAGEMENT DISCUSSION & ANALYSIS

The Management Discussion and Analysis on the operations of the Company as prescribed under Part B of Schedule V read with regulation 34(3) of the Listing Regulations, 2015 is provided in a separate section and forms part of the Directors’ Report.

## 12. MATERIAL CHANGES AND COMMITMENT AFFECTING FINANCIAL POSITION OF THE COMPANY

In March 2020, the WHO declared the COVID 19 outbreak as a pandemic which continues to spread across the country. On 25/03/2020, the Government of India has declared this pandemic a health emergency, ordered temporarily close of all non-essential businesses, imposed restrictions on movement of goods/material, travel, etc. The Company has since, after receiving applicable permissions could partially commenced operations scaling up the same gradually. There are no other material changes or commitments occurring after 31st March 2020, which may

affect the financial position of the company or may require disclosure.

### 13. FORMAL EVALUATION OF BOARD, COMMITTEES & DIRECTORS' PERFORMANCE

Pursuant to the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has through mutual discussions carried out an annual evaluation of its own performance, the directors individually as well as the evaluation of the working of its Committees.

The Nomination and Remuneration Committee ("NRC") evaluated the performance of the individual directors on the basis of the criteria such as the contribution of the individual director to the Board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc.

In a separate meeting of Independent Directors, performance of non-independent directors, performance of the board as a whole and performance of the Chairman was reviewed, taking into account the views of executive directors and non-executive directors of the company.

### 14. SECRETARIAL STANDARDS

The Company has complied with applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

### 15. DIRECTORS AND KEY MANAGERIAL PERSONNEL

The Board of your Company is duly constituted in accordance with the requirements of the Companies Act, 2013 read with the Listing Regulations.

Mr. Sanjeev Goyal, Chairman cum Managing Director, Mr. Jitender Bisht, Chief Financial Officer and Ms. Ayushi Vijay, Company Secretary are the Key Managerial Personnel of your Company as on March 31, 2020 under the provisions of Section 2(51) and Section 203 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

In accordance with the provisions of Section 152 of the Companies Act, 2013 and the Company's Articles of Association, Mrs. Saloni Goyal, Director, retires by rotation at the forthcoming Annual General Meeting and, being eligible offers herself for re-appointment. The Board recommends her re-appointment for consideration of the shareholders of the Company at the ensuing Annual General Meeting.

During the year, Mr. Shubham Jain relinquished the position of Company Secretary cum Compliance Officer w.e.f 6th August, 2019 and Ms. Ayushi Vijay was appointed as the Company Secretary cum Compliance Officer of the Company w.e.f 18th September, 2019.

Further, the Company has received declarations from all the Independent Directors stating that they meet the criteria of independence as given under Section 149 (6) of the Companies Act, 2013 and the relevant provisions of the Listing Regulations.

### 16. DISCLOSURE AS PER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company was not required to constitute Internal Complaints Committee. Your company did not come across any complaint by any employee during the year under review relating to the sexual harassment. Further, during the year under review, there was no case filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

## **17. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES**

All related party transactions done by the Company during the financial year were at arm's length and in ordinary course of business. All related party transactions were placed in the meetings of Audit Committee and the Board of Directors for their necessary review and approval. During the financial year your Company has not entered into any material transaction as mentioned in the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 with any of its related parties which may have potential conflict with the interest of the Company at large. The details of the related party transactions have been made in note no. 31 to the Financial Statements.

The policy on Related Party Transactions as approved by Board of Directors is uploaded on the Company's website <http://www.mahaanfoods.com>

## **18. AUDITORS'**

### **A. STATUTORY AUDITORS'**

M/s DMARKS & Associates, Chartered Accountants, the statutory auditors of the Company are holding office till the conclusion of the ensuing 33<sup>rd</sup> Annual General Meeting as they have completed their term as per the applicable provisions of the Companies Act, 2013. There is no audit qualification, reservation or adverse remark in their Auditors' Report on the financial statements of the Company for the year under review.

M/s R C Sharma & Associates, Chartered Accountants (Firm Registration No. 021847N) be and are hereby recommended to be appointed as Statutory Auditors of the Company for a term of Five (05) consecutive Financial years commencing from the conclusion of this Annual General Meeting till the conclusion of the 38th Annual General Meeting on recommendation of the Audit Committee subject to the approval of shareholders of the Company.

### **B. SECRETARIAL AUDITORS'**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, M/s Shakshi & Associates, Company Secretaries (C.P.No. 12649) had been appointed as Secretarial Auditors to undertake the Secretarial Audit of the Company for the Financial Year 2019-20. The Secretarial Audit Report for the year ended on 31st March, 2020 is annexed herewith as "ANNEXURE-B". There is no audit qualification, reservation or adverse remark in the Secretarial Auditors' Report of the Company for the year under review.

### **C. INTERNAL AUDITORS'**

M/s Naresh Kumar & Co., Chartered Accountants, (FRN 005987N), New Delhi are the Internal Auditors of the company.

### **D. COST AUDITORS'**

In terms of provision of Section 148(1) of the Companies Act, 2013 read with rule 4 of the Companies (Cost Records and Audit) Rules, 2014, the Company was not required to maintain cost records for the financial year 2019-20.



## 19. INTERNAL FINANCIAL CONTROLS

Your Company has a proper and adequate system of internal financial controls. This ensures that all assets are safeguarded and protected against loss from unauthorized use or disposition and the transactions are authorized, recorded and reported correctly. The internal financial control system has been designed to ensure that the financial and other records are reliable for preparing financial and other statements and for maintaining accountability of assets.

The Audit Committee periodically reviews the performance of internal audit function and discusses internal audit reports with the Internal Auditor.

## 20. RISK MANAGEMENT POLICY

The Audit Committee has additional oversight in the area of financial risks and controls. Major risks identified by the business and functions are systematically addressed through mitigating actions on a continuing basis. The policy is available on the Company website at <http://www.mahaanfoods.com>.

## 21. CORPORATE SOCIAL RESPONSIBILITY

The provisions of Section 135 of the Companies Act, 2013 related to Corporate Social Responsibility are not applicable on the Company.

## 22. NUMBER OF BOARD MEETINGS & ATTENDANCE OF DIRECTORS

During the Financial Year 2019-20, 5 (Five) Board Meetings were held and the gap between two meetings did not exceed 120 days. The Board Meetings were held on 29th May, 2019, 6th August, 2019, 18th September, 2019, 12th November, 2019, 10th February, 2020 respectively.

The details of composition of the Board, the attendance record of the Directors at the Board Meetings held during the financial year ended on 31.03.2020, at the last Annual General Meeting (AGM), along with the details of their other Directorships, Committee Memberships and Chairmanships are given below:

Name of the Director	Category (i.e. Promoter, Executive, Non-Executive, Independent)	No. of Board Meetings of the Company F.Y. 2019-2020		Attendance at the Last AGM	As on 31-03-2020		
		Held during the year	Attended during the year		No. of Directorship in other Public Co.	Committee membership in other Companies	No. of Membership/Chairman in Committees in which they are members
Mr. Sanjeev Goyal	Promoter & Chairman cum Managing Director	05	05	YES	01	NIL	03
Mrs. Saloni Goyal	Promoter & Director	05	05	YES	NIL	NIL	01
Mrs. Manisha Goyal	Independent Director	05	01	YES	01	NIL	03
Mrs. Rupali Chawla	Independent Director	05	04	NO	01	NIL	02

Number of Equity Shares held by Directors as on 31st March, 2020 are as under: -

Name of Director	Designation	Nos. of Equity Shares held
<b>Mr. Sanjeev Goyal</b>	Chairman & Managing Director	<b>860,759</b>
<b>Mrs. Saloni Goyal</b>	Director	<b>516,715</b>
<b>Mrs. Manisha Goyal</b>	Independent Director	-
<b>Mrs. Rupali Chawla</b>	Independent Director	-

None of the directors on the board is a member of more than 10 committees or chairman/chairperson of more than 5 committees as specified in Regulation 26 of Listing Regulations, across all the companies in which he/she is a director. The directors have made necessary disclosures regarding committees positions held in other public limited companies.

### 23. COMMITTEES OF THE BOARD

The Board of Directors has the following Committees: Audit Committee, Nomination & Remuneration Committee and Stakeholders Relationship Committee. The Composition of various committees and compliances, as per the applicable provisions of the Companies Act, 2013 and the Rules thereunder and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 are as follows:

#### A. AUDIT COMMITTEE

The Audit Committee formed in pursuance to Section 177 of the Companies Act, 2013 and in accordance with Regulation 18 of the Listing Regulations is instrumental in reviewing the procedures of financial reporting besides reviewing the quarterly, half yearly, annual financial results of the Company, internal control systems, auditing and accounting matters including recommending for appointment of independent auditors and compliance with legal and statutory requirements and integrity of the Company's financial statements. The composition of the Audit Committee of the board as on 31<sup>st</sup> March 2020 comprises Mrs. Manisha Goyal as its Chairperson Mr. Sanjeev Goyal and Mrs. Rupali Chawla as its Members.

The Committee met four (4) times during the Financial Year 2019-2020 on the following dates: 29<sup>th</sup> May, 2019, 06<sup>th</sup> August, 2019, 12<sup>th</sup> November, 2019 and 10<sup>th</sup> February, 2020. Necessary Quorum was present at all the meetings. Details of attendance of Directors in the Audit Committee meeting are as under:

Name of the Director	No. of meetings		
	Category	Held during the Year	Attended
<b>Mrs. Manisha Goyal</b>	<i>Independent Director / Chairman</i>	4	4
<b>Mr. Sanjeev Goyal</b>	<i>Managing Director</i>	4	4
<b>Mrs. Rupali Chawla</b>	<i>Independent Director</i>	4	4

#### B. NOMINATION AND REMUNERATION COMMITTEE (NRC)

The Nomination and Remuneration Committee (NRC) is constituted pursuant to Section 178 of the Companies Act, 2013, and Regulation 19 of Listing Regulations. In accordance with the Remuneration policy of the company, the Nomination and Remuneration Committee recommend the appointment/re-appointment of Directors including Independent Directors and senior management & employees of the Company, based on their qualifications, professional experience, positive attributes, viewpoints, skills and area of expertise.

The Committee met two (2) times during the Financial Year 2019-2020 on 6<sup>th</sup> August 2019 and 18<sup>th</sup> September, 2019 respectively. The necessary quorum was present at all meetings. Details of attendance of Directors in the Remuneration Committee meeting are as under:

Name of the Director	Category	No. of Meetings	
		Held during the Year	Attended
Mrs. Manisha Goyal	<i>Independent Director/ Chairman</i>	2	2
Mr. Sanjeev Goyal	<i>Managing Director</i>	2	2
Mrs. Rupali Chawla	<i>Independent Director</i>	2	2

### **C.SHAREHOLDERS RELATIONSHIP COMMITTEE**

The Stakeholders Relationship Committee is constituted under compliance of provision of Section 178 of the Companies Act, 2013. The Broad terms of reference and power of Stakeholders' Relationship Committee are in line with the provisions contained under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Companies Act, 2013.

The role of Stakeholders Relationship Committee, inter-alia, is to resolve the grievances of the security holders of the Company including complaints related to transfer and transmission of shares, dematerialization / rematerialisation of shares, transposition of names, consolidation of shares, issue of duplicate share certificates, non-receipt of annual report and non-receipt of declared dividends, if any, etc.

The Stakeholders Relationship Committee of the Board as at 31<sup>st</sup> March 2020 consisted of three members. Mrs. Manisha Goyal, Independent Director of the Company is the Chairman of the Committee and Mr. Sanjeev Goyal, Managing Director and Mrs. Saloni Goyal, Director are the members of the Committee.

During the financial year Five (5) meetings of the Shareholder Relationship Committee was held on 15<sup>th</sup> April, 2019, 29<sup>th</sup> April, 2019, 13<sup>th</sup> September, 2019 21<sup>st</sup> October, 2019 and 07<sup>th</sup> February, 2020 respectively. Attendance of the members is as follows:

Name of the Director	Category	No. of Meetings	
		Held	Attended
Mrs. Manisha Goyal	<i>Independent Director/ Chairman</i>	5	5
Mrs. Saloni Goyal	<i>Director</i>	5	5
Mr. Sanjeev Goyal	<i>Managing Director</i>	5	5

#### **No. of shareholders' complaints received up to 31st March, 2020: 02**

No. of complaints not solved to the satisfaction of the shareholders: Nil

No. of pending complaints: Nil

### **24. COMPLIANCE OFFICER**

Ms. Ayushi Vijay is the Compliance Officer of the Company for this purpose of Regulation 34(3) of SEBI (Listing Obligations & Disclosure Requirements) Regulation, 2015 to look after the compliances under SEBI (Listing Obligations & Disclosure Requirements) Regulation, 2015 and other SEBI Rules & Regulations, etc. The Company Secretary, while preparing the agenda, notes on agenda and minutes of the meeting(s), is responsible for and is required to ensure adherence to all applicable laws and regulations, including the Companies Act, 2013 read with rules issued thereunder, Listing Regulations and Secretarial Standards issued by the Institute of Company Secretaries of India.

## 25. INDEPENDENT DIRECTORS MEETING

As Stipulated by the Code of Independent Directors under Schedule IV of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Independent Director of the Company shall hold at least one meeting in a year without the presence of Non Independent Directors and members of the management. The Independent Directors of the Company met once during the year on February 10, 2020 and the meeting was attended by all Independent Directors.

None of the Non-Executive Independent Directors hold Equity Shares of the Company in their own name.

## 26. CORPORATE GOVERNANCE

In terms of provision of regulation 15(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, compliance with the Corporate Governance provisions as specified under regulations 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27 and clause (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V is not applicable to the Company as paid-up share capital of the Company is less than Rs. 10 crore and net-worth of the Company is less than Rs. 25 crores, as on the financial year ended on 31st March, 2019. However, in accordance with provisions of regulation 15(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, the Company has made compliances with the applicable provisions under the Companies Act, 2013.

## 27. REMUNERATION POLICY

Pursuant to the provisions of Section 178(3) of the Act, and Regulation 19 of the Listing Regulations, the NRC has formulated a policy relating to the remuneration for the Directors, Key Managerial Personnel (KMP), Senior Management and other employees. The philosophy for remuneration is based on the commitment of fostering a culture of leadership with trust. While formulating this policy, the NRC has considered the factors laid down in Section 178(4) of the Act.

The policy as approved may be accessed on the Company's website at the link: <http://www.mahaanfoods.com>

## 28. REGISTRAR AND SHARE TRANSFER AGENT & SHARE TRANSFER SYSTEM

M/s. Alankit Assignments Limited is the Registrar and Share Transfer Agent for the shares of the Company in both physical as well as electronic modes. The Company has authorized the Registrar and Transfer Agent to approve and execute transfer and transmission of shares. All correspondence with regard to share transfers and matters related therewith may directly be addressed to the Registrar and Share Transfer Agents at the address given below:

Particulars	ALANKIT ASSIGNMENTS LIMITED
Contact Person	Mr. Vijay Pratap Singh
Address	Alankit Hosue", 4E/2, Jhandewalan Extension, New Delhi-110055
Phone Nos.	011-42541234 & 011-42541953
Email ID	<a href="mailto:vijayps1@alankit.com">vijayps1@alankit.com</a>

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

### A) CONSERVATION OF ENERGY

- I. Steps taken or impact on conservation of energy.
- II. The steps taken by the company for utilizing alternate source of energy.

Your Company has taken adequate measures in all its operations to ensure optimum use of all equipment's so as to conserve energy. The Company does not currently have any manufacturing unit.

III. Capital Investment on energy conservation equipment's: NIL

#### **B) TECHNOLOGY ABSORPTION**

The Company strives continuously to upgrade its technology in all its operations.

#### **C) FOREIGN EXCHANGE EARNINGS AND OUTGO**

Foreign Exchange Earning: NIL

Outgo: Rs. 20,310,735

### **30. WHISTLE BLOWER/VIGILANCE POLICY**

Your Company has established a whistle blower policy/vigil mechanism for the Directors and employees of the company, to report genuine concerns, calling the attention of the Audit Committee to some wrong doing occurring within an organization. Your Company has also provided adequate safeguards against victimization of whistleblowers who express their concerns against such wrong doings in the organization. The Company has also provided direct access to the Chairman of the Audit Committee, in exceptional circumstances.

### **31. CODE OF CONDUCT FOR REGULATING & REPORTING TRADING BY INSIDERS AND FOR FAIR DISCLOSURE, 2015**

Your Company has adopted the "Code of Conduct for Regulating & Reporting Trading by Insiders and for Fair Disclosure, 2015" which, inter alia, prohibits purchase or sale of securities of the Company by Directors, employees and other connected persons while in possession of unpublished price sensitive information in relation to the Company.

### **32. DISCLOSURE OF RATIO OF REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL ETC.**

The company did not pay any remuneration to the Managing Director.

As required under Section 197(12) read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the details of the ratio of the remuneration of each director to the median employee's remuneration and such other details as prescribed therein are given in "ANNEXURE-C" which is attached hereto and forms a part of the Directors' Report.

### **33. PARTICULARS OF EMPLOYEES**

The information required under rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is not required as there was no employee on the payroll of the company receiving remuneration in the excess of the limit prescribed under the said rules.

### **34. CRITERIA FOR DETERMINING QUALIFICATIONS, POSITIVE ATTRIBUTES AND INDEPENDENCE OF A DIRECTOR**

In terms of the provisions of Section 178(3) of the Act, and Regulation 19 of the Listing Regulations, the Nomination and Remuneration Committee ("NRC") has formulated the criteria for determining qualifications, positive attributes and independence of Directors, the key features of which are as follows:

- Qualifications - The Board nomination process encourages diversity of thought, experience, knowledge, age and gender. A person who holds any graduate or post graduate degree fulfills the criteria for becoming a Director.

•Positive Attributes - Apart from the duties of Directors as prescribed in the Act the Directors are expected to demonstrate high standards of ethical behavior, communication skills and independent judgment. The Directors are also expected to abide by the respective Code of Conduct as applicable to them.

•Independence - A Director will be considered independent if he / she meets the criteria laid down in Section 149(6) of the Act, the Rules framed thereunder and Regulation 16(1)(b) of the Listing Regulations

### **35. BUSINESS RESPONSIBILITY REPORTING**

The Business Responsibility Reporting as required by Regulation 34(2) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, is not applicable to the Company for the financial year ending March 31, 2020.

### **36. GENERAL**

Your Directors state that no disclosure or reporting is required in respect of the following matters as there were no transactions on these items during the year under review:

- Details relating to deposits covered under Chapter V of the Act.
- No significant and material orders have been passed by the Regulators or Courts or Tribunals impacting the going concern status of the Company and its operations in the future.

### **37. FRAUD REPORTING**

Neither the Statutory Auditors nor the Secretarial Auditors have brought to the notice of the Audit Committee or the Board of Directors or the Central Government the occurrence or brewing of any fraud in the Company.

### **38. DIRECTORS RESPONSIBILITY STATEMENT**

The Board acknowledges the responsibility for ensuring compliance with the provisions of clause (c) of subsection (3) of Section 134 of the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and state that:

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



**39. ACKNOWLEDGMENTS**

Your Directors place on record their sincere thanks to bankers, business associates, consultants and various Government Authorities for their continued support extended to your Company's activities during the year under review. The Board also places on record their appreciation of the devoted services of the employees. Your Directors also acknowledges gratefully the shareholders for their support and confidence reposed on your Company.

For and on behalf of the Board of Directors  
**Mahaan Foods Limited**

Sd/-

**Sanjeev Goyal**

Chairman cum Managing Director

(DIN: 00221099)

Delhi, August 28, 2020

**Annexure "A"**
**Form No. MGT-9**
**EXTRACT OF ANNUAL RETURN**
**As on financial year ended on March 31, 2020**

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

Registration and other Details	
CIN	L15419DL1987PLC350285
Registration Date	13.03.1987
Name of the Company	MAHAAN FOODS LIMITED
Category/Sub-category of the Company	Public Company Limited by share
Address of the Registered office & contact details	M-19, 1st Floor M-Block Market, Greater Kailash - II, New Delhi-110048 Contact Number:011-43107200
Whether listed Company	Yes
Name, Address & contact details of the Registrar & Transfer Agent, if any.	M/s Alankit Assignments Limited 1 E/ 13, Alankit House, Jhandewalan Extension, New Delhi - 110055 Tel: +91 11-4254 1234 Email: rta@alankit.com Website: www.alankit.com
Principal Business Activities of the Company	
All the business activities contributing 10% or more of the total turnover of the Company	<i>As per Attachment A</i>
Particulars of holding, subsidiary, and associate companies	<i>As per Attachment B</i>
Shareholding Pattern (Equity Share Capital breakup as a percentage of total equity)	
Category-wise Shareholding	<i>As per Attachment C</i>
Shareholding of Promoters	<i>As per Attachment D</i>
Change in Promoters' Shareholding	<i>As per Attachment E</i>
Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)	<i>As per Attachment F</i>
Shareholding of Directors and Key Managerial Personnel	<i>As per Attachment G</i>
Indebtedness	
Indebtedness of the Company including interest outstanding /accrued but not due for payment	<i>As per Attachment H</i>
Remuneration of Directors and Key Managerial Personnel	
Remuneration to Managing Director (MD), Whole-time Directors (WTD) and /or Manager	<i>As per Attachment I</i>
Remuneration to other directors	<i>As per Attachment J</i>
Remuneration to Key Managerial Personnel other than MD / Manager / WTD	<i>As per Attachment K</i>
Penalties / Punishment/ Compounding of Offences	<i>As per Attachment L</i>



**Attachment 'A'**
**Principal Business Activities of the Company**

All the business activities contributing 10% or more of the total turnover of the company are given below: -

S.No.	Name and Description of the main products /services	NIC Code of the Product/service	% of the total turnover of the company
1.	Manufacturing of Dairy Products	105	100%

**Attachment 'B'**
**Particulars of holding, subsidiary, and associate companies**

S.No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1.	-	-	-	-	-

**Attachment 'C'**
**Shareholding Pattern (Equity Share Capital breakup as a percentage of total equity)**

Category-wise Shareholding

Category of Shareholders	No. of Shares held at the beginning of the year [As on March 31, 2019]				No. of Shares held at the end of the year [As on March 31, 2020]				%Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
(1) Indian									
a) Individual/ HUF	1865299	-	1865299	53.28	1865299	-	1865299	53.28	-
b) Central Govt.	-	-	-	0.00	-	-	-	0.00	0.00
c) State Govt(s).	-	-	-	0.00	-	-	-	0.00	0.00
d) Bodies Corp.	-	-	-	0.00	-	-	-	0.00	0.00
e) Banks / F.I.	-	-	-	0.00	-	-	-	0.00	0.00
f) Any other	-	-	-	0.00	-	-	-	0.00	0.00
<b>Sub Total (A) (1)</b>	<b>1865299</b>		<b>1865299</b>	<b>53.28</b>	<b>1865299</b>		<b>1865299</b>	<b>53.28</b>	<b>-</b>
(2) Foreign									
a) NRI Individuals	-	-	-	0.00	-	-	-	0.00	0.00
b) Other Individuals	-	-	-	0.00	-	-	-	0.00	0.00
c) Bodies Corp.	-	-	-	0.00	-	-	-	0.00	0.00
d) Any other	-	-	-	0.00	-	-	-	0.00	0.00
<b>Sub Total (A) (2)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.00</b>	<b>0.00</b>
<b>TOTAL (A)</b>	<b>1865299</b>		<b>1865299</b>	<b>53.28</b>	<b>1865299</b>		<b>1865299</b>	<b>53.28</b>	<b>-</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	-	6300	6300	0.18	-	6300	6300	0.18	-

<i>b) Banks / FI</i>	-	-	-	0.00	-	-	-	0.00	0.00
<i>c) Central Govt</i>									
<i>d) State Govt(s)</i>	-	-	-	0.00	-	-	-	0.00	0.00
<i>e) Venture Capital Funds</i>	-	-	-	0.00	-	-	-	0.00	0.00
<i>f) Insurance Companies</i>	-	-	-	0.00	-	-	-	0.00	0.00
<i>g) FIs</i>	-	-	-	0.00	-	-	-	0.00	0.00
<i>h) Foreign Venture Capital Funds</i>	-	-	-	0.00	-	-	-	0.00	0.00
<i>i) Others (specify)</i>	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(1)</b>	<b>-</b>	<b>6300</b>	<b>6300</b>	<b>0.18</b>	<b>-</b>	<b>6300</b>	<b>6300</b>	<b>0.18</b>	<b>-</b>
<b>2. Non-Institutions</b>									
<i>a) Bodies Corp.</i>	131910	16800	148710	4.25	97025	16800	113825	3.25	-1.00
<i>i) Indian</i>									
<i>ii) Overseas</i>	-	-	-	0.00	-	-	-	0.00	0.00
<i>b) Individuals</i>									
<i>i) Individual shareholders holding nominal share capital upto Rs. 2 lakh</i>	442320	331545	773865	22.10	429301	302238	731539	20.9	-1.20
<i>ii) Individual shareholders holding nominal share capital in excess of Rs 2 lakh</i>	501485	-	501485	14.32	594857	0	594857	16.99	+2.67
<i>c) NBFC registered with RBI</i>	700	-	700	0.02	+	-	-		-0.02
<i>d) Any Other</i>									
<i>i) Clearing member</i>	600		600	0.01	110	-	110	0.00	-0.00
<i>ii) Non Resident Indians</i>	11885	159400	171285	4.89	8885	149100	157985	4.52	-0.37
<i>iii) Overseas Corporate Bodies</i>	15700	-	15700	0.45	15700	-	15700	0.45	0.00
<i>iv) Resident HUF</i>	16756	-	16756	0.48	15085	-	15085	0.43	0.05
<b>Sub-total (B)(2):-</b>	<b>1121356</b>	<b>507745</b>	<b>1629101</b>	<b>46.53</b>	<b>1160963</b>	<b>468138</b>	<b>1629101</b>	<b>0.00</b>	<b>0.00</b>
<b>Total Public (B)</b>	<b>1121356</b>	<b>514045</b>	<b>1635401</b>	<b>46.72</b>	<b>1160963</b>	<b>474438</b>	<b>1635401</b>	<b>0.00</b>	<b>0.00</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.00</b>	<b>0.00</b>
<b>Grand Total (A+B+C)</b>	<b>2986655</b>	<b>514045</b>	<b>3500700</b>	<b>100</b>	<b>3026262</b>	<b>474438</b>	<b>3500700</b>	<b>100</b>	<b>0.00</b>

**Attachment 'D'**
**Shareholding Pattern (Equity Share Capital breakup as a percentage of total equity)**
**Shareholding of Promoters**

S. No.	Shareholder's Name	No. of Shares held at the beginning of the year [As on March 31, 2019]			No. of Shares held at the end of the year [As on March 31, 2020]			% change in shareholding during the year
		No. of Shares	% of the total shares of the company	% of Shares Pledged/encumbered to total shares	No. of Shares	% of the total shares of the company	% of Shares Pledged/encumbered to total shares	
1.	Mr. Aditya Goyal	148175	4.23	-	148175	4.23	-	-
2.	Mrs. Saloni Goyal	516715	14.76	-	516715	14.76	-	-
3.	Mr. Sanjeev Goyal	860759	24.59	-	860759	24.59	-	-
4.	Sanjeev Goyal HUF	99900	2.85	-	99900	2.85	-	-
5.	Ms. Sanya Goyal	239750	6.85	-	239750	6.85	-	-

**Attachment 'E'**
**Shareholding Pattern (Equity Share Capital breakup as a percentage of total equity)**
**Note-I Details of Increase and Decrease in Promoters' Shareholding**

S.No.	Particulars	Date	Reason	Shareholding		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1.	Mr. Aditya Goyal	-	-	-	-	-	-
2.	Mrs. Saloni Goyal	-	-	-	-	-	-
3.	Mr. Sanjeev Goyal	-	-	-	-	-	-
4.	Ms. Sanya Goyal	-	-	-	-	-	-
5.	Sanjeev Goyal HUF	-	-	-	-	-	-

**Attachment 'F'**
**Shareholding Pattern (Equity Share Capital breakup as a percentage of total equity)**
**Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)**

S.No.	Particulars	Date	Reason	Shareholding	Cumulative Shareholding during the year
-------	-------------	------	--------	--------------	---

			No. of shares	% of total shares	No. of shares	% of total shares	
1.	Raju Bhandari						
	<i>At the beginning of the year</i>	1 <sup>st</sup> April 2019	150485	4.29	150485	4.29	
	<i>Changes during the year</i>	26 <sup>th</sup> April 2019	Purchase	4000		154485	4.41
		17 <sup>th</sup> May 2019	Purchase	2060		156545	4.47
		10 <sup>th</sup> Jan 2020	Purchase	146		156691	4.47
		24 <sup>th</sup> Jan 2020	Purchase	2000		158691	4.53
		28 <sup>th</sup> Feb 2020	Sale	100		158591	4.53
	<i>At the end of the year</i>	31 <sup>st</sup> March 2020		158591	4.53	158591	4.53
2.	Suresh Gadaley						
	<i>At the beginning of the year</i>	1 <sup>st</sup> April 2019	142605	4.07	142605	4.07	
	<i>Changes during the year</i>	17 <sup>th</sup> May 2019	Purchase	1000		143605	
		24 <sup>th</sup> May 2019	Purchase	1000		144605	
		12 <sup>th</sup> July 2019	Purchase	100		144705	
		20 <sup>th</sup> Dec 2019	Purchase	25		144730	
		28 <sup>th</sup> Feb 2020	Sale	50		144680	
		06 <sup>th</sup> March 2020	Sale	20		144660	
		13 <sup>th</sup> March 2020	Sale	5		144655	
	<i>At the end of the year</i>	31 <sup>st</sup> March 2020		144655	4.13	144655	4.13
3.	Sailesh Vikramsinh Thakker						
	<i>At the beginning of the year</i>	1 <sup>st</sup> April 2019	137500	3.92	137500	3.92	
	<i>Changes during the year</i>		NIL	-	NIL	-	
	<i>At the end of the year</i>	31 <sup>st</sup> March 2020	137500	3.92	137500	3.92	
4.	Dinesh Kumar Jain						
	<i>At the beginning of the year</i>	1 <sup>st</sup> April 2019	18430	0.52	18430	0.52	
	<i>Changes during the year</i>	26 <sup>th</sup> April 2019	Purchase	6295		24725	
		13 <sup>th</sup> Sep 2019	Purchase	21162		45887	
<i>At the end of the year</i>	31 <sup>st</sup> March 2020		45887	1.31	45887	1.31	
5.	S. Chand & Co. Ltd.						
	<i>At the beginning of the year</i>	1 <sup>st</sup> April 2019	42564	1.22	42564	1.22	
	<i>Changes during the year</i>		Nil	-	NIL	-	
	<i>At the end of the year</i>	31 <sup>st</sup> March 2020	42564	1.22	42564	1.22	
6.	Sanjay Bhardwaj						
	<i>At the beginning of the year</i>	1 <sup>st</sup> April 2019	0	-	0	-	
	<i>Changes during the year</i>	24 <sup>th</sup> Jan 2020	Purchase	659		659	
		21 <sup>st</sup> Feb 2020	Purchase	30341		31000	
<i>At the end of the year</i>	31 <sup>st</sup> March 2020		3100	0.88	31000	0.88	
7.	Mahendra Girdharilal						

	At the beginning of the year	1 <sup>st</sup> April 2019		100		100	
	Changes during the year	25 <sup>th</sup> Oct 2019	Purchase	7780		7880	
		1 <sup>st</sup> Nov 2019	Purchase	1000		8880	
		08 <sup>th</sup> Nov 2019	Purchase	679		9559	
		15 <sup>th</sup> Nov 2019	Purchase	215		9774	
		22 <sup>nd</sup> Nov 2019	Purchase	20		9794	
		27 <sup>th</sup> Dec 2019	Purchase	10		9804	
		17 <sup>th</sup> Jan 2020	Purchase	13647		23451	
		24 <sup>th</sup> Jan 2020	Purchase	5365		28816	
		07 <sup>th</sup> Feb 2020	Purchase	321		29137	
	At the end of the year	31 <sup>st</sup> March 2020		29137	0.83	29137	0.83
<b>8.</b>	Alliance Holdings Limited						
	At the beginning of the year	1 <sup>st</sup> April 2019		25000	0.71	25000	0.71
	Changes during the year			Nil	-	Nil	
	At the end of the year	31 <sup>st</sup> March 2020		25000	0.71	25000	0.71
<b>9.</b>	Asgar Hussaini Bharwal						
	At the beginning of the year	1 <sup>st</sup> April 2019		24900	0.64	24900	0.64
	Changes during the year			Nil	-	Nil	-
	At the end of the year	31 <sup>st</sup> March 2020		24900	0.64	24900	0.64
<b>10.</b>	Balram Bharwani						
	At the beginning of the year	1 <sup>st</sup> April 2019		25000	0.71	25000	0.71
	Changes during the year	28 <sup>th</sup> Feb 2020	Sale	1333		23667	
		06 <sup>th</sup> March 2020	Sale	480		23187	
	At the end of the year	31 <sup>st</sup> March 2020		23187	0.66	23187	0.66

**Attachment 'G'**
**Shareholding Pattern (Equity Share Capital breakup as a percentage of total equity)**

Shareholding of Directors and Key Managerial Personnel

S.No.	Shareholders Name	Shareholding at the beginning of the Year		Date	Increase/Decrease in shareholding	Reasons	Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company				No. of shares	% of total shares
1.	Mrs. Saloni Goyal Non- Executive Director	516715	14.76	-	-	-	-	-
2.	Mr. Sanjeev Goyal Chairman cum Managing Director	860759	24.59	-	-	-	-	-

**Attachment 'H'**
**Indebtedness**

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

**Attachment 'I'**
**Remuneration of Directors and Key Managerial Personnel**

Remuneration to Managing Director (MD), Whole-time Directors (WTD) and /or Manager- NIL

**Attachment 'J'**
**Remuneration of Directors and Key Managerial Personnel**

Remuneration to other Directors

S.No.	Particulars of Remuneration	Total Amount		
		Mrs. Rupali Chawla	Mrs. Manisha Goyal	(In Rs)
1.	<b>Independent Directors</b>			
	Fee for attending board committee meetings	32,000	8,000	40,000
	Commission			
	Others, please specify			
	Total (1)	32,000	8,000	40,000
2.	<b>Other Non-Executive Directors</b>	Mrs. Saloni Goyal		
	Fee for attending board committee meetings			
	Commission			
	Others, please specify			
	Total (2)			
	Total Managerial Remuneration (B)=(1+2)	32,000	8,000	40,000
	Overall Ceiling as per the Act	Sitting Fees have been paid within the maximum limit allowed under the provisions of the Companies Act, 2013		

**Attachment 'K'**
**Remuneration of Directors and Key Managerial Personnel**

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

S.No.	Particulars of Remuneration	Name of Key Managerial Personnel			Total Amount
		Mr. Shubham Jain (up to 06.08.2019)	Ms. Ayushi Vijay (w.e.f 18.09.2019)	Mr. Jitender Bisht	
1.	<b>Name</b>	Mr. Shubham Jain (up to 06.08.2019)	Ms. Ayushi Vijay (w.e.f 18.09.2019)	Mr. Jitender Bisht	
	<b>Designation</b>	(Company Secretary)	(Company Secretary)	(Chief Financial Officer)	
	Gross salary	1,52,103	2,28,584	7,47,419	11,28,106

	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961				
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961				
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961				
2.	Stock Option				
3.	Sweat Equity				
4.	Commission				
	- as % of profit				
	- others, specify				
5.	Others, please specify (Bonus)				
<b>Total</b>		<b>1,52,103</b>	<b>2,28,584</b>	<b>7,47,419</b>	<b>11,28,106</b>

**Attachment 'L'**
**Penalties / Punishment/ Compounding of Offences**

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

For and on behalf of the Board of Directors  
Mahaan Foods Limited

**Sd/-**  
Sanjeev Goyal  
Chairman cum Managing Director  
(DIN: 00221099)

Delhi, August 28, 2020

"Annexure\_B"

**Form No. MR-3**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH 2020**

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

To,  
The Members,  
Mahaan Foods Limited  
M-19, 1<sup>st</sup> Floor, M- Block Market,  
Greater Kailash- II, New Delhi-110048

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Mahaan Foods Limited. (Hereinafter called "the company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

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

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

- i. The Companies Act, 2013 (the Act) and the Rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to extent of Foreign Direct Investment, Overseas Direct Investment, and External Commercial borrowings.
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; (Not applicable to Company during the audit period);
  - d) The Securities and Exchange Board of India (Share Based Employee Benefit) Regulation 2014 (Not applicable to Company during the audit period);
  - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not applicable to Company during the audit period);
  - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with the client;
  - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not applicable to Company during the audit period);
  - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (Not applicable to Company during the audit period)
  - i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations 2015



- vi. We further report that having regard to compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with the following laws applicable specifically to the Company:
- (a) Food Safety and Standards Act, 2006(FSSA) and Rules, 2011 and Regulations, 2011;
  - (b) Food Safety and Standards (Licensing & Registration of food business) Regulations, 2011
  - (c) Food Safety and Standards (Packaging and Labeling) Regulations, 2011

The company is registered with Food Safety and Standards Authority of India vide FSS License No. 10016011003600.

We further report that the compliance by the Company of applicable financial laws, like direct and indirect tax laws, has not been reviewed in this Audit since the same have been subject to review by statutory financial audit and other designated laws.

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

- Secretarial Standard 1 and Secretarial Standard 2 issued by The Institute of Company Secretaries of India.
- The Listing Agreements entered into by the Company with BSE Ltd.;

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that the Board of Directors of the Company is duly constituted with the proper balance of Executive Directors, Non-Executive Directors, and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, (except in cases where meetings were convened at a shorter notice for which necessary approvals obtained as per applicable provisions) and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All the decisions at Board and Committee Meetings were carried out through unanimous consent as recorded in the minutes of the meetings of the Board of Directors or Committees of the Board, as the case may be.

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

**For Shakshi & Associates**

Company Secretaries

Sd/-

(Shakshi Mittal)

Proprietor

ACS: 32114 CP 12649

UDIN: A032114B000621659

Place: Kaithal

Date: 27<sup>th</sup> August, 2020

**This report is to be read with my letter of even dated which is enclosed with this report.**

To,  
The Members  
Mahaan Foods Limited  
M-19, 1st Floor, M-Block Market,  
Greater Kailash-II New Delhi - 110048

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

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

**For Shakshi & Associates**

Company Secretaries

Sd/-

(Shakshi Mittal)

Proprietor

ACS: 32114 CP 12649

UDIN: A032114B000621659

Place: Kaithal

Date: 27<sup>th</sup> August, 2020

**“ANNEXURE-C”**
**Details pertaining to Remuneration as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.**

The ratio of the remuneration of each director to the median remuneration of the employees of the company and percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer and Company Secretary in the financial year.

Name	Ratio to median Remuneration	% increase in Remuneration in the Financial Year
<b>Non-Executive Directors</b>		
Saloni Goyal	-	-
Manisha Goyal	-	-
Rupali Chawla	-	-
<b>Executive Director</b>		
Sanjeev Goyal	-	-
<b>Chief Financial Officer</b>		
Jitender Singh Bisht	-	5.39%
<b>Company Secretary</b>		
Ayushi Vijay #	-	-
Shubham Jain ##	-	-

@ Ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year cannot be ascertained as no remuneration was paid to any of the Directors of the company

# appointed as Company Secretary w.e.f 18<sup>th</sup> September, 2019

## Relinquished the position of Company Secretary w.e.f 06<sup>th</sup> August, 2019

^ Since the remuneration is only part of the year, the percentage increase in remuneration is not comparable and hence, not stated

- There were only 2(two) permanent employees on the rolls of the Company.
- The average percentile increase already made in the salaries of employees' others than the managerial personnel in the last financial year is Nil. No comparison could be given with respect to increase in managerial remuneration as no remuneration was paid to any Managerial Personnel during the year.
- It is hereby affirmed that the remuneration during the year ended 31st March, 2020 is paid as per the Remuneration Policy of the Company.

By order of the Board of Directors

Sd/-

**Sanjeev Goyal**

Chairman & Managing Director

(DIN: 00221099)

Place: Delhi

Date: August 28, 2020

**“ANNEXURE-D”****MANAGEMENT DISCUSSION AND ANALYSIS REPORT****INDUSTRY STRUCTURE, OUTLOOK AND DEVELOPMENT**

India has been the leading producer and consumer of dairy products worldwide since 1998 with a sustained growth in the availability of milk and milk products. Dairy activities form an essential part of the rural Indian economy, serving as an important source of employment and income. Moreover, nearly all of the dairy produce in India is consumed domestically, with the majority of it being sold as fluid milk. On account of this, the Indian dairy industry holds tremendous potential for value-addition and overall development. There are many Opportunities and Challenges in the Indian Dairy Industry. Dairy products are a major source of cheap and nutritious food to millions of people in India and the only acceptable source of animal protein for a large vegetarian segment of the Indian population. The laws regulating the safety and quality of food are in existence since 1899. The number of legislations and quality standards has also increased substantially with the passage of time and growth of the industry. The food sector in India is governed by a multiplicity of laws under different Ministries. The “Food Safety and Standards Act, 2006”, aims to integrate the food safety laws in the country in order to systematically and scientifically develop the food processing industry and shift from a regulatory regime to self-compliance. Organized dairy sector is growing and investor interest in dairy industry is also quite high. The main aim of the Indian dairy industry is to enhance milk production and upgrade milk processing system by using innovative technologies.

**OPPORTUNITIES AND THREATS****Opportunities**

- (i) With increased income levels, demand of milk products has gone up. This would mean higher consumption of conventional milk products as also introduction of new milk based products.
- (ii) Milk is a preferred source of protein by Indian populace. Milk and milk products are therefore likely to get preference from consumers who look for protein rich food.
- (iii) India is the largest producer of buffalo milk which is a preferred variety of milk for making certain type of cheese. It offers a good export opportunity for Indian cheese made of buffalo milk.

**Threats**

- (i) Milk prices are expected to increase due to lower supply of Milk, resulting into higher cost.
- (ii) Production of milk in India is very widely scattered in rural areas and at vast distances from the places of consumption i.e. urban areas.
- (iii) The trend of adulterated Ghee continues to plague the market which is a serious health risk for the consumers.
- (iv) With increase in education level of young farmers, there is a tendency among the young folk to prefer white collar jobs over conventional dairy farming profession.

**GROWTH OUTLOOK**

The Indian economy is the fastest growing major economy and is projected to grow faster in the coming years. Rapid urbanization has led to a major increase in the demand for packaged/processed foods, favorably impacting the dairy industry in the country. In the era of digitization and increased access to actionable information, the Indian populace is becoming health and product quality conscious, which has led to the

improved variety of food products available in the country. The increase in working population is leading to increased demand for convenient healthy and tasty products by the consumers.

Milk production as well as production of milk products by organized sector is expected to grow at a robust pace. Higher rate of growth is expected in value added dairy products. Western dairy products, which currently occupy a small space, are likely to grow on a faster clip. Packaged milk and products are likely to progressively replace loose milk and products.

#### **EXPANSION PLANS**

The Company holds on to its long term vision of becoming a significant player in Dairy space.

#### **RISKS & CONCERNS**

With rise in education level of rural population, young generation of farmers is showing apathy for their ancestral profession. There is a tendency in them to prefer white collar jobs over dairy farming in its present form. Government - both Central and State - have increased their focus on ensuring safe food products including milk products to the consumer. However, due to the lack of adequate testing equipment's in Government labs, lot of fear and confusion has been created in the minds of industry as well as consumers.

#### **SEGMENT WISE /PRODUCT WISE REPORTING**

Your Company does not have the segment or product wise performance.

#### **INTERNAL CONTROL AND GOVERNANCE**

The Company has internal control system commensurate with the size and nature of the business which is monitored for its effectiveness on continuous basis. These have been designed to provide reasonable assurance with regard to recording and providing reliable financial and operational information, complying with applicable statutes, safeguarding assets from unauthorized use, executing transactions with proper authorization and ensuring compliance with corporate policies.

The Company has appointed M/s Naresh Kumar & Co., Chartered Accountants, (FRN 005987N), New Delhi to oversee and carry out internal audit of its activities.

The internal audit reports are reviewed by the Audit Committee periodically. Based on its evaluation (as defined in section 177 of Companies Act 2013 and Clause 18 of SEBI Regulations 2015), the Audit Committee has concluded that, as of March 31, 2020, the Company's internal financial controls were adequate and operating effectively.

#### **FINANCIAL AND OPERATIONAL PERFORMANCE**

The Company achieved gross turnover including other income of Rs. 588.10 Lakh and post net profit of Rs. 105.55 lakh for the financial year ended on 31st March, 2020 as against gross turnover including other income of Rs. 135.01 Lakh and net profit of Rs. 319.45 Lakh in the previous financial year.

**RATIO ANALYSIS**

S.no	Ratios	Units	IND-AS	
			FY 2020	FY 2019
1.	Debtors Turnover Ratio	Times	10.04	1.40
2.	Inventory Turnover Ratio	Times	94.46	0.70
3.	Interest Coverage Ratio	Times	NIL	NIL
4.	Current Ratio	Times	12.25	16.21
5.	Debt-Equity Ratio	Times	NIL	NIL
6.	Operating Profit Margin	%	27.90	30.80
7.	Net Profit Margin	%	19.89	31.45
8.	Earning Per Share	₹	3.02	9.13

**HUMAN RESOURCE AND INDUSTRIAL RELATIONS**

The Company continues to emphasize on optimization of the human resources. The company is having only 2 employees on its permanent rolls.

**DISCLOSURE OF ACCOUNTING TREATMENT**

In the preparation of the financial statements, the Company has followed the Accounting Standards referred to in Section 133 of the Companies Act, 2013. The significant accounting policies which are consistently applied are set out in the Notes to the Financial Statements

**CAUTIONARY STATEMENT**

Certain statements made in this report relating to the Company's objectives, projections, outlook, expectations, estimates, among others may constitute 'forward-looking statements' within the meaning of applicable laws and regulations. Actual results may differ from such expectations, projections etc., whether express or implied. Several factors could make a significant difference to the Company's operations. These include climatic conditions, economic conditions affecting demand and supply, government regulations and taxation, natural calamity, currency rate changes, among others over which the Company does not have any direct control.

**By order of the Board of Directors**

**Sd/-**

**Sanjeev Goyal**

Chairman & Managing Director

(DIN: 00221099)

Place: Delhi

Date : August 28, 2020

## **D M A R K S & ASSOCIATES**

CHARTERED ACCOUNTANT

6H GOPALA RAJENDRA PLACE DELHI-110008

PHONES: 25821021, 25821040

Email.id: ddnagpal@gmail.com

### **INDEPENDENT AUDITOR'S REPORT**

To the Members of Mahaan Foods Limited

#### **Report on the Standalone Financial Statements**

We have audited the accompanying standalone Financial statements of Mahaan Foods Limited ('the Company'), which comprise the Balance Sheet as at 31st March, 2020, and the Statement of Profit and Loss, and statement of cash flow for the year ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Financial statements give the information required by the Acting the manners 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 31st March, 2020, and profit/loss, and its cash flow for the year ended on that date.

#### **Basis for Opinion**

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

#### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

#### **Management's Responsibility for the Financial Statements**

The Company's Board of Directors is responsible for the matters in section 134(5) of the Companies Act, 2013 ('the Act') with respect to the preparation and presentation of the standalone Financial statements that give a true and fair view of the financial position, financial performance, and cash flow of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the frauds and other irregularities; selection and

application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

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



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

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

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

### Report on other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order 2016, issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we enclose in Annexure 'A', a statement on the matters specified in paragraphs 3 & 4 of the Order, to the extent applicable.

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

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.

c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

e) On the basis of written representations received from the directors as on 31 March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2020, from being appointed as a director in terms of Section 164(2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refers to our separate Report in "Annexure B" which is based on the Auditor's Report of the Company. Our report express and unmodified opinion on the adequacy and operating effectiveness of the internal financial controls over reporting of the Company.

g) Attention is invited to Note no.26 stating that some of balance of debtors, creditors and loans and advances are subject to confirmation from respective parties. We have relied on the representation of the management that no

significant impact is expected on the working results of the company on this account.



h)With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the

Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- (i) The Company has disclosed the impact of pending litigation on its financial position in its financial statement.
- (ii) The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivatives contracts in financial statements.
- (iv) There has been no delay in transferring amounts, required to be transferred to the Investor Education and Protection Fund by the Company.

**For D M A R K S & Associates**  
(Chartered Accountants)  
Firm Registration No: 006413N

Sd/-  
Dev Dhar Nagpal  
(Partner)  
Membership Number: 085366  
UDIN: 20085366AAAAAY2795

**Place: Delhi**

**Date: 22nd June, 2020**

**Annexure A to the Independent Auditors' Report**

The Annexure referred to in our Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31 March 2020, we report that:

- (i)
- (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- (ii)
- a. The inventories have been physically verified during the year by the management. In our opinion, the frequency of verification is necessary.
- b. The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business
- c. The company is maintaining proper records of the inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material.
- (iii) The Company has not granted any loans to bodies corporate covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act').
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.
- (v) The Company has not accepted any deposits from the public covered under Section 73 to 76 of the Companies Act, 2013.
- (vi) The company has not required to maintain cost records as prescribed by central Government under sub section (1) of section 148 of the Companies act, 2013.

(vii)

(a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, income tax, sales tax, wealth tax, service tax, duty of customs, value added tax, cess and other material statutory dues have been regularly deposited during the year. However there are certain delay observed in deposition of dues by the Company with the appropriate authorities in India .The Arrear as on 31st march 2020 on the aforesaid dues were as below:

1	TDS	Rs. 44992/-
2	GST	Rs. 18099/-

According to information and explanation given to us following undisputed amounts payable in respect of statutory dues were outstanding as at 31st March, 2020 for a period of more than six months from the date they become payable

Name of Statute	Nature of the Dues	Amount (Rs. In Lacs)	Period to which the amount relates
Income tax Act 1961	Fringe Benefit Tax	3.88	01.04.2008 to 31.03.2009
Income tax Act 1961	Fringe Benefit Tax	1.04	01.04.2006 to 31.03.2007

(a) According to the information and explanations given to us, there are no material dues of wealth tax, duty of customs and cess which have not been deposited with the appropriate authorities on account of any dispute.

Name of Statute	Nature of the Dues	Amount (Rs. In Lacs)	Period to which the amount relates	Forum where dispute is pending
Delhi Sales Tax Act 1975	Sales Tax demand	40.40	2003-04	Dy. Commissioner (Appeals), New Delhi (Demand order has been stayed by Hon'ble Dy. Commissioner)
Punjab Value Added Tax Act 2005	Penalty	2.91	2005-06	Asstt. Excise & Taxation Commissioner cum Deputy Director (Inv.), Patiala for review.
Orissa value Added Tax Act, 2004	Value added tax Penalty	0.46 0.91	01-04-2005 to 30-11-2008	Joint Commissioner of Sales tax Bhubaneswar
Orissa entry Tax Act, 1999	Entry tax Penalty	1.77 3.54	01-04-2005 to 30-11-2008	Joint Commissioner of Sales tax Bhubaneswar

viii) The Company has not defaulted in repayment of dues to financial institutions, bank or debenture holders during the year.

(ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable. Based on the information and explanation given to us by the management term loan were applied for the purpose for which the loans were obtained.

(x) 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 course of our audit.

(xi) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

(xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.

(xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable



accounting standards.

(xiv) Company has not made preferential allotment.

(xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve bank of India Act 1934.

**For D M A R K S & Associates**  
(Chartered Accountants)  
Firm Registration No: 006413N

Sd/-  
Dev Dhar Nagpal  
(Partner)  
Membership Number: 085366  
UDIN: 20085366AAAAAY2795

Place: Delhi  
Date: 22nd June, 2020

### **Annexure –B to the Auditors' Report**

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

We have audited the internal financial controls over financial reporting of Mahaan Foods Limited ('the Company'), as of 31 March 2020 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

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

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

#### **Auditors' Responsibility**

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

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

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

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

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external

purposes in accordance with generally accepted accounting principles.

A company's internal financial control over financial reporting includes those policies and procedures that

1. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
2. provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
3. provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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

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

#### **Opinion**

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

**For D M A R K S & Associates**  
(Chartered Accountants)  
Firm Registration No: 006413N

**Sd/-**  
**Dev Dhar Nagpal**  
(Partner)  
Membership Number: 085366  
Place: Delhi  
Date: 22-6-2020  
UDIN: 20085366AAAAAY2795

**Mahaan Foods Limited**  
**Balance Sheet as on 31<sup>st</sup> March 2020**

Particulars	Note No	As at 31.03.2020	As at 31.03.2019
<b>Assets</b>			
<b>(1) Non-current assets</b>			
(a) Property, plant and equipment	<b>3</b>	3,012,973	3,534,413
(b) Capital work-in-progress		-	-
(c) Intangible Assets		-	-
(d) Financial Assets			
i. Investments	<b>4</b>	65,600,000	65,600,000
ii. Loans & Advances			
iii. Trade Receivables			
iv. Others			
(e) Deferred tax assets (net)			2,971,690
(f) Other non-current assets			
<b>Total non current assets</b>		<b>6,86,12,973</b>	<b>72,106,103</b>
<b>(2) Current Assets</b>			
(a) Inventories	<b>6</b>	561,547	8,762,681
(b) Financial Assets			
i. Investments	<b>7</b>	6,560	6,560
ii. Trade Receivables	<b>8</b>	5,283,470	4,356,090
iii. Cash and cash equivalents	<b>9</b>	98,119,937	76,308,728
iv. Loans & Advances	<b>10</b>	16,771,630	11,370,472
iv. Others			
(c) Other current assets	<b>11</b>	1,023,026	2,748,695
<b>Total Current assets</b>		<b>12,17,66,169</b>	<b>103,553,226</b>
<b>Total Assets</b>		<b>190,379,142</b>	<b>175,659,328</b>
<b>EQUITY AND LIABILITIES</b>			
<b>(1) Equity</b>			
(a) Equity share capital	<b>12</b>	35,007,000	35,007,000
(b) other equity	<b>13</b>	144,822,033	134,266,845
Total Equity		179,829,033	169,273,845
<b>(2) Liabilities</b>			
<b>(I) Non-Current Liabilities</b>			
(a) Financial Liabilities			
i. Borrowings			
ii. Others			
(b) Provisions			
(c) Deferred Tax Liabilities (Net)	<b>5</b>	606,522	
(d) Other non-current liabilities			
<b>Total Non-Current Liabilities</b>		<b>606,522</b>	-
<b>(II) Current Liabilities</b>			
(a) Financial Liabilities			
i. Borrowings	<b>14</b>	-	-
ii. Trade Payables	<b>15</b>	961,368	-
iii. Others			
(b) Other Current liabilities	<b>16</b>	381,602	662,900
(c) Provisions	<b>17</b>	8,600,617	5,722,583
<b>Total Current Liabilities</b>		<b>9,943,588</b>	<b>6,385,483</b>
<b>Total Liabilities</b>		<b>10,550,110</b>	<b>6,385,483</b>
<b>Total Equity and Liabilities</b>		<b>190,379,142</b>	<b>175,659,328</b>
<b>Significant Accounting Policies</b>	<b>1 &amp; 2</b>		
Accompanying notes form Part of the Financial Statements As per our report of even date	3 & 34		

**For DMARKS & Associates**

Chartered Accountants  
FRN: 006413N

DD Nagpal  
FCA  
M No: 085366

**Delhi – June 22, 2020**

**Sanjeev Goyal**  
Chairman Cum Managing Director  
DIN: 00221099

**Jitender Singh Bisht**  
Chief Financial Officer  
PAN: BDRPB0631F

For and on behalf of the Board of Directors  
**For Mahaan Foods Limited**

**Saloni Goyal**  
Director  
DIN: 00400832

**Ayushi Vijay**  
Company Secretary & Compliance Officer  
M. No. A55853



## Mahaan Foods Limited

Statement of Profit and Loss for the Year ended 31<sup>st</sup> March 2020

Rs in Lacs

Particulars	Note No	For the period ended 31.03.2020	For the period ended 31.03.2019
Revenue from operations	18	53,046,151	6,105,000
Other Income	19	5,763,828	7,396,745
<b>Total Revenue</b>		<b>58,809,979</b>	<b>13,501,745</b>
<b>Expenses:</b>			
Cost of Goods Sold	20	38,244,977	4,225,828
Excise Duty and service Tax			
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	21	-	
Employee benefit expense	22	1,146,822	1,200,447
Financial costs	23	-	5,733
Depreciation and amortization expense	3	521,440	983,474
Other expenses	24	1,931,540	2,838,655
<b>Total Expenses</b>		<b>41,844,779</b>	<b>9,254,136</b>
<b>Profit before exceptional items and tax</b>		<b>16,965,200</b>	<b>4,247,609</b>
Exceptional Items		-	28,624,654
<b>Profit before tax</b>		<b>16,965,200</b>	<b>32,872,263</b>
<b>Tax expense:</b>		<b>6,410,012</b>	<b>927,389</b>
(1) Current tax		2,831,800	1,313,900
(2) Deferred tax	5	3,578,212	(386,511)
<b>Profit after tax</b>		<b>10,555,188</b>	<b>31,944,874</b>
Other Comprehensive Income		-	
<b>Profit/(Loss) for the period</b>		<b>10,555,188</b>	<b>31,944,874</b>
<b>Earning per equity share:</b>			
(1) Basic		3.02	9.13
(2) Diluted		3.02	9.13
<b>Significant Accounting Policies</b>	<b>1 &amp; 2</b>		
<b>Accompanying notes form Part of the Financial</b>	<b>3 to 34</b>		
<b>Statements As per our report of even date</b>			

**For DMARKS & Associates**  
Chartered Accountants  
FRN: 006413N

DD Nagpal  
FCA  
M No: 085366

**Delhi – June 22, 2020**

**Sanjeev Goyal**  
Chairman Cum Managing Director  
DIN: 00221099

**Jitender Singh Bisht**  
Chief Financial Officer  
PAN: BDRPB0631F

For and on behalf of the Board of Directors  
**For Mahaan Foods Limited**

**Saloni Goyal**  
Director  
DIN: 00400832

**Ayushi Vijay**  
Company Secretary & Compliance Officer  
M.No.: A55853

**Mahaan Foods Limited**  
**Statement of Cash Flow for the Year Ended 31st March 2020**

PARTICULARS	2019-20	2018-19
<b>CASH FLOW FROM OPERATING ACTIVITIES :</b>		
NET PROFIT BEFORE TAX & EXTRAORDINARY ITEMS :	16,965,200	4,247,609
ADJUSTMENTS FOR:-		
Depreciation	521,440	983,474
Other Income		
Interest Income	(5,763,828)	(7,396,745)
Dividend Income		
Loss on sale of fixed assets	-	107,997
Interest Charges	-	5,733
Operating profits before working capital changes :	11,722,812	(2,051,933)
ADJUSTMENTS FOR:-		
(Increase)/ decrease in Inventories	8,201,134	(6,398,060)
(Increase)/ decrease in Sundry debtors	(927,380)	798,818
(Increase)/ decrease in Trade & other receivables	(5,308,905)	31,582,196
(decrease) /Increase in Trade payables & other liabilities	680,070	(62,478,959)
(Increase)/ decrease in Other Current Assets	1,725,669	(1,928,095)
(decrease) /Increase in Short term provision	2,878,034	1,301,764
Cash generated from (used) in operation	<b>18,971,435</b>	<b>(39,174,269)</b>
Direct taxes paid	2,831,800	1,313,900
Net Cash flow from operating activities (A)	16,139,635	(40,488,169)
<b>CASH FLOW FROM INVESTMENT ACTIVITIES :</b>		
capital Subsidy received		
Sale of fixed assets		150,000
Transfer of assets		6,000,000
Interest received	5,763,828	7,396,745
Investment In MMFI	-	-
Dividend from non-trade long term investments	-	-
Net Cash flow used in investment activities (B)	5,763,828	13,546,745
<b>CASH FLOW FROM FINANCING ACTIVITIES :</b>		
Loan paid/recovered		
Interest paid	-	(5,733)
Increase / decrease in term loans ( net )		
Increase / decrease in cash credits from banks	-	-
Net Cash flow used in financing activities (C)	-	(5,733)
Cash Flow from Extraordinary items (D)	-	28,624,654
Increase in cash flow from extraordinary Items		-
Net decrease in cash and cash equivalents : ( A+B+C+D )	21,903,463	1,677,497
Cash & cash equivalents at opening	76,216,473	74,538,976
Cash & cash equivalents at closing	98,119,936	76,216,473

**For DMARKS & Associates**

Chartered Accountants  
FRN: 006413N

DD Nagpal  
FCA  
M No: 085366

**Delhi – June 22, 2020**
**Sanjeev Goyal**  
Chairman Cum Managing Director  
DIN: 00221099

**Jitender Singh Bisht**  
Chief Financial Officer  
PAN: BDRPB0631F

For and on behalf of the Board of Directors  
**For Mahaan Foods Limited**
**Saloni Goyal**  
Director  
DIN: 00400832

**Ayushi Vijay**  
Company Secretary & Compliance Officer  
M. No.: A55853

## MAHAAN FOODS LTD.

## NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED ON 31ST MARCH 2020

**1. Overview**

Mahaan Foods Limited (MFL) is an ISO 9001/2000 & HACCP certified company which was incorporated in 1987. The Company is engaged in manufacturing of dairy products and pharma nutritional products.

**2. Significant Accounting Policies:**

- a) The financial statements are prepared under the historical cost convention and have been prepared in accordance with applicable mandatory Indian Accounting Standards and relevant presentational requirements of the Companies Act, 2013.
- b) The Company follows the mercantile system of accounting and recognizes income and expenditure on accrual basis. Accounting policies not specifically referred to otherwise are consistent and in consonance with generally accepted accounting principle in India. Accounting policies are consistently applied and consistent with those used in previous year.
- c) The preparation of financial statement in conformity with generally accepted accounting principle requires management to make estimates and assumption that affect the reported amount of assets and liabilities and disclosure of contingent liabilities and commitments at the end of the reporting period and results of operations during the reporting period. Although these estimates are based upon the management's best knowledge of current events and actions, actual results could differ from those estimates. Difference between the actual result and estimates are recognized in the period which the results are known/ materialized.
- d) Fixed Assets are stated at cost less depreciation. The cost of fixed assets includes interest on specific borrowings obtained for the purpose or acquiring fixed assets up to the date of commissioning of the assets and other incidental expenses incurred up to that date.
- e) Plant and machinery includes expenses incurred on erection and commissioning, foundation, laboratory equipment, air and water pollution devices, electric installations, technical know-how fees, tools, and miscellaneous fixed assets other than land, building, furniture & fixture, vehicles, office equipment's, computer equipment's and air conditioning equipment's. Technical know-how fee is inseparable and hence treated as part of plant & machinery. No adjustment is required to be made as per Indian accounting standard 38 on intangible assets, issued by the Institute of Chartered Accountants of India.
- f) Expenditure related to and incurred during implementation of new /expansion-cum- modernization projects is included under capital work in progress and the same is allocated to the respective tangible assets on completion of its construction/erection.
- g) Long term investments are valued at cost. Where investments are reclassified from current to long term, transfers are made at the lower of cost and fair value at the date of transfer.
- h) Inventories of raw materials, stock-in-process, semi-finished products, stores, packing materials, spares and loose tools, finished products are valued at lower of cost or net realizable value. In determining the cost, first in first out method is used.
- i) Prior year expenses / income, if any are adjusted in the respective head of expenses/ income. This has no effect on the working result of the Company.
- j) Depreciation on Fixed Assets is provided to the extent of depreciable amount on the Straight Line Method (SLM) on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013.
- k) Provision for employee benefits charged on accrual basis is determined based on Indian Accounting standard 19 "Employees Benefits" issued by the Institute of Chartered Accountants of India as under:
  - I) Contribution to provident fund scheme is charged to revenue.
  - II) Liability for gratuity and privilege leave is determined on actuarial basis.

- l) The Government grants are recognized only on the assurance that the same will be received. The Government grants in respect of capital investment have been shown as capital reserve.
- m) Contingent liabilities are not provided for and are disclosed by way of notes. This has no effect on the working result of the Company.
- n) Taxes are accounted for in accordance with Indian Accounting Standard -12 on Accounting for Taxes on Income. Income Tax Comprise of both current and deferred Tax.  
Current Tax is measured at the amount expected to be paid to / recovered from the revenue authorities, using applicable tax rates and laws.  
The tax effect of the timing differences that result between taxable income and accounting income and are capable of reversal in one or more subsequent periods are recorded as Deferred Tax Asset or Deferred Tax Liability. Deferred Tax Assets and Liabilities are recognized for future tax consequences attributable to timing differences. They are measured using substantively enacted tax rates and tax regulations.
- o) Foreign currency transactions denominated in foreign currencies are normally recorded at the exchange rate prevailing at the time of the transaction.
- p) Borrowing costs are directly attributable to the acquisition, construction or production of qualifying assets is capitalized till the month in which the assets is ready to use as part of the cost of that asset. Other interest and borrowing costs are charged to revenue.
- q) In case of the new industrial unit, all the operating expenditure (including borrowing costs) specifically for the project, incurred upto the date of installation, is capitalized and added pro-rata to the cost of fixed assets.
- r) Revenue from sale of goods is recognized on transfer of significant risks and rewards of ownership to the buyer. Gross revenue from operations comprises of sale of products and others operating incomes. Excise duty is not applicable on the finished goods manufactured by the company.
- s) The earning considered in ascertaining the company's Earning per share (E.P.S.) comprise of the net profit after tax attributable to equity shareholders.
- t) In the opinion of the company's Management, there is no impairment to the assets to which Indian Accounting Standard 36 "Impairment of Assets" applied requiring any revenue recognition.
- u) The cash flow statement has been prepared under the "Indirect Method" as set out in Indian Accounting Standard-7 "Cash Flow Statement".

**Note -3 Fixed Assets**

PARTICULARS	<----- GROSS BLOCK ----->				<----- DEPRECIATION ----->				<-- NET BLOCK -->	
	AS AT	ADDITION	DEDUCTION	AS AT	AS AT	FOR THE	ADJUST-	AS AT	AS AT	AS AT
	01-04-19			31-03-20	01-04-19			YEAR	MENT	31-03-20
PLANT & MACHINERY	16,920,835.00	-	-	16,920,835.00	13,798,028.52	442,973.05	-	14,241,001.57	2,679,833.43	3,122,806.48
OFFICE EQUIPMENTS	210,522.00	-	-	210,522.00	199,997.01	-	-	199,997.01	10,524.99	10,524.99
FURNITURE & FIXTURE	311,700.00	-	-	311,700.00	253,989.12	33,475.88	-	287,465.00	24,235.00	57,710.88
VEHICLES	1,201,773.00	-	-	1,201,773.00	906,316.42	44,144.88	-	950,461.30	251,311.70	295,456.58
COMPUTER EQUIPMENTS	824,826.00	-	-	824,826.00	783,585.37	-	-	783,585.37	41,240.63	41,240.63
A.C.EQUIPMENTS	15,000.00	-	-	15,000.00	8,326.73	846.18	-	9,172.91	5,827.09	6,673.27
<b>Total Property plant &amp; equipment (A)</b>	19,484,656.00	-	-	19,484,656.00	15,950,243.16	521,439.99	-	16,471,683.15	3,012,972.85	3,534,412.84
Intangible assets										
<b>Total Intangible Assets (B)</b>	-	-	-	-	-	-	-	-	-	-
Capital work-in-progress										
<b>Total Capital work-in-progress (C)</b>	-	-	-	-	-	-	-	-	-	-
<b>Total(A+B+C)</b>	1,94,84,656.00	-	-	1,94,84,656.00	15,950,243.16	521,439.99	-	16,471,683.15	30,12,972.85	3,534,412.84
PREVIOUS YEAR	2,03,19,225.00	-	8,34,569.00	1,94,84,656.00	15,543,341.49	983,473.58	5,76,571.91	15,950,243.16	35,34,412.84	47,75,883.51

**Note- 4 Non-Current Investments**

Particulars	As at 31st March, 2020	As at 31st March, 2019
<b>Unquoted</b>		
Mahaan Milk Foods Limited (400000 equity shares of Rs. 10/- each)	65,600,000	65,600,000
<b>Total</b>	<b>65,600,000</b>	<b>65,600,000</b>

**Note- 5 Deferred Tax Assets**

Particulars	As at 31st March, 2020	As at 31st March, 2019
At the start of the year	2,971,690	2,585,179
Change/(debit) to statement of Profit & Loss	3,578,212	(386,511)
<b>At the end of year</b>	<b>(606,522)</b>	<b>2,971,690</b>

**Note-6 Inventories**

a. Raw Materials and components	-	-
b. Work-in-progress	-	-
c. Finished goods		6,738,188
d. Stock-in-trade		
e. Stores and spares		2,024,493
f. Material at Site	-	-
f. Others (Stationary) (Physically verified and valued by management)	561,547	
<b>Total</b>	<b>561,547</b>	<b>8,762,681</b>

**Note- 7 Current Investments**

Particulars	As at 31st March, 2020	As at 31st March, 2019
<b>QUOTED</b>		
Industrial Development Bank of India 320 (Previous year:320) Equity shares of Rs.10/- each (Market price as on 31.03.2020 is Rs. 19.30)	6,560	6,560
<b>Total</b>	<b>6,560</b>	<b>6,560</b>

**Note- 8 Trade Receivable**

Particulars	As at 31st March, 2020	As at 31st March, 2019
<u>Sundry Debtors (Unsecured considered good, unless otherwise stated)</u>		
(I) Outstanding for more than 6 months - Considered Doubtful		
(II) Other Debts		
Considered Good	5,270,826	4,356,090
Advance to Supplier	12,644	
<b>Total</b>	<b>5,283,470</b>	<b>4,356,090</b>

**Note- 9 Cash and cash equivalents**

Particulars	As at 31st March, 2020	As at 31st March, 2019
<b>a. Balances with banks</b>		
Current A/c	2,390,958	1,454,769
Fixed Deposit Accounts:	95,605,000	74,660,090
i. Against Members Security Deposits		
ii. Public Issue Deposits		
iii. Others		
<b>b. Accrued Interest</b>	-	92,253
<b>c. Cash on hand</b>	123,979	101,616
<b>d. Others (specify nature)</b>	-	-
<b>Total</b>	<b>98,119,937</b>	<b>76,308,728</b>

**Note- 10 Short Term Loans & Advances**

Particulars	As at 31st March, 2020	As at 31st March, 2019
<b>a. Loans and advances to related parties</b>		
Secured, considered good	Nil	Nil
Unsecured, considered good	-	-
Doubtful		
Less: Provision for doubtful loans and advances		
Intra Company Transaction	-	-
	-	-
<b>b. Others</b>		
Secured, considered good		
<b>Unsecured, considered good</b>		
Share Application Money Refundable	-	
Advances recoverable in cash or in kind or for value to be received	3,503,715	158,416
Considered good		
Rent receivable	-	-
Deposit with Government Departments	13,267,915	11,212,057
<b>Total</b>	<b>16,771,630</b>	<b>11,370,472</b>

**Note- 11 Other Current Assets**

Particulars	As at 31st March, 2020	As at 31st March, 2019
Security Deposit	804,601	804,601
Interest Receivable on FD		1,220,173
GST Amount Recoverable	183,569	706,804
Prepaid Expenses	34,856	17,117
<b>Total</b>	<b>1,023,026</b>	<b>2,748,695</b>

**Note- 12 Share Capital**

Particulars	As at 31 March 2020		As at 31 March 2019	
	<u>No. of Shares</u>	<u>Amount (Rs.)</u>	<u>No. of Shares</u>	<u>Amount (Rs.)</u>
<b>a) AUTHORIZED CAPITAL</b> Equity Shares of Rs. 10/- each.	20,000,000	200,000,000	20,000,000	200,000,000
<b>b) ISSUED, SUBSCRIBED &amp; PAID UP CAPITAL</b> Equity Shares of Rs. 10/- each, each Fully Paid up includes 8,40,000 equity shares issued as bonus shares on 01.08.94 by capitalization of General Reserve)	- 3,500,700	 35,007,000	 3,500,700	 35,007,000
	<b>3,500,700</b>	<b>35,007,000</b>	<b>3,500,700</b>	<b>35,007,000</b>
<b>c) RECONCILIATION OF NUMBER OF SHARES OUTSTANDING</b>				
At the beginning of the period	3,500,700	35,007,000	3,500,700	35,007,000
At the end of the period	3,500,700	35,007,000	3,500,700	35,007,000
<b>d) Rights, preferences and restrictions attached to Shares</b>				
<b>Equity Shares:</b>				
The Company has only one class of equity shares having a par value of Rs.10 per share. Each Shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company				
<b>e) Details of Shareholders holding more than 5% shares in the Company:</b>				
	As at 31 March 2020		As at 31 March 2019	
Name of Shareholder	<u>No of Shares</u>	<u>% Held</u>	<u>No of Shares</u>	<u>% Held</u>
Sita Devi	-	-	-	-
Sanjeev Goyal	860,759	24.59	860,759	24.59
Saloni Goyal	516,715	14.76	516,715	14.76
Sanya Goyal	239,750	6.85	239,750	6.85
<b>Total</b>	<b>1,617,224</b>		<b>16,17,224</b>	
<b>Note:</b>				
As per records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding Beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.				

**Note -13 Other Equity**

a) Capital Investment Subsidy	7,320,000	7,320,000
b) Capital Redemption Reserve	-	
b) Securities Premium reserve	12,253,500	12,253,500
d) Customer protection Fund	-	
e) Investor Service Fund	-	
f) Other Reserve (General Reserve)	82,748,471	82,748,471
<b>a. Surplus</b>		
Opening balance	11,46,93,345	82,748,471
(+) Net Profit/(Net Loss) For the current year	10,555,188	31,944,874
(+) Transfer from Reserves	-	
(-) Proposed Dividends	-	



(-) Interim Dividends	-	
<b>(-) Transfer to Reserves:</b>	-	
i).Customer Protection Fund	-	
ii). Investor Service Fund	-	
Closing Balance	125,248,533	114,693,345
<b>Total</b>	<b>14,48,22,033</b>	<b>134,266,845</b>

**Note- 14 Short Term Borrowings**

Particulars	As at 31st March, 2020	As at 31st March, 2019
Secured Loans	Nil	Nil
Unsecured, considered good	Nil	Nil
<b>Total</b>	<b>-</b>	<b>-</b>

**Note- 15 Trade Payables**

Particulars	As at 31st March, 2020	As at 31st March, 2019
Sundry Creditors ( Other Than Micro & Small Enterprises)	147,478	
Advance received from customer	813,891	
<b>Total</b>	<b>961,368</b>	<b>-</b>

**Note- 16 Other Current Liabilities**

Particulars	As at 31st March, 2020	As at 31st March, 2019
Other Liabilities	336,602	617,900
Audit Fee Payable	45,000	45,000
<b>Total</b>	<b>381,602</b>	<b>662,900</b>

**Note- 17 Short Term Provisions**

Particulars	As at 31st March, 2020	As at 31st March, 2019
Short Term Provisions	500,870	472,735
<b>Other Liabilities</b>		
Duties and taxes	18,099	
Provision For Income Tax	8,081,648	5,249,848
<b>Total</b>	<b>8,600,617</b>	<b>5,722,583</b>

**Note- 18 Revenue From Operations**

Particulars	As at 31st March, 2020	As at 31st March, 2019
Sales	53,046,151	6,105,000
<b>Total</b>	<b>53,046,151</b>	<b>6,105,000</b>

**Note- 19 Other Income**

Particulars	As at 31st March, 2020	As at 31st March, 2019
Interest & other income	5,763,828	7,396,745
<b>Total</b>	<b>5,763,828</b>	<b>7,396,745</b>

**Note- 20 Cost of material consumed**

Particulars	As at 31st March, 2020	As at 31st March, 2019
Opening Stock	6,738,188	340,128
Purchase & Import	30,043,843	10,623,888
Closing Stock	561,547	6,738,188
Stores consumed	2,024,493	
<b>Total</b>	<b>38,244,977</b>	<b>4,225,828</b>

**Note- 21 Change in Inventories**

Particulars	As at 31st March, 2020	As at 31st March, 2019
Opening stock:	-	-
Finished goods	-	-
Semi finished goods	-	-
Stock in process	-	-
Less : Closing Stock	-	-
Finished goods	-	-
Semi finished goods	-	-
Stock in process	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**Note-22 Employee Benefits Expense**

Particulars	As at 31st March, 2020	As at 31st March, 2019
(a) Salaries and incentives		
I. Directors	-	-
ii. Employees	1,146,822	1,200,135
(b) Contributions to -		
i. EPF	-	-
ii. FPF	-	-
iii.ESI	-	-
(c) Gratuity fund contributions	-	-
(d) Social security and other benefit plans for overseas employees	-	-
(e) expense on Employee Stock Option Scheme (ESOP) and Employee Stock Purchase Plan (ESPP), Staff welfare expenses	-	312
(e) Others	-	-
<b>Total</b>	<b>1,146,822</b>	<b>1,200,447</b>

**Note- 23 Finance Cost**

Particulars	As at 31st March, 2020	As at 31st March, 2019
Interest paid	-	5,733
<b>Total</b>	<b>-</b>	<b>5,733</b>

**Note- 24 Other Expenses**

Particulars	As at 31st March, 2020	As at 31st March, 2019
Insurance	-	
General expenses	8,61,616	2,411,023
Audit Fees	50,000	50,000
Rates & taxes	-	4,160
Rent	723,866	313,000
Sales/turnover/entry tax/Service tax	5,000	
Telephone expenses	397	31,535
Traveling expenses	-	
AGM Exps	25,639	15,071
Exgratia Exps	9,419	13,866
Balance written off	255,603	
<b>Total</b>	<b>1,931,540</b>	<b>2,838,655</b>

**Note 25 Contingent Liabilities:**

Particular	As at 31st March, 2020	As at 31st March, 2019
Delhi Sales Tax	4,468,428	4,468,428
Entry Tax	531,614	531,614
Punjab Vat	291,000	291,000
Orissa Vat	137,000	137,000

**Note 26**

Some of balance of debtors, creditors and loans and advances are subject to confirmation from respective parties. No significant impact is expected on the Profit and loss account on this account. The effect of the same if any which is not likely to be material adjusted at the time of confirmation

**Note- 27 Deferred Tax Liability**

The carrying amount of Deferred Tax Liabilities /( Assets ) at each Balance Sheet date is arrived at as follows in accordance with Accounting Standard 22 as issued by The Institute of Chartered Accountants of India :

Particulars	Current year	Previous year
	(Rupees)	(Rupees)
a) Deferred Tax Liability		
Difference between book depreciation and depreciation under the Income Tax Act, 1961	(626,059.00)	(482,796.00)
b) Deferred Tax assets		
Disallowances of expenses under Income Tax Act, 1961	19,537.00	3,454,486.00
Net Deferred Tax Liabilities	606,522	(2,971,690)
Credited to Profit & Loss Account	3,578,212	(386,511.00)

**Note- 28 Auditor's Remuneration**

Particulars	Current year (Rupees)	Previous year (Rupees)
- As Auditors	50,000.00	50,000.00
- As Tax Auditors	-	-
- For other matters	-	-
	50,000.00	50,000.00

**Note- 29 Managerial Remuneration:**

Particulars	Current year (Rupees)	Previous year (Rupees)
- Salaries	-	-
- Contribution to P.F.	-	-
- Other perquisites & benefits	-	-
- Director's sitting fees	40,000.00	84,000.00

**Note- 30 Employee Benefits :**

Defined Contribution Plans :

The Company charged Rs. NIL (Previous year Rs. 0) for provident fund contribution to the profit and loss account. The contributions towards these schemes by the Company are at rates specified in the rules of the schemes.

**Defined Benefit Plans :**

Liability for Gratuity and Privilege leaves is determined on actuarial basis as per guidelines issued under IND AS 19 (AS-15)

Gratuity Scheme provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment. Vesting occurs upon completion of five years of service, except death while in employment.

The basis for determination of liability is as under :

Particulars	Gratuity Scheme	
	As at 31st March 2020 (Rs)	As at 31st March 2019 (Rs)
<b>Change In present value of obligation</b>		
1. Present value of obligation as at the beginning of the year	25,425.00	35,266.00
2. Current service cost	14,927.00	12,282.00
3. Interest cost	1,780.00	2,733.00
4. Actuarial (gain)/loss	329.00	(24,856.00)
5. Benefits paid	-	-
6. Present value of obligation as at the end of the year	42,461.00	25,425.00
<b>Cost for the year</b>		
1. Current service cost	14,927.00	12,282.00
2. Interest cost	1,780.00	2,733.00
3. Actuarial (gain) / loss	329.00	(24,856.00)
4. Net cost	17,036.00	(9,841.00)
<b>Main actuarial assumptions</b>		
Discount rate (per annum)	7.00%	7.75%
Rate of increase in compensation levels (per annum)	6.00%	6.00%
<b>Particulars</b>	<b>Privilege Leaves</b>	
	As at 31st March 2020 (Rs)	As at 31st March 2019 (Rs)

<b>Change In present value of obligation</b>		
1. Present value of obligation as at the beginning of the year		24,605.00
2. Current service cost	22,310.00	10,316.00
3. Interest cost	12,379.00	1,907.00
4. Actuarial (gain)/loss	1,562.00	(1,185.00)
5. Benefits paid	1,358.00	(13,333.00)
6. Present value of obligation as at the end of the year	(4,200.00)	22,310.00
	33,409.00	
<b>Cost for the year</b>		
1. Current service cost	12,379.00	10,316.00
2. Interest cost	1,562.00	1,907.00
3. Actuarial (gain) / loss	1,358.00	(1,185.00)
4. Net cost	15,299.00	11,038.00
<b>Main actuarial assumptions</b>		
Discount rate (per annum)	7.00%	7.75%
Rate of increase in compensation levels (per annum)	6.00%	6.00%

The estimate of future salary increase, considered in actuarial valuation, take account of inflation, seniority, promotions and other relevant factors such as demand and supply in the employment market.

**Note- 31 Related Party Disclosures as per Accounting Standard 18 and IND AS-24**

Names of related party and nature of related party relationship:

Associates

Ace International LLP., Alpha Overseas., Mahaan Milk Foods Ltd., Ever Bright Estate Pvt Ltd

Key Management Personnel: Mr. Sanjeev Goyal, Managing Director and Mrs. Saloni Goyal, Director

Key Management Personnel's relatives: Mr. AmarNath Goyal ( Father of Mr. Sanjeev Goyal), Sanya Goyal (Daughter of Mr. Sanjeev Goyal), Aditya Goyal (Son of Sanjeev Goyal)

The following transactions were carried out with the related parties in the ordinary course of business :

Nature of transaction	2019-20	2018-19
	Rs.	Rs.
<b>Rent Paid</b>		
Mrs. Saloni Goyal	300,000	300,000
<b>Sales</b>		
Mahaan Milk Foods Ltd	219,999	-
<b>Advance Recoverable</b>		
Healthy India Nutritional Products Pvt. Ltd.	-	1,418,450
<b>Investment made in shares</b>		
Mahaan Milk Foods Ltd	65,600,000	65,600,000

**Note 32 Earning per Share:**

Particulars	Current year	Previous year
Weighted average number of shares at the beginning and at the end of the year	3,500,700	3,500,700
Face Value Per Share ( in Rs.)	10	10
Net profit (Loss) after tax available for Equity shareholders (Rs.)	10,555,188	31,944,874
Basic and diluted Earning per share (Rs)	3.02	9.13

**Note 33 Additional Information pursuant to the provision of part-II of Schedule VI to the Companies Act, 1956 (Figures in brackets are in respect of previous year)**
**A. Capacities, Production, stocks and sales:**

Class of Goods	Opening stock As on 01.04.2019		Purchases	Sales		Closing stock		As on 31.03.20		Short age
	Qty.	Amount		Qty.	Amount	Qty.	Amount	Qty.	Amount	
	Kgs.	Rs.		Kgs.	Rs.	Kgs.	Rs.	Kgs.	Rs.	
WHEY PERMEATE POWDER	5325	340128					5325	340128		-
LACTOSE			459900	456225	44837631	3675	221418.75			
MILK PERMEATE POWDER	113000	6398060		112750	8208520	0				250
TOTAL	118325	6,738,188	459900	568975	53046151	9000	561546.75			250

**Note: Goods manufactured for others:**

**B. Licensed Capacity**

Not applicable, as per notification No. 477 (E) dated 25.7.91 issued under the Industries (Development & Regulations) Act, 1956.

**C. Installed Capacity**

Not applicable Company has not done manufacturing activity during the year.

**D. Raw material Consumed**

Name of items	Current year		Previous year	
	Qty. Kgs.	Value (Rs.)	Qty. Kgs.	Value (Rs.)
1. Skimmed/Partly skimmed/Concentrate milk	0	0	0	0
2. Milk powder	0	0	0	0
3. Sugar	0	0	0	0
4. Maize Starch	0	0	0	0
5. Others	0	0	0	0
	0	0	0	-

**E. Value of Imported and indigenous Raw material and stores & spares consumed and percentage of each to the total consumption**

Particulars	Current year		Previous year	
	Value (Rs.)	% age	Value (Rs.)	% age
1. Raw materials				
- Imported	Nil	Nil	Nil	Nil
- Indigenous	0	0	0	0
Total	0	0	0	-
2. Spare parts & components				
- Imported	Nil	Nil	Nil	Nil
- Indigenous	0	0	0	0
Total	0	0	0	-

**F. Expenditure in Foreign Currency**

Particulars	Current year	Previous year
	Rs.	Rs.
- Travelling	NIL	NIL
- Purchases of Finished goods including imports	2,03,10,735.00	7,627,480.00

**Note: 34 General**

Figures have been rounded off to nearest rupee

Previous year's figures have been regrouped and/or rearranged wherever considered necessary.

**For DMARKS & Associates**

Chartered Accountants  
FRN: 006413N

DD Nagpal  
FCA  
M No: 085366

Delhi – June 22, 2020

**Sanjeev Goyal**

Chairman Cum Managing Director  
DIN: 00221099

**Jitender Singh Bisht**

Chief Financial Officer  
PAN: BDRPB0631F

For and on behalf of the Board of Directors

**For Mahaan Foods Limited**
**Saloni Goyal**

Director  
DIN: 00400832

**Ayushi Vijay**

Company Secretary & Compliance Officer  
M. No.: A55853

Dear Shareholders,

**RE: SHAREHOLDERS HOLDING SHARES IN PHYSICAL MODE**

SUBJECT: TRANSFER OF SHARES COMPULSORILY IN DEMAT MODE

Amendment to Regulation 40 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) with respect to mandatory dematerialization for transfer of securities

- a. SEBI vide gazette notification no. SEBI/LAD-NRO/GN/2018/24 dated June 8, 2018, has mandated that transfer of securities would be carried out in dematerialized form only which will come into effect from December 5, 2018.
- b. According to the aforesaid notification, request for affecting the transfer of securities shall not be processed unless the securities are held in the Dematerialized form with the depository with effect from December 5, 2018.
- c. This restriction shall not be applicable to the request received for transmission or transposition of physical shares.
- d. Shareholders are requested to get in touch with SEBI registered Depository Participant to open a Demat account
- e. Shareholders holding shares in physical form are requested to dematerialize shares at earliest to avoid any inconvenience in the future for transferring those shares enabling them to trade in electronic form.
- f. Please refer to the following procedure for dematerialization of shares.

**PROCEDURE FOR DEMATERIALIZATION OF SHARES**

- Dematerialization starts with opening a Demat Account. For Demat account opening, you need to shortlist a Depository Participant (DP) that offers Demat services. A DP is an agent of the depository (NSDL and CDSL) providing depository services to investors.
- Shareholders should submit the duly filled in Demat Request Form (DRF) along with physical certificate(s) to the concerned DP.
- DP intimates the relevant Depository of such requests through the system.
- DP submits the DRF and the Certificate(s) to the Company's R&TA.
- The Company's R&TA confirms the dematerialization request from Depository.
  - The Company's R&TA, after dematerializing the certificate(s), updates accounts and informs concerned depository regarding completion of dematerialization.
- Depository updates its accounts and informs the DP.
- DP updates the Demat account of the shareholder.





Dear Shareholders,

**SUBJECT: UPDATING THE KYC DETAILS**

We refer to the SEBI Circulars No SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated 20th April 2018 by which it has directed all the listed companies to record the PAN of all the shareholders and Bank Account details of registered shareholder. We have observed from our records that your Pan and bank details are not updated in our records.

We request you to kindly furnish a self-attested copy of your Pan Card and We request you to kindly furnish a self attested copy of your Pan Card and a Cancelled Cheque, along with a duly filled in Form appended as Annexure-A to this letter, to submit the relevant documents from the below as requested by Registrar and Transfer Agent (Alankit Assignments Ltd.) so that all future dividends could directly be credited to your bank account and we would be able to serve you better in future.

You are requested to send the desired details/documents to the Company’s Registrar & Share Transfer Agent (RTA), M/s. Alankit Assignments Limited at Alankit House, 4E/2, Jhnadewalan Extension, New Delhi- 110055.

You may kindly note that in case we do not receive any response from your side, any future transactions in your shares like transfer, transmission, issue of duplicate share certificates, etc., and shall be subject to enhanced supervision by the Company. Therefore you are advised to furnish your Pan and bank details with the company's latest.

You may contact Alankit Assignments Ltd. at below details for any issues

**Alankit Assignments Limited**  
**Alankit House, 4E/2, Jhnadewalan**  
**Extension, New Delhi- 110055**  
**Tel: +91 11-4254 1234**  
**Email: rta@alankit.com**  
**Website: www.alankit.com**

**Annexure-A**

Name of Shareholder(s)	
Folio No.	
Pan (attached Self-attested copy of Pan)	
Bank Details (attach Self-attested copy of canceled Cheque)	
Bank Account No.	
Name of Bank	
Branch Address	
IFSC No.	
MICR No.	

(-----)  
Signature of Shareholder(s)