



# MISHTANN

limitless happiness...☺

September 4, 2019

To General Manager-Listing Corporate Relationship Department <b>BSE Limited</b> P.J. Towers Dalal Street, Mumbai-400001 <b>BSE Scrip Code: 539594</b>	To Listing Division, <b>Metropolitan Stock Exchange of India Limited</b> 4 <sup>th</sup> Vibgyor Tower, Opp. Trident Hotel, Bandra-Kurla Complex, Mumbai-400098 <b>MSE Symbol: MISHTANN</b>
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Dear Sir/Madam,

**Sub: Notice of Thirty-Ninth Annual General Meeting and Annual Report for the Financial Year 2018-19**

Pursuant to Regulation 30 read with Part-A of Schedule III and Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose herewith Notice of the Thirty-Ninth Annual General Meeting of the Members of the Company to be held on Thursday, September 26, 2019 at 11:30 p.m. (IST) at Hotel Aloft, 147/1 Opposite Bhagwat Vidhya Peeth, Sarkhej-Gandhinagar Hwy, Sola, Ahmedabad-380061, Gujarat and Annual Report of the Company for the Financial year 2018-19.

The said Notice of the Thirty-Ninth Annual General Meeting and Annual Report have also been uploaded on the website of the Company [www.mishtann.com](http://www.mishtann.com).

Kindly take the above information on record.

Thanking You,

Yours Faithfully,  
For **Mishtann Foods Limited**,

  
**Hiteshkumar G. Patel**  
Managing Director  
(DIN: 05340865)



 **MISHTANN FOODS LIMITED**

**REGISTERED OFFICE:**

C-808, Ganesh Maridian,  
Opp. Gujarat High Court,  
S.G. Highway, Ahmedabad-380060.

Ph.: +91 7940023116  
Fax: +91 7940033116  
info@mishtann.com

**PLANT:**

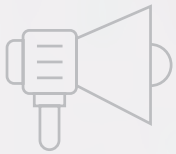
Survey No.10, At Kabodari,  
Himatnagar - Dhansura Highway, Ta. Talod,  
Dist. Sabarkantha-383305, Gujarat, India

CIN NO. : L15400GJ1981PLC004170

[www.mishtann.com](http://www.mishtann.com)



# ANNUAL REPORT **2019-20**



**MISHTANN**<sup>®</sup>

limitless happiness...<sup>∪</sup>



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To view  
Annual Report 2019 Online,  
visit: [www.mishtann.com](http://www.mishtann.com)

Through the past few years, we have undergone a fundamental transformation, from being a bulk rice player in our formative years, to evolving into a globally recognised and branded speciality rice company. Today, we have a strong portfolio of basmati and speciality rice products, catering to a wide customer base at every price point.

₹ 4,817<sub>MN</sub>

Mishtann's Revenue  
for FY2019

₹ 233<sub>MN</sub>

Mishtann's EBITDA for  
FY2019

# Deepening Our Presence Building Our Brand

Great brands achieve their goals by forging personal and meaningful bonds with customers. Once consumers experience our products first-hand, it is hard for them to settle for anything less. They immediately recognise the high quality and superior taste we stand for. As a result, they begin to trust our brand and stand by our products for a lifetime. Our rich portfolio of branded specialty foods has strong emotional connection with our consumers, who are constantly in need to navigate their way carefully through a sea of choices. When it comes to their diet, they invariably look to place their trust in ethical food companies that are clear beacons of quality and good standing.

As a brand-based specialty foods company from India, "Mishtann" is steadily being recognised as a Brand that is a true standard bearer of nutritious food products, that have great taste, that are the best in quality and that respects the consumers' health. In a world full of options, our Brand is increasingly occupying an important space in the hearts and minds of our consumers. They have faith in our brand to be the caretakers of their interests and needs. This has, in turn, transformed us into an increasingly recognisable food company out of India, that sells top quality specialty food products under a compelling brand, globally.



limitless  
happiness...☺



**MISHTANN**<sup>®</sup>

limitless happiness...☺

**JASPER  
BASMATI**

☺  
Rice  
☺

1

# Business Overview

Every Grain  
**PURE & PERFECT**



# Vision, Mission and Goals

Mishtann Foods Limited is a leading agro-product company in India with its preliminary focus on branded basmati rice. We offer pure and fit grains for people of all ages and tastes, across the world. With a broad range of premium basmati rice, our products are found in almost every kitchen, from restaurants to homes.



## VISION

Our vision is to gratify millions of palates across the globe by encouraging the consumption of Mishtann products.

We envision to enrich the art of gastronomy, thereby spreading happiness that knows no bounds.



## MISSION

We aim to provide good quality of rice without compromising on quality.

We aim to make Mishtann the most reliable Indian brand in agro-products worldwide.

We aim to create an organisation incorporating the values of integrity and dedication.



## GOALS

Our objective is to grow our market share with deep market penetration.

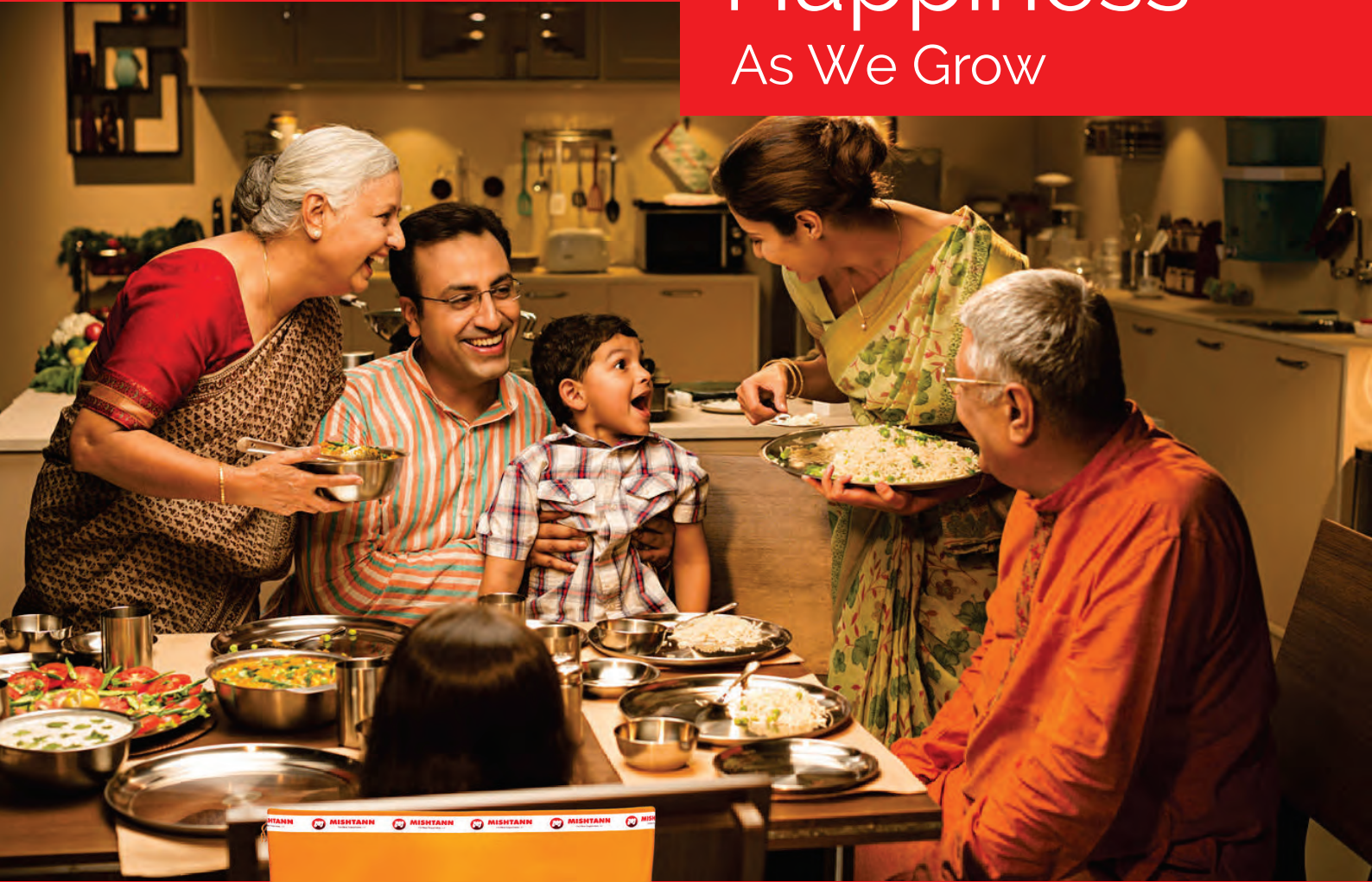
Our goal is to maintain a strict control over cost.



Together We Strike  
**the Right Balance**  
TO ACHIEVE BIG



SPREADING  
Happiness  
As We Grow



# Letter from Managing Director

## 24.3%

Growth in Revenue  
in FY2019

## 140 BPS

Increase in EBITDA  
Margin in FY2019

## 100 BPS

Increase in PAT  
Margin in FY2019

**In interest of creating the most value, we need to orient our business to produce the best possible returns. This objective can only be achieved by finding the ideal balance between the right products, the right structures, and the right people to execute our plans. Today, our business model has been primed to chase for quality growth.**

Dear Shareholders,

I am pleased to share with you an update on your Company's performance for FY2019, a year that has seen remarkable progress for Mishtann Foods Limited. We continued to focus on transforming our business, emerging as a growing global branded specialty foods company with a focus on basmati and speciality rice. We are now pursuing strategies that involve greater differentiation and allow us to create sustainable value for all our stakeholders. To capitalise on the growing market opportunities, we are reinforcing our positioning by delivering high-quality products and enhancing our brand visibility. At the same time, we aim to diversify our portfolio to include more value-added products.

Through the past two years, we have undergone a fundamental transformation, from being a bulk rice player in our formative years, to evolving into a globally recognised and branded speciality rice company. Today, we have a strong portfolio of basmati and speciality rice products catering to a wide customer base at every price point.

For the foreseeable future, India is expected to maintain a strong domestic consumption driven growth story. The increasing disposable income levels and an escalating number of consumers have further given rise to allow for the premiumisation of our product portfolio. We are determined to deliver products that are sought after and healthy, by setting the standard for quality and taste.

### **Branding for Mishtann**

We understand that branding is crucial to a business because of the impact it makes on the Company as a whole. Our branding initiatives allow our consumers to build trust and expect a certain standard of quality when they use our products. Being strongly branded helps connect Mishtann with our consumers across the globe, differentiating us from our competitors.

Going forward, we are actively pursuing and are engaged in many opportunities that will keep our growth engine humming. Developing and implementing a strong marketing strategy is of paramount importance for our branding initiatives.

## We aim to keep building our brand position, and establish it in the consciousness of millions of consumers.

Last year, we focused on constructing clear marketing goals and objectives, and defining ways to meet them with specific strategies and tactics. Our marketing reach extends globally through active social media engagement and multi-channel campaigns. To enhance the recall value of our brand amongst the consumers, we have placed OOH campaign hoardings in high potential areas. In order to increase our interactions with the consumers, we are engaging with them through multiple social media platforms such as Facebook, LinkedIn and Twitter. Furthermore, we participated in the world's largest annual food and beverage trade show — GulFood — where all our products were displayed to increase the awareness and recognition of our brand.

### Integrated Processing Unit

Our business draws major strength from our backend infrastructure, which has been created over a period of years. Our state-of-the-art processing plant, with a capacity of 45 metric tonnes per hour, is designed for manufacturing and processing specialised products. This plant is an end-to-end rice processing facility, which gives us a competitive edge by combining more than one specific process into a single plant. This facilitates faster throughput, cuts down transportation costs and carries out processing and packaging in the same place. We ensure multiple checks for quality, efficiency enhancement and cost reduction at our facility.

### Financial Performance

During the year, Mishtann has delivered praiseworthy performance with solid underlying sales growth of 24.3% on like to like basis, to ₹ 4,818.2 million as against ₹ 3,876.1 million during FY2018. The Company reported an EBITDA of ₹ 233.5 million, as against ₹ 133 million during the previous financial year due to lower employee costs and change in inventories. The Net Profit stood at ₹ 118 million as against ₹ 56.1 million, marking an increase of 110.2% YoY.

### Growth Outlook

Going forward, we see ourselves on a path of strong growth. We aim to keep building our brand position, and establish it in the consciousness of millions of consumers. Our processes are being strengthened to align our business with this objective. Our enhanced

brand presence will be supported by the robust momentum in the acceptance of our products in India and across the globe.

Looking ahead, the marketplace is filled with opportunities and we are capturing these prospects by investing in products that are appealing to health-conscious discerning consumers. Additionally, we intend to diversify into different food products under the 'Mishtann' brand. We plan to leverage our brand recognition to reach out to consumers with multiple products at different price points. A strong portfolio under a highly recognised brand and growing product acceptance globally, gives us clear visibility and confidence to achieve consistent growth.

We will continue to serve our customers with quality and commitment. These values shall remain the hallmark of all the offerings of Mishtann and will enable us to achieve a long and meaningful relationship with them.

In interest of creating the most value, it is clear that we need to orient our business towards a direction that produces the best possible returns. This objective can only be achieved through a relentless focus on finding the ideal balance between the right products, the right structures, and the right people to execute our plans. I feel that we have made significant progress on all these fronts. Today, our business model has been primed to chase for quality growth.

In closing, I would like to express my sincere gratitude to all our stakeholders for their continued trust and support. We look forward to your support in our journey ahead. I would also like to take this moment to thank our team for their sincerity, passion and commitment.

Sincerely,  
**Hiteshkumar G. Patel**  
Managing Director

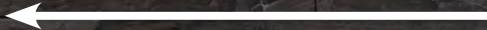
# Product Portfolio

Premium Range  
₹ 135 - 155



Snowflake  
1/5 kg

Pristino  
1/5 kg



Button  
10 kg

Sapphire  
1/5/10/25 kg

Mid Range  
₹ 90 - 135



- Signature  
10 kg
- Celest  
1/5/10/25 kg
- Ecstasy  
1/5/10/25 kg
- Swarna Parivaar  
10 kg

Value for Money Range  
₹ 75 - 90



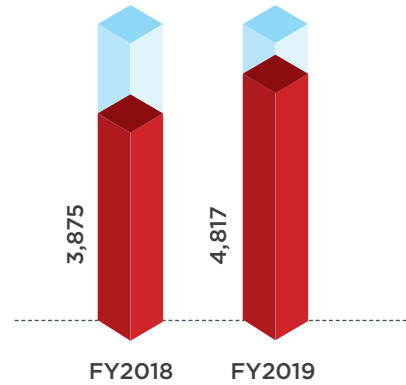
- Jasper  
1/5/10/25 kg
- Crystal  
1/5/10/25 kg
- Emerald  
1/5/10/25 kg

\*All Prices mentioned above are per kg.

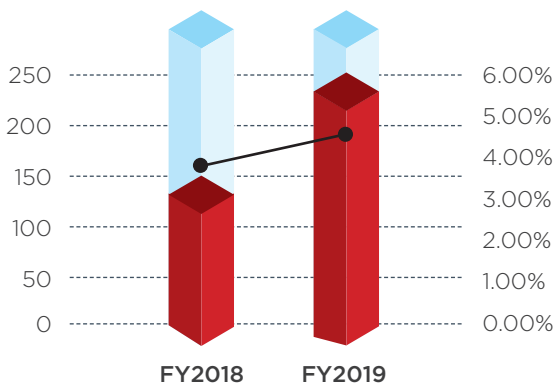
# Financial Highlights

We continue to build our fundamentals by improving our revenues, while constantly working towards increasing our overall profitability margins by augmenting our capacity utilisation.

Revenue (₹ in million)

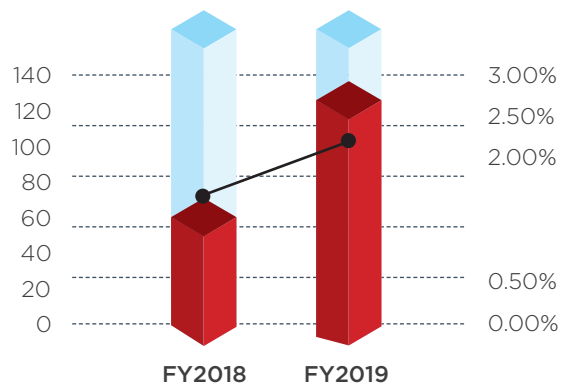


EBITDA and EBITDA Margin (₹ in million)



■ EBITDA    ● EBITDA Margin

PAT and PAT Margin (₹ in million)

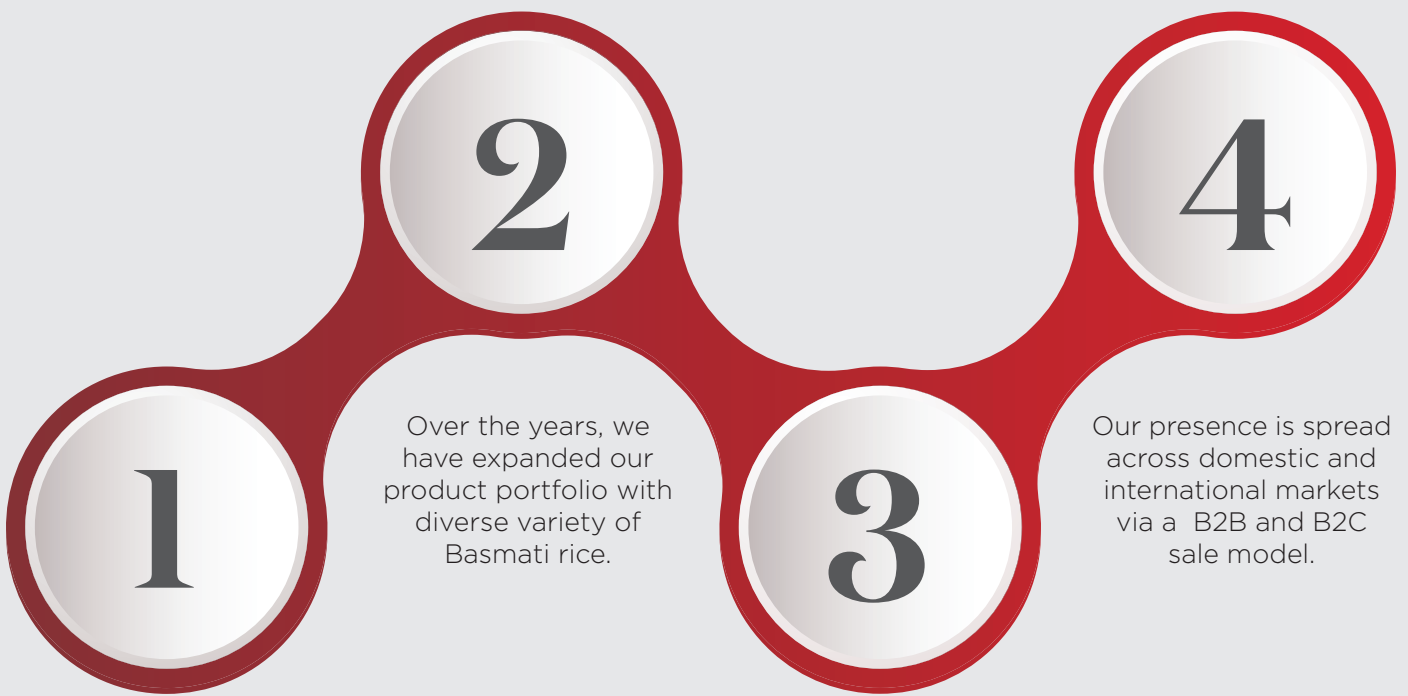


■ PAT    ● PAT Margin

# Our Business Evolution

## How did we start?

With its inception in 1992, Mishtann Foods Limited was previously known as Ravi Trading Company started by the Patel family. Till 2000, the company traded in basmati rice with a focus on the domestic market, and primarily B2B sales. Since then, the Company began to grow as a branded basmati rice under the brand name “Mishtann”.



Over the years, we have expanded our product portfolio with diverse variety of Basmati rice.

Our presence is spread across domestic and international markets via a B2B and B2C sale model.

At Mishtann, we are a fully integrated and automated processing facility with the plant capacity of 45 MT/hour.

We have continuously worked towards brand amplification and product diversification into value-added staples such as pulses and wheat.



SKUs in our product portfolio



Our presence in India



Super stockists



AGED  
RICE



Quality  
that is  
Unmatched

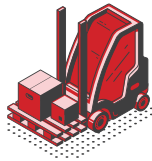


# Creating Value Through Our Business Model



## Sourcing

We have an established relationship with farmers, mandis and agents. The sourcing of grains happen through a simple 'cash and carry' model. Around 80-85% of the procurement is financed at a concessional rate from the banks. Throughout the process, there are multiple checks to ensure quality control.



## Processing

Our processing plant is a modern and completely automated plant with a capacity of 45 MT/hour. In our processing plant, we commit to the protocols for quality, efficiency enhancement and cost reduction.



## Packaging

We have a comprehensive integrated packaging and milling facility. The product packaging comes in different quantities ranging between 1 kg, 5 kg, 10 kg and 25 kg. To that end, we also undertake flexible and customised packaging depending on the kind of orders received and demand forecast.



## Marketing

Mishtann has a tie-up with more than 15 super stockists. We have a significant presence in the HORECA segment, which is a syllabic abbreviation for Hotels, Restaurants and Café. We have taken up various marketing initiatives such as placement of OOH campaign hoardings in high potential areas; active social media engagement through multiple platforms such as Facebook, Twitter and LinkedIn; participation in the world's largest annual food and beverage trade show, GulFood 2019 Exhibition- Dubai amongst others.

Teamwork is the Key to  
**SUCCESS**



# Experienced team. Established relationships.

**We, as a company, have created a distinct brand in the marketplace by delivering the best-in-class basmati rice across the globe.**

Over the years, Mishtann has been fortunate to have been led by seasoned industry experts. Our brand is well recognised in the marketplace for delivering the best-in-class basmati rice across the globe. We have persistently demonstrated a genuine commitment towards our customers by providing quality products and catering to all types of consumers, ranging from economical to premium segment. This has been successful because of Mishtann's committed management team with an experience of more than 20 years in the agro-products business.



**20** years

Experience of Mishtann's committed management team

Our philosophy is based on maintaining a long-term relationships with the people who have stayed connected with us, and who help us in conducting our business. Our relationships with our suppliers, vendors and customers have continued to flourish, season by season, thereby driving our uninterrupted success.

With our **experienced team** and **established relationships**, we are well placed to steer to higher altitudes and continue our legacy of delivering quality products, while growing stronger together with our stakeholders.

**Year after year, we have fostered our affiliation with people who help us in conducting our business.**

# The Pillars of Our Growth

**Confident in our abilities to execute our plans for the future. We aspire to be an enduring value producer and an excellent long-term wealth creator for our Stakeholders.**

/ ANNUAL REPORT 2019 /

## 1 Committed Management Team



The success of our business is founded upon a seasoned management team having a proven expertise of more than 17 years in agro-product business. This experienced leadership, at Mishtann, has driven our long-term relationship with the entire supply chain and our customers.

## 2 Consumer Centric Approach



At Mishtann, consumers are at the forefront of everything we do. Having set the standard for quality and taste, we are determined to process products that are healthy and safe. We have a diversified branded basmati rice portfolio, catering to different customers ranging from economical to premium segment. To meet the increasing health preferences of consumers, we are escalating our presence in growing categories such as brown and aged rice.

At Mishtann, we have undergone a profound transformation. From being a bulk rice player in our formative years, we are evolving into a globally recognised, branded specialty foods company. We are on track in our journey to take Mishtann to breach the bastions of global scale. This transmutation is a result of our strong vision, meticulous planning, strategic roadmaps and painstaking execution to fuel profitable growth. Our enterprising strategies have also helped us in attaining brand leadership across target regional markets within India and around the globe. In doing so, we have also strengthened our long-term competitiveness by successfully widening

our portfolio with innovative products, that enjoys both strong consumer loyalty and relative price inelasticity.

We are being seriously recognised by quality institutional investors, who are placing faith in our business model. Our improving financial performance is also contributing to stronger internal accrual generation, further reducing our dependency on debt for funding our business growth. Ultimately, going forward, we expect to see further improvements in our profitability, and in our ability to generate even more free cash flows.

### 3 Strategically Located Manufacturing Facility



Giving us an edge is our well-planned facility. Our advanced and fully automated processing plant located in Himatnagar, Gujarat, has a relatively closer proximity to the port when compared with the peers. This facilitates easy exports of our brand to other countries, thereby increasing the accessibility of Mishtann products in every corner of the globe.

It is our belief that these pillars will offer us unsurpassed opportunities to deliver on our mission to fuse taste, health and happiness, thereby making Mishtann the most reliable Indian brand in agro products around the world.

17 years

of expertise in agro-product business

**Over the years, we have grown our basmati business with addition of more products to match different price points and cater to tastes of different geographies. This has helped us in meeting regional consumer preferences and widening our marketing share.**

# The Brand And Its Market



# Our Marketing and Branding Endeavours

**We have strategically grown business from our current brand; introduced new line extensions; and augmented our capacities to support our product demand. The focus has been on solidifying our brand value both in India and international markets. Our brand strengthening initiative is driven by consistent brand investments; fortifying the supply chain; and adopting channel wise strategy to strengthen our footprint in all the channels.**

**We understand that interacting with customers is one of the profound activities to build trust and loyalty, while always staying connected to them.**

At Mishtann, we have persistently invested in promoting our products with the purpose of associating with our consumers and widening our presence across different parts of the world. Being a basmati rice company, we have always been a consumer-centric brand. Our focus has continuously remained on ensuring that only the best rice grains, which are distinct in aroma and taste, are chosen.

To enhance our reach and to find a place in the kitchen of every home, we have leveraged on our marketing and branding capabilities. Accordingly, we have placed Out-Of-Home (OOH) hoardings in the areas of high potential to spread awareness of our brand. We understand that interacting with customers is one of the profound activities to build trust and loyalty, while always staying connected to them. Consequently, we engage with our consumers on active social media platforms and constantly keep them in touch

with the launch of our new products and initiatives. In the era of speedily evolving consumer tastes and preferences, exhibitions and trade shows are a good place to meet and communicate with numerous people. To capitalise on this opportunity, we participated in GulFood Exhibition- 2019 in Dubai, which is the largest annual food and beverage trade show in the world. To promote Mishtann, we displayed our wide products in this exhibition and connected with a number of consumers. By this, we have continuously worked on reaching and catering to a variety of consumers across the globe.

Through our marketing and branding initiatives, we are flourishing towards our vision to gratify millions of palates in different corners of the world by encouraging consumers to choose Mishtann products, thereby delivering health through every grain of our rice.

**As an emerging global food company, we cemented our position across all the geographies of our presence globally, including India, Middle East, UK, Europe and the US.**



# Corporate Information

## MISHTANN FOODS LIMITED

CIN: L15400GJ1981PLC004170

## BOARD OF DIRECTORS

Hiteshkumar Gaurishankar Patel

Navinchandra Dahyalal Patel

Ajitkumar Narayanbhai Patel

*from 03-07-2019*

Utpalbhai Dineshbhai Patel

*from 03-07-2019*

Himaben Janakkumar Patel

## KEY MANAGERIAL PERSONNEL

Navinchandra Dahyalal Patel

Chief Financial Officer

Sonu Jain

*from 01-10-2018*

Company Secretary and  
Compliance Officer

## AUDITORS

### STATUTORY AUDITOR

Rahul Kakani & Associates,

Chartered Accountants

## SECRETARIAL AUDITOR

Ms. Rupal Patel,

Practising Company Secretary  
*(FY 2018-19)*

Mr. Kamlesh M. Shah,

Practising Company Secretary  
*(FY 2019-2020)*

## BANKERS/FINANCIAL INSTITUTION

State Bank of India

## REGISTRAR & SHARE TRANSFER AGENT

MCS Share Transfer Agent Limited

383 Lake Gardens, 1st Floor, Kolkata-700045;  
Shatdal Complex, Opp. Bata Show Room,  
Ashram Road, Ahmedabad - 380009

## REGISTERED OFFICE

C-808, Ganesh Meridian, Opp.  
Gujarat High Court, S.G. Highway,  
Ahmedabad - 380060, Gujarat.

# 2

## Management Discussion and Analysis

# Management Discussion And Analysis



## Global Economy

According to IMF's World Economic Outlook forecast, global growth during 2018 contracted to 3.6% from 3.8% in 2017. The contraction was partly led by US-China trade tensions; tighter monetary policies in China; disruptions in the auto industry in Germany; uncertainty over UK's Brexit; and the volatility in crude oil prices and emerging market currencies.

US economy grew 2.9% in 2018, marking a significant increase from 2.2% in 2017 on the back of a landmark reduction in corporation tax rates and an acceleration in federal spending. UK, which showed significant growth in demand led by a strong labour demand underpinned the UK economy which is facing pressure on growth due to uncertainties over Brexit and global slowdown.

China witnessed its slowest growth in the last 28 years at 6.6%, as a tighter monetary policy and unresolved tariff negotiations with the US decelerated its growth rate. Emerging Market economies faced difficult external environment such as geo-political tensions; US-China trade war; rising interest rates; volatile crude oil prices; volatile currencies with a depreciating trend against the US dollar; and capital migration towards US from emerging markets, amongst others.

Looking forward into 2019, growth in advanced economies and emerging market economies

is expected to be around 2.0% and 4.5% respectively. Overall, the global economy growth is expected to further decline to 3.3% in 2019, and then pick up to 3.6% in 2020.

## Indian Economy

India remains to be the flag-bearer for economic expansion in the global landscape. As per IHS Markit, India is forecasted to be the fifth largest economy in the world by the end of 2019, reaching a size exceeding US\$ 3 Billion and is projected to surpass Japan to become second largest in the Asia-Pacific region by 2025.

India's economy grew by 6.8% in FY2019, as per data released by Central Statistics Office (CSO), and retained its tag for the fastest growing major economy. For the same period, the inflation remained within control with Wholesale Price Index (WPI) based inflation at 3.18%, and Consumer Price Index (CPI) based inflation was at 3.41%. The Index of Industrial Production (IIP) grew by 3.6%, majorly driven by growth in the infrastructure and construction sectors. The Government maintained fiscal discipline and met the fiscal deficit target of 3.4% of GDP during the period. India's foreign exchange reserves stood at a healthy US\$ 411.9 billion by the end of March 2019. The Reserve Bank of India (RBI) announced multiple rate cuts to ease the prevailing liquidity condition in the market and to bolster domestic consumption.

India's overall economic outlook continues to remain positive on the back of an uptrend in domestic consumption; stable inflation; accommodative monetary policy by RBI; government's focus on infrastructure development amongst others. As per the IMF, India's GDP is expected to grow by 7.3% in 2019, and 7.5% in 2020. Given these strong macroeconomic tailwinds, corporate and retail lending will continue to offer substantial potential for growth, especially for products such as real estate loans, auto loans, affordable housing loans, working capital loans and consumer durable loans. Retail lending is also expected to contribute significantly to the overall growth in domestic consumption and momentum to the economy going forward.

With the incumbent ruling party — Bhartiya Janata Party (BJP) — winning the May 2019 general elections, economists expect to see continuity in the implementation of macroeconomic policies over the next five years, creating a sense of stability in the Indian economy. The success of the new government is expected to depend on how it faces challenges that are inhibiting India's current growth momentum and its ability to brace the economy from unavoidable external challenges. With both demand and investment slowing, the government might have to re-evaluate the implementation of its policy agenda and adjust its policy priorities to accelerate growth in the near term. Despite challenges, the economic outlook for India remains positive for the second term of the Modi-led BJP government, with a GDP growth forecast averaging 7% per year during the 2019 to 2023 period.

# 7.5%

Expected growth in India's GDP in 2020

## Industry Overview

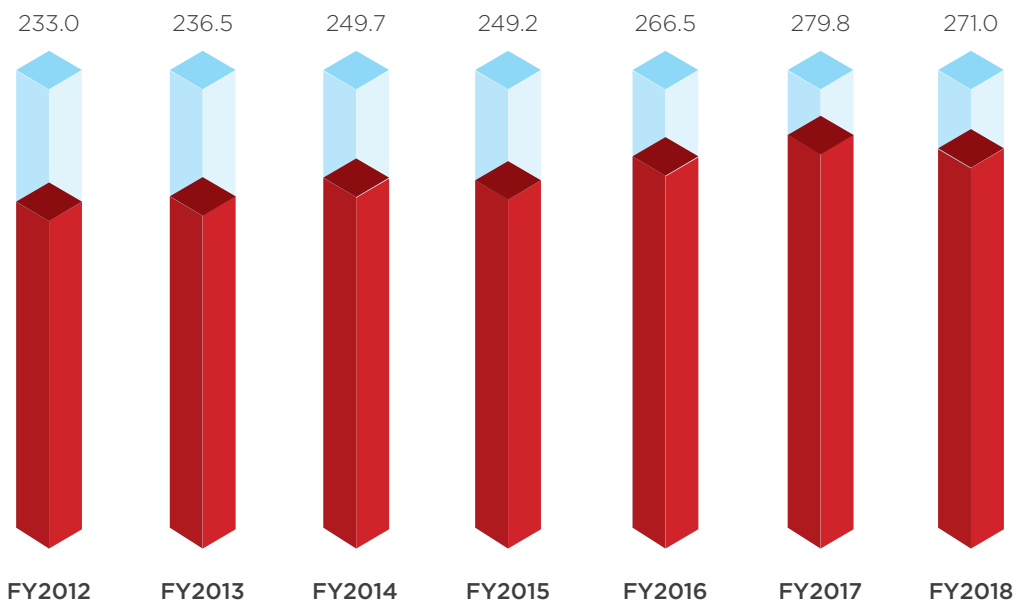
### Indian Agriculture

With more than half a population being dependent upon Agriculture and allied industries for employment, the agriculture sector remains critically important for Indian economy. Even though the sector has witnessed mechanisation and modernisation over the years, the overall economic viability of the sector is still facing issues such as low irrigation penetration, weather uncertainties, labour availability and costs, and crop diseases, amongst others. As a result, the share of agriculture sector in country's Gross Domestic Production (GDP) is on a downward trend. The agriculture and allied sector's Gross Value Added (GVA), at constant 2011-12 prices, grew at a CAGR of 3.5% between FY2012 to FY2018.

With farm distress becoming increasingly significant across the country, the Government has undertaken a host of initiatives and measures, with an objective of doubling the farm income by FY2022.

### Gross Value Added by Agriculture and Allied sectors

(US\$ billion) at Constant 2011-12 prices



### Key Government Initiatives

- Prime Minister of India launched the Pradhan Mantri Kisan Samman Nidhi Yojana (PM-Kisan) and transferred ₹ 2,021 crore (US\$ 284.48 million) to the bank accounts of more than 10 million beneficiaries on February 24, 2019.
- The Government of India has come out with the Transport and Marketing Assistance (TMA) scheme to provide financial assistance for transport and marketing of agriculture products in order to enhance the agriculture exports.
- The Agriculture Export Policy, 2018 was approved by Government of India in December 2018. The new policy aims to increase India's agricultural exports to US\$ 60 billion by 2022 and US\$ 100 billion in the next few years with a stable trade policy regime.
- In September 2018, the Government of India announced ₹ 15,053 crore (US\$ 2.25 billion) procurement policy named 'Pradhan Mantri Annadata Aay SanraksHan Abhiyan' (PM-AASHA), under which states can decide the compensation scheme and can also partner with private agencies to ensure fair prices for farmers in the country.
- The Government of India is going to provide ₹ 2,000 crore (US\$ 306.29 million) for computerisation of Primary Agricultural Credit Society (PACS) to ensure cooperatives are benefitted through digital technology.
- The Government of India has launched the Pradhan Mantri Krishi Sinchai Yojana (PMKSY) with an investment of ₹ 50,000 crore (US\$ 7.7 billion) aimed at the development of irrigation sources for providing a permanent solution from drought.
- The Government of India plans to triple the capacity of the food processing sector in India from the current 10% of agriculture produce and has also committed ₹ 6,000 crore (US\$ 936.38 billion) as investments for mega food parks in the country, as a part of the Scheme for Agro-Marine Processing and Development of Agro-Processing Clusters (SAMPADA).
- The Government of India has allowed 100% FDI in marketing of food products and in food product e-commerce under the automatic route.

### Union Budget 2019-20 Highlights



Allocation of ₹ 8078.76 crore (US\$ 1.12billion) to Department of Agricultural Research and Education.

Allocation of ₹ 1,40,763.97 crore (US\$ 1.95 trillion) was made for The Agriculture Ministry.

Pradhan Mantri Krishi Sinchayee Yojana (PMKSY) to be implemented with ₹ 3,949.93 crore (US\$ 565.16 million) allocation.

The Budget 2019 has identified Agriculture Sector as one of the key drivers of the economy.

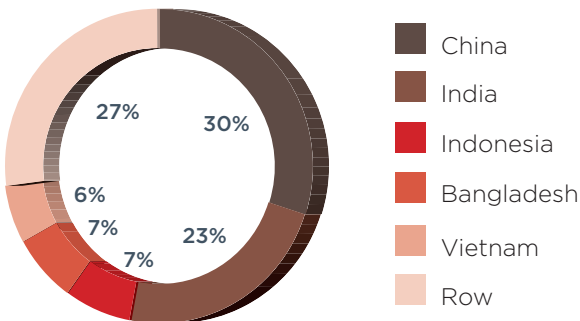
### Global Rice Industry

Rice is a staple food across the global irrespective of geography and country's economic status. It is a grain that is consumed and produced in developed, as well as developing countries.

With Asia as the largest consumer, India and China are the largest producers of rice, growing 148 million tonnes and 116 million tonnes respectively in 2018-19, accounting for 30% and 23% of the global production respectively. The top five rice growing nations are - China, India, Indonesia, Bangladesh and Vietnam.

The convergence of China's rice import and export quantities is shifting towards global rice trade dynamics. Only 10 years ago, China played a minor role in rice trade, largely self-sufficient as the top global producer and consumer. However, its domestic support for rice farmers grew with steadily climbing minimum purchase prices for paddy rice, translating into high milled prices for consumers. As global exporter prices softened in 2011, China quickly grew in prominence as a major buyer and has been the top importer since 2013. The key suppliers have been neighbours such as Vietnam and Burma, while Thailand and Cambodia have also played significant roles. Recent changes in the tariff definitions affecting glutinous rice, and efforts to formalise trade and establish quotas with Cambodia and Burma, have also shifted trade patterns.

#### Product Share



On the consumption side, China and India are the biggest consumers of rice consuming 144 million tonnes and 101 million tonnes of rice respectively in 2018-19, accounting for 29% and 21% of the global consumption respectively. The top five rice consuming countries are - China, India, Indonesia, Bangladesh and Thailand.

### Indian Rice Industry

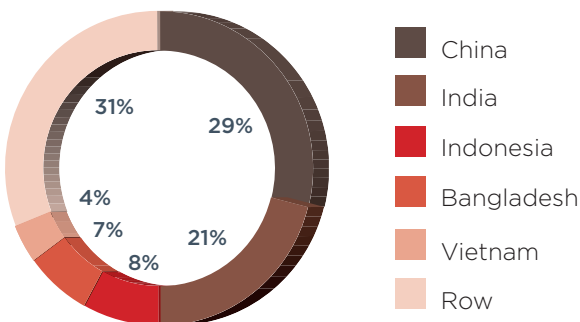
Rice is one of the most important crops in India, accounting for approximately 40% of the total food grain production in India and occupying approximately 25% of the total cropped area. Rice is cultivated across the country and throughout the year, though the crop is mainly grown as a Kharif crop in rain-fed areas, which receive heavy annual rainfall.

Although in recent years, India's rice acreage has remained stagnant, while the production has grown consistently driven by improved varieties and farm mechanisation. High levels of buffer stocks and improved methods of production have helped India to position itself competitively in the global rice trade market.

#### Basmati Rice

Among all rice varieties, 'Basmati Rice' is a premium category of rice blessed with the characteristics such as extra-long slender grains that elongate at least twice of their original size; soft and fluffy texture upon cooking; delicious taste; superior aroma and distinct flavour. Basmati rice is unique among other aromatic long grain rice varieties. It is traditionally grown in Indian subcontinent, with India and Pakistan dominating most of the production. Basmati rice is grown only once a year, in the kharif cropp cycle, sown in May-June and harvested in September-November. In India, the major Basmati rice producing states are Punjab, Haryana and Uttar Pradesh, which together account for over 95% of the country's total Basmati rice production. Jammu and Kashmir and Uttarakhand also contribute to India's production of Basmati rice.

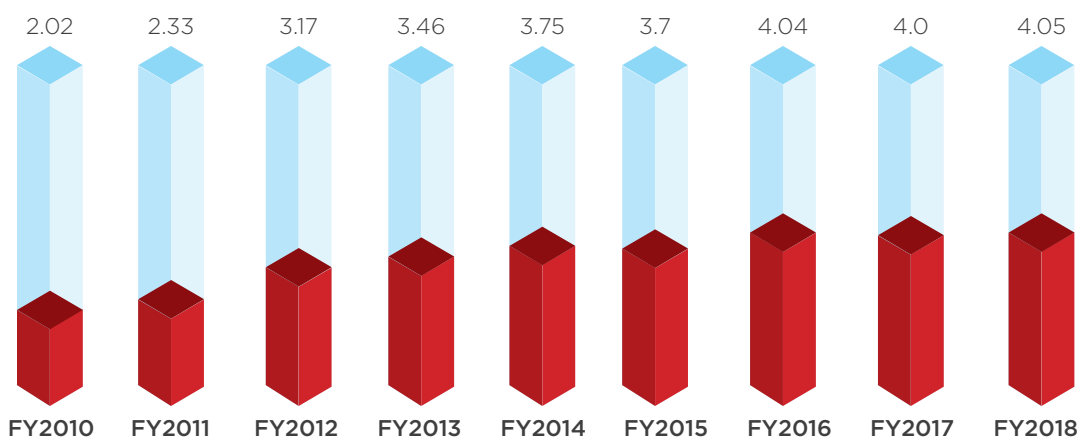
#### Consumption Share



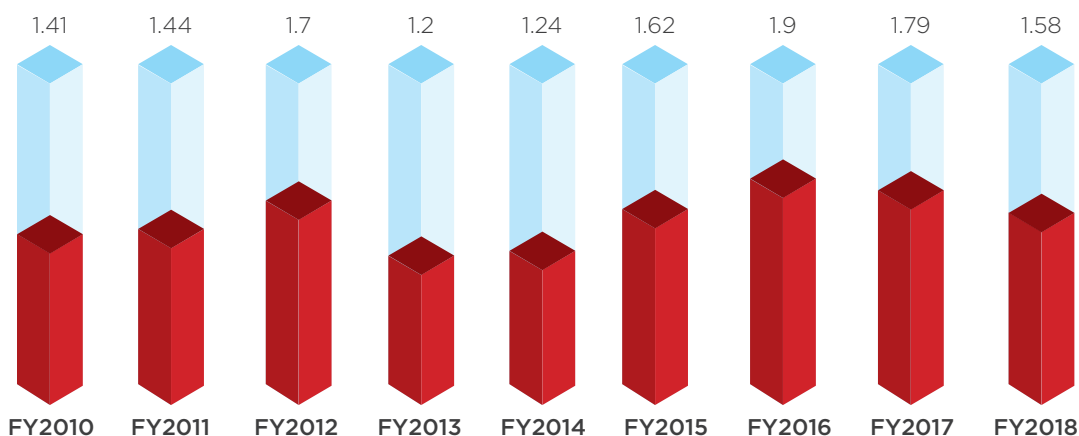
While majority of the non-basmati rice produced in India is consumed domestically (approximately 90%), a majority of Basmati rice produced is exported (approximately 75%). Major exports markets are Gulf Cooperation Council (GCC) countries, Europe and The USA. India has always been the largest exporter of Basmati than Pakistan, and the gap has only widened over the years. This has been driven by efforts towards the development of suitable varieties (hybrid varieties with better yield and low inputs requirement); the adoption of modern technology for rice processing; the liberalisation of trade policy and licensing procedures; and investments done for quality produce of Basmati.

The outlook for the Basmati Rice industry is favourable, supported by demand from GCC countries — especially from Iran — and the potential upside from branded demand and premiumisation on domestic front. Buoyed by the India Meteorological Department (IMD) prediction of a normal Monsoon in 2019, and the continued trend of firming up of prices, the Basmati rice industry is expected to experience a rise in both, the acreage under cultivation, and also in its production in 2019-20 crop year.

#### Basmati Rice Exports (in MMT)



#### Basmati Rice Exports to GCC (in MMT)



## Company & Strategy Overview

### About Mishtann

Mishtann Foods, currently among India's fastest growing branded Basmati Rice companies, began its journey as a basmati rice trader in 1992 in Ahmedabad, India. The focus then was on the B2B trading of Basmati Rice and other staples. In order to expand across the value chain, the Company established its own rice processing plant in 2000. As a result, it has evolved into a well-known, branded basmati rice maker, within India as well as in International markets, while also being a producer of wheat and pulses. The company has moved towards integrating scalable and sustainable business practices in order to cater to the rising demand of basmati rice.

Today, Mishtann Foods has a fully integrated and automated facility with a capacity of 45 MT/hour, and is capable of matching the demand for Basmati rice all year long. Mishtann offers a wide range of basmati rice products, catering to various customer segments – right from the premium segment, to the value-for-money segment. The product basket includes Snowflake and Pristino brands for the premium segment; Jasper, Crystal, Emerald, Button and Sapphire brands in the mid-range segment; and Signature, Swarna Parivar, Celest and Ecstasy brands in the value-for-money segment. Customised plans to grow each of these respective segments to their full potential are in place. Through its initiatives, the Company is taking a holistic approach towards increasing the halo surrounding its

brand. This product basket encompasses an offering for every occasion and every recipe, and is customised to serve all customer segments. It also caters to segments growing in popularity, such as brown rice and aged rice.

Looking beyond the basmati rice portfolio, Mishtann is also focusing on other value-added staples such as Wheat and Pulses. Mishtann consistently monitors trends in customer preferences in order to cater to the emerging trends such as healthier and organic food, convenience for cooking options, and more nutritional value. The company aims to leverage its established relationships across the supply chain to further enhance its brand; state-of-the-art infrastructure; and its wide distribution network.

The Company also has a presence in the food service business to cater to the HORECA segment through established relationships with hotels, restaurant chains and caterers.

### Our Brand Portfolio

Mishtann Foods offer a diverse product portfolio catering to various customer segments. The products range between value for money, mid-priced and premium. The Company has diverse branding, packaging and price points, aimed towards effective customer targeting.

**Mishtann consistently monitors trends in customer preferences in order to cater to the emerging trends such as healthier and organic food, convenience for cooking options, and more nutritional value.**







## Our Business Model: Scalable and Sustainable

Over the years, the company has focused to build and operate a business model, which is scalable and sustainable. Being dependent on an agricultural commodity it is essential to create a value chain, which is effective, efficient and can withstand adverse situations.

### SOURCING

Sourcing the rice paddy is the most important part as it is dependent upon the weather, susceptible to various diseases, and subject to stringent exports norms. Mishtann, through its established relationships with various mandis and agents, sources rice paddy from open markets. This is done using a simple cash and carry model, where cash is paid upfront. Due to the Company's nature of business, subsidised loans can be obtained through banks and financial intermediaries for sourcing. About 85% of the sourcing can be obtained at concessional rates. The Company carries out various quality checks at this stage in order to source high quality paddy.

### PROCESSING

Once the paddy rice is sourced, it is transported to the processing plant. The paddy rice is stored in a state-of-the-art facility so that its quality is enhanced while retaining its other characteristics.

The Company's basmati rice portfolio draws major strength from its efficient processing and packaging facilities. The processing plant of Mishtann Foods Limited is a modern and entirely automated plant, with a capacity to produce 45 metric tonnes per hour. The plant is also a fully integrated packaging and milling facility, which process a cost advantage to the Company.

The processing of basmati rice, wheat and dal happens in the Company's 10,000 MTPA plant, situated in Himmatnagar, Gujarat. This plant has a relatively closer proximity to the port, giving cost advantage to the Company by enabling quick and easy access to export ports.

### PACKAGING

The packaging facility is fully integrated with the rice processing facility. Once the rice is processed, it is packed in various packing sizes based on orders and demand forecasts. The Company packs rice in four packaging sizes: 1, 5, 10 and 25 kg.

### MARKETING

Finally, the packaged rice is sold to super-stockists. However, the company also has a presence in the HORECA segment. It has crafted multiple marketing strategies in order to create brand recall and brand consciousness with all its customers.

## Our Business Strategy

Mishtann has drawn upon a 7-point strategy, which encompasses all dimensions of the business in order to support its business model and steer future growth. These strategies are in-line with the Company's vision and goals, and are formulated to help it attain the desired results.

### BUSINESS STRATEGY

Our business strategy is to source the highest quality paddy, which is compliant with all export norms. The Company purchases paddy from open markets, and so, has developed a strategy for gathering as much on-ground information of the mandi as possible, allowing it to establish a paddy procurement strategy for any particular day. The Company has further maintained strong relationships with various mandis and agents, which gives Mishtann easy and early access to procure high-quality rice paddy.

The Company also engages across the entire value chain to continuously gain feedback for value enhancement.

**FINANCIAL STRATEGY:**

The Company's financial strategy is to grow its margins, de-leverage its balance sheet and improve its RoE and RoCE ratios. Mishtann continuously focuses on the premiumisation of its portfolio, and positions itself as a premium branded basmati rice maker in order to improve its margins. As a result, the Company's EBITDA margin has increased significantly from 2.9% in FY2017 to 4.9% in FY2019. During the same period, PAT Margin also improved from 0.5% to 2.4%. The promoters have infused equity capital to the tune of ₹ 400 million into the Company over the past 2 years, thus bringing down the Debt/Equity ratio from 2.94x to 0.52x. The RoE and RoCE for FY2019 stood at 17.1% and 26.8% respectively, compared to 11.3% and 22.1% in FY2017, respectively.

**OPERATING STRATEGY**

Being dependent on an agricultural commodity, Mishtann has implemented best-in-class sourcing, transportation and storage facilities for paddy rice. The Company sources high quality export compliant paddy rice, transports it to the processing plant using an efficient transportation system to reduce the lead time, and uses a state-of-the-art facility to store unprocessed and processed Rice paddy.

The Company has also implemented various demand forecasting techniques, which uses traditional as well as alternative data to cater to the demand for rice in the market effectively. It continuously takes feedback from its sales and marketing department, distributors and super stockists to gauge the demand for the various rice products.

**MARKETING STRATEGY**

Mishtann has a very proactive approach towards its marketing strategies, using them to steer its next phase of growth. These strategies are aimed towards utilising the skills of its employees and the stakeholders, and developing a creative approach to enhance sales, branding and customer service.

Mishtann's marketing and branding strategies are brainstormed and written as a part of the overall Company's strategies. The marketing strategies include plans for the current product portfolio, the pricing and positioning of the products, distribution of the product, and advertising campaigns. The marketing strategy also includes the development of promotional strategies to identify the target customers and to set measurable goals.

**4.9%****Mishtann's EBITDA margin in FY2019**

Mishtann has crafted multiple marketing strategies in order to create brand recall and brand consciousness. The company has leveraged on the trend of the rising use of social media platforms in order to deliver its marketing strategy. Apart from this, it has also put up advertisement hoardings and launched a television commercial to reach a wider audience.

**GROWTH STRATEGY**

The Company's strategy is to grow at a sustainable pace so that growth is attained without putting burden on the balance sheet and to be able to maintain the growth trajectory for a longer period of time. In order to achieve this secular growth, the Company's strategy is to establish and strengthen its relationship with the Middle Eastern market, which is the largest importer of Indian Basmati rice; launch new products specially crafted for those markets; penetrate deeper into domestic markets; and grow its contribution from value-added staples such as wheat and pulses.

**RISK MANAGEMENT STRATEGY**

Risk is the main cause of uncertainty in any organisation. Risk management is important in an organisation because without it, a firm cannot possibly define its objectives for the future. If a company defines objectives without taking the risks into consideration, chances are that they will lose direction once any risk becomes reality. The ability to manage risk help companies act more confidently on future business decisions. Keeping this in mind, Mishtann has placed various risk management techniques to effectively manage potential uncertainties. Risk planning, risk budgeting and risk governance is implemented every year, and monitored by the senior management, periodically. The Company identifies the risks that are worth taking in order to maximise the value (risk retention); reduces the risks that can be reduced to an extent (risk reduction); avoids taking risks where management feels the risk reward is not favourable (risk avoidance); and transfers the appropriate risks to the other parties (risk transfer).

## Our Branding and Marketing Initiatives

FY2019 was an eventful year for Mishtann Foods as far as implementing its well-crafted media strategy was concerned. Building on the momentum created through the digital and social media campaigns and marketing campaigns, the Company further stepped up its campaign initiatives this year to increase its brand awareness and popularity. The highlights of some of these initiatives are:

- The Company has placed the campaign hoardings in high potential areas in order to grab customer attention.
- The Company leveraged the rising usage of the social media platforms namely Facebook, Twitter, LinkedIn amongst others to create the brand awareness.
- The Company tied up business news channels for the TV advertisement.
- The Company participated in GulFood 2019 Exhibition in Dubai, the world's largest annual food and beverage trade show, in its 24<sup>th</sup> edition in 2019, with a theme of 'The World of Good. The World of Food'. Around 5,000 exhibitors from 120 countries displayed the latest innovations and new-to-market products, the all new Tastes of the World.

### OOH Campaigns Hoardings are placed in high potential areas



Active Social Media Engagement Through Multiple Platforms namely Facebook, LinkedIn, Twitter, TV Ads

**Mishtann Basmati Rice**  
31 December 2018 · 🌐

Promises to Keep, Commitments to Meet, Targets to Achieve and Goals to Conquer!  
Mishtann Basmati Continues the Onward Journey With Your Love and Support.  
#Mishtann #HappyNewYear #NewYear #2019

**A NEW DAWN,  
A NEW BEGINNING**

Let's Together Aspire for the NEXT!  
[www.mishtann.com](http://www.mishtann.com)

8 likes · 7 shares

Like Comment Share

**Mishtann Basmati Rice**  
27 May · 🌐

Mishtann deserves the rank of being the top quality Basmati rice supplier in India. Mishtann has climbed up the ladder and continues to scale newer heights. The credit for this exponential growth goes to the large number of consumers and the farmers who have extended their support and love and helped Mishtann grow.  
For more Information Click on : <http://www.mishtann.com/.../top-quality-basmati-rice-supplier...>

**TOP QUALITY  
BASMATI RICE  
SUPPLIER IN INDIA**

**MISHTANN**  
Infectious happiness. 🌱

39 likes · 10 shares

Like Comment Share

**Mishtann Basmati Rice**  
19 April · 🌐

The WINNER Arrives!  
The HAPPINESS PACK Comes With Extraordinary Taste & Immense Health Benefits.  
Authentic Indian Basmati Rice With Long Grains & Mesmerising Aroma!...  
[See more](#)

**I LOVE RICE**

**BASMATI LEADS INDIA WINS**

**MISHTANN**  
Infectious happiness. 🌱

RICE Rich with LOVE and HAPPINESS!

[www.mishtann.com](http://www.mishtann.com)  
Customer Care No. : 011 88240233 18

13 likes · 5 shares

Like Comment Share

**MISHTANN**  
Infectious happiness. 🌱

**TOP STOCKS OF THE DAY**

Asian Paints	1446.75	▲ 25.25	1.78%
Titan	1269.80	▲ 21.80	1.75%
Power Grid	195.90	▲ 2.95	1.53%
Coal India	267.40	▲ 4.00	1.52%
HUL	1842.95	▲ 27.35	1.51%

Jun Fut 79.85 Prem 0.05 Voda Jun Fut 13.55 Prem 0.11 NIFTY JUN FUT 356.25 1158.65 ▲ 9.25 Concor 481.34 533.30 ▼ 4.35 PREM 32.7

GulFood2019 Exhibition-Dubai

/ ANNUAL REPORT 2019 /



## Our Quality

At Mishtann Foods, the aim of the Company is to focus on the quality and safety of their products. It ensures a buoyant quality control by implementing stringent norms and advanced technological facilities.

During the year, Mishtann Foods remained undeterred in enhancing the quality culture across its plant. The processing facility of Mishtann Foods is certified by accreditation bodies. The commitment of the company to the health and safety of its consumers is supreme. It ensures strict adherence to food safety and hygiene throughout the processing activities.

The Company is certified with certain certifications such as Agricultural and Processed Food Products Export Development Authority (APEDA), ISO 22000:2018 and FSSAI.

## Financial Overview

During FY2019, Sales increased 24.3%, on like to like basis to ₹ 48,18.2 million during FY2019 from ₹ 3876.1 million during FY2018. The total expenditure stood at ₹ 4642.2 million during FY2019 as compared to ₹ 3793.1 million in FY2018; increase in expenditure is mainly on account of increase in scale of operation during the year. The EBITDA increased to ₹ 233.5 million during FY2019 as compared to ₹ 133 million during the previous fiscal mainly due to lower employee costs and change in inventories. Depreciation during the year remained relatively stable at ₹ 18.4 million from ₹ 18.7 million last year as the company didn't undertake any significant capital expenditure. Finance costs during the year went up marginally to ₹ 40.1 million compared from ₹ 32.1 million during FY2018. Profit before tax stood at ₹ 175 million compared to ₹ 82.2 lakh during FY2018 driven by lower employee costs and cheaper raw material compared to last year amongst others. Net profit increased 110.2% to ₹ 118 million during FY2019 as compared to ₹ 56.1 million during FY2018. Net worth increased to ₹ 691.8 million during FY2019 compared to ₹ 384 million during FY2018 on account of equity infusion and ploughing back of profits. Total debt marginally increased to ₹ 358 million compared to ₹ 301 million during FY2018 mainly due to increase in short term debt for working capital. Net block (including capital work-in-progress) decreased to ₹ 84.4 million during FY2019 as compared to ₹ 100.9 million during FY2018 as the company did not undertake any capital expenditure in this financial year. Total Current assets increased to ₹ 1046 million during FY2019 from ₹ 651 million during FY2018 mainly due to increase in receivables.

## Strengths, Weaknesses, Opportunities and Threats

### Strengths

#### COMMITTED MANAGEMENT TEAM

Mishtann's committed and experienced management team is capable of steering the growth trajectory in all market conditions. It is complemented by an equally talented, dedicated and committed team of individuals across all departments to realise the vision of the Company.

#### ESTABLISHED RELATIONSHIP ACROSS ENTIRE VALUE CHAIN

The Company has established relationships across the entire value chain, right from procurement to the end customers. Strong supply chain and super-stockist relationships help the Company to reach across the different parts of India without going out of stock.

#### STATE-OF-THE-ART, STRATEGICALLY LOCATED PROCESSING PLANT

The Company has a fully integrated and automated Basmati rice processing plant, strategically located near the port, which reduces the exports cost. It focuses on continuous modernisation and maintenance of the plant to maintain the efficiency and effectiveness.

#### CONSISTENT FINANCIAL PERFORMANCE

The Company has been able to deliver consistent growth in the financial and operating metrics. With the help of 400 million equity infusion by the promoters in last 2 years, current debt/equity ratio is at 0.52x, which provides confidence to the investors and lenders and facilitates the Company to raise the debt capital without hassle.

### Weaknesses

#### CLIMATE DEPENDENCY

Any adverse weather conditions or rainfall shortage can lead to drop in rice paddy plantation and production.

#### WORKING CAPITAL INTENSIVE BUSINESS

As basmati rice needs to be stored for ageing and is produced only once a year, sizable amount of capital is required for storage and quality maintenance.

#### HIGHLY REGULATED MARKET

As the government, time to time, notifies minimum support price (MSP) for the paddy, raw material cost can fluctuate significantly.

**PRONE TO DAMAGE RAW MATERIAL**

Being an agricultural product, rice paddy is susceptible for various diseases that can damage the crop.

**Opportunities****CHANGING LIFESTYLE & CONSUMER TASTE**

Domestic as well as international markets are witnessing rising consciousness about the health and branded products, giving impetus to the organised branded market over unorganised unbranded market.

**GLOBAL DEMAND & CONSUMPTION**

Rice being a staple food for the majority of the global population, rice demand has been growing in line with population growth. Basmati rice, which is consumed majorly in the GCC countries has seen rising demand for the basmati rice.

**Threats****COMPETITION FROM UNORGANISED SEGMENT**

Despite rising trend for the demand of branded, organised sector products, unorganised sector in Basmati Rice segment accounts for nearly 45% of the market, which operates at lower margins and hence poses a risk to the organised market.

**ECONOMIC CONDITIONS**

Demand of Basmati Rice in domestic as well as international markets is dependent upon economic conditions. A slowdown in the domestic economy, US trade policy, Brexit uncertainty and currency fluctuations in developing countries can adversely impact the demand for Basmati Rice.

**Business Outlook**

Mishtann, being a proactive and competent company, will continue to ride its growth trajectory and expand its product reach and brand awareness. The Company will continue to be a consumer centric company rather than a price centric company.

In the mid-long term, the Company will focus on infrastructure and capability enhancement. It will take additional measures to strengthen its entire value chain including farmers, agents, transportation network, super-stockists, end customers and create a competent team of people. This will enhance the competitive position of the Company.

As a part of diversification strategy, Mishtann will focus on strengthening its value-added staple product portfolio, which includes wheat and pulses in order to

reduce the dependency on a single product — Basmati Rice — and the risks associated with it.

The Company will also continue its focus on keeping the growth trajectory of its financial and operating metrics intact by improving the quality of its balance sheet further. The Company's continuous focus on premiumisation, and efforts to establish itself as a premium basmati rice maker, will help Mishtann to improve its margins. By maintaining a robust financial position and balance sheet leveraged only to the extent 0.52x, the Company is well positioned to augment its growth trajectory.

In order to leverage the existing capacity and relationships across the value chain, the Company intends to establish a parboil rice processing plant. In order to expand its reach in domestic market, it is planning to establish more warehouses in the coming year. Furthermore, in order to diversify and add value, the Company is planning to enter into the pulses, multigrain flour and fruit juice processing segments.

Most importantly, Mishtann remains focused on growth of its core business — Basmati Rice — by expanding the super-stockist network, as well as offering latest innovation and product basket in the coming years.

**Human Resources**

The prime goal of Mishtann has always been to ensure work satisfaction for all the employees right from the junior level to top management. They should be happy and satisfied with the quality of work and able to generate productive output. Time and again, we carry out activities to develop the skills of our work force through conducting seminars by experts, video presentation or short films. We have setup suggestion box at different points of work and encourage inputs and suggestions from our employees. We conduct fortnightly meetings of the workforce with the management to discuss and implement the do's and don'ts of the workplace. Also, we recognise the performance of our employees and reward them accordingly to bolster their confidence and productivity. We encourage teamwork, good spirit and unity amongst our people and motivate them to work under any challenging conditions.

We provide additional facilities of group insurance to the employees along with their family members, thereby ensuring safety of our workforce and their family without any deductions from their payroll. The work environment, at Mishtann, has always been positive and encouraging. The management is always available for proper guidance and support. Moreover, we plan regular outings and get-togethers to de-stress our work force.



# ₹ 2,36,905

Mishtann's contribution towards CSR activities

**We encourage teamwork, good spirit and unity amongst our people and motivate them to work under any challenging conditions.**

Mishtann Foods strongly believes in ethical growth through a transparent and honest work culture. The approach is collaborative, leading to a reciprocated growth of the Company and its people. As on 31<sup>st</sup> March 2019, the Company has a total of 12 employees.

### **Corporate Social Responsibility**

We, at Mishtann, believe that apart from providing good and healthy food, we also need to provide proper education at the necessary places to uplift the humanity. During the year under review, we have initiated our CSR activity towards this direction by making a mere contribution at the Shree Narsinhapura Pragati High school situated in Narsinhpur, Idar Taluka, Sabarkantha district, Gujarat. We carried a one-day program at this school and provided them basic school facilities from notebooks, pen, pencils amongst others. We have also contributed ₹ 2,36,905 to the school for the betterment of students.

### **Cautionary Statement**

This document contains statements about expected future events, as well as the financial and operating results of Mishtann Foods Limited, which are forward thinking. By their nature, progressive statements require the Company to make assumptions and are subject to inherent risks and uncertainties. They face the risk that the assumptions, predictions, and other forward-looking statements will not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as a number of factors could cause the assumptions and actual future results or events to differ from those expressed. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in the management's discussion and analysis of Mishtann Foods Limited's Annual Report, 2018-19.



Contributing  
Towards the  
Right Cause



# 3

## Directors' Report

# Directors' Report

To  
The Members,  
**Mishtann Foods Limited**

Your Directors have immense pleasure in presenting Annual Report of the Company together with Audited Statement of Accounts for the Financial Year ended 31<sup>st</sup> March, 2019.

## STATE OF AFFAIRS OF THE COMPANY

The Company is primarily engaged in the Agricultural business i.e manufacturing, processing & trading of Rice, wheat and other food grains.

## FINANCIAL HIGHLIGHTS:

Particulars	(Amount in ₹)	
	Year Ended 31.03.2019	Year Ended 31.03.2018
Gross Sales/Income	481,82,34,899	387,61,23,232
Depreciation	1,83,88,101	187,14,166
Profit/(Loss) before Tax	17,60,49,607	830,37,131
Less: Taxes/Deferred Taxes	5,80,28,971	269,02,606
Profit/(Loss) After Taxes	11,80,20,636	561,34,525
P& L Balance b/f	7,38,23,903	1,76,89,378
Profit/ (Loss) carried to Balance Sheet	19,18,44,539	7,38,23,903

Above mentioned figures are derived from Audited Standalone Balance Sheet for the financial year ended 31<sup>st</sup> March, 2019.

## PERFORMANCE OF THE COMPANY (INCLUDE POINT REGARDING TURNOVER MULTIPLICATION)

For FY 2019, MFL's total revenue at ₹ 481.8 crore was up by 24% over FY 2018 revenue. Net profit for FY 2019 at ₹ 11.8 crore was up by 110% over the net profit of ₹ 5.61 crore reported during FY 2018.

For Q4 FY2019, MFL reported total revenue of ₹ 123.66 crore, as against total revenue of ₹ 134.2 crore reported in Q4 of FY2018 and ₹ 119.6 crore reported in Q3 FY2019. The company's net profit for Q4 FY2019 at ₹ 3.4 crore was up by 192% y-o-y and was up 16% q-o-q.

## SHARE CAPITAL

### Issue Of Equity Shares

During the year under the review, the paid up share capital of the company has been increased from ₹ 31,01,91,000/- to ₹ 50,00,00,000/- through issue of 18,98,090 equity shares to Promoters and Non- Promoters on preferential basis, of face value of ₹ 10/- each, at a price of ₹ 10/- each approved by the shareholders in the Extra Ordinary General Meeting held on June 08, 2018.

## Split Of Equity Shares

The Company has received approval of its Shareholders in the 38<sup>th</sup> Annual General Meeting held on September 27, 2018 to split 5,00,00,000 Equity shares of Face Value 10/- each into 50,00,00,000 Equity shares of ₹ 1/- each.

## DIVIDEND

The Company has made remarkable profit during the year, the Board of Directors recommend final dividend @ of 0.2% i.e ₹ 0.002/- per equity share of face value ₹ 1 each, amounting to ₹ 10,00,000/- and Dividend Distribution Tax on such dividend amounts to ₹ 2,03,576/-

The Board has declared Interim Dividend in the Board Meeting Held on February 12, 2019 @ of 0.2% i.e ₹ 0.002/- per equity share of face value ₹ 1 each, amounting to ₹ 10,00,000/- and Dividend Distribution Tax on such dividend amounts to ₹ 2,03,576/-

## GENERAL RESERVES

The Board of Directors of the company has carried an amount of ₹ 11,80,20,636 to Reserve & surplus.

## CHANGE IN NATURE OF BUSINESS

During the Financial Year 2018-19 the Company has not commenced any new business nor discontinued/sold or disposed off any of its existing businesses or hived off any segment or division.

## DETAILS OF SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES

Mishtann Shoppee India Private Limited (formerly known as Mishtann Agro Private Limited) ceased to be subsidiary Company of Mishtann Foods Limited w.e.f. 14<sup>th</sup> May, 2018 and the same has been taken on record

by the Board of Directors at their meeting held on 14<sup>th</sup> May, 2018 and intimated to the BSE Limited.

## QUALITY INITIATIVES

- The Company has ISO certification for Food Safety (ISO 22000:2018).
- The Company is registered with Agricultural And Processed Food Products Export Development Authority.
- Mishtann is a committed member of All India Rice Exporter Association.

## DIRECTORS AND KEY MANAGERIAL PERSONNEL APPOINTED AND RESIGNED DURING THE YEAR

Mr. Navinchandra D. Patel (DIN: 05340874), Director retire by rotation at the forthcoming Annual General Meeting and being eligible, offer himself for reappointment.

During the year under review the following Directors and Key Managerial Personnel were appointed and resigned:

Name and Designation	Date of Appointment	Date of Resignation
Mr. Jatinkumar Ramanbhai Patel Whole-time Director	-	31-10-2018
Mr. Ravikumar Gaurishankar Patel Whole-time Director and CFO	-	31-10-2018
Mr. Hiteshkumar Jayantilal Shah Additional Director & CFO	05-12-2018	12-02-2019
Mr. Ravikumar Ramanbhai Patel Independent Director	-	12-02-2019
Mr. Bhaveshkumar Vasantbhai Patel Independent Director	-	12-02-2019
Mrs. Sweetyben Ravikumar Patel Independent Director	-	12-02-2019
Mrs. Heemaben Janakkumar Patel Independent Director	25-03-2019	-
Ms. Sugandha Goyal Company secretary cum Compliance Officer	-	22-08-2018
Ms. Sonu Jain Company secretary cum Compliance Officer	01-10-2018	-

## PARTICULARS OF EMPLOYEES & EMPLOYEE REMUNERATION

The table containing the names and other particulars of employees in accordance with the provisions of Section 197(12) of the Companies Act, 2013, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is provided as "Annexure- A" to the Board's report.

None of the employees of the Company drew remuneration of ₹ 1,02,00,000/- or more per annum and ₹ 8,50,000/- or more per month during the year. No employee was in receipt of remuneration during the year or part thereof which, in the aggregate, at a rate which is in excess of the remuneration drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the company. Hence, no information is required to be furnished as required under Rule, 5(2) and 5(3) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

## BOARD MEETINGS

During the year, fourteen Board Meetings were duly held. The details of which are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

During the Year one (1) meeting of Independent Directors was held on March 15, 2019.

## PERFORMANCE EVALUATION

The Nomination and Remuneration Committee of the Board constituted under Section 178 of the Companies Act, 2013 has been made responsible for carrying out evaluation of every Director's performance. The Board has evaluated its own performances, its committees and all individual Directors i.e. both Independent and Non Independent considering attendance, contribution at the Meetings and otherwise, adherence of Code of Conduct and Business ethics, monitoring of regulatory compliance's etc. All the Directors of the Company are found to be persons of having sound knowledge and vast experience in their respective areas and their association with the Company is considered to be beneficial to the Company.

## STATEMENT OF DECLARATION BY AN INDEPENDENT DIRECTOR(S)

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and sub-regulation (8) of Regulation of 25 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Independent Directors have complied with the Code of Conduct for Independent Directors prescribed in Schedule IV of the Companies Act, 2013 and the Code of conduct formulated by the Company as hosted on the Company's Website i.e. [www. Mishtann.com](http://www.Mishtann.com) .

## NOMINATION AND REMUNERATION POLICY

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration. The salient features of Nomination & Remuneration Policy of the Company is disclosed in the Corporate Governance Report the web address of the Nomination and Remuneration policy is <http://www.mishtann.com/relation.php?category=disclosures-and-policies>

## AUDIT COMMITTEE

In pursuance of Section 177 of the Companies Act, 2013 read with Regulation 18 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has constituted the Audit Committee and the details in pursuance of Section 177(8) of the Companies Act, 2013 is given in Corporate Governance Report of the Company.

## AUDIT AND AUDITORS

### ▶ STATUTORY AUDITORS

The Auditors, M/s. Rahul Kakani & Associates, Chartered Accountants, Ahmedabad retire at the ensuing Annual General Meeting and, therefore the Board of Directors on the recommendation of Audit Committee approved appointment of M/s J.M. Patel & Bros., subject to the approval of shareholders in this Annual General Meeting.

The Company has received a certificate from M/s. J.M. Patel & Bros., Chartered Accountants confirming their eligibility to be appointed as Auditors of the Company in terms of the provisions of Section 141 of the Companies Act, 2013 and the Rules framed thereunder. They have also confirmed that they hold a valid certificate issued by the Peer Review Board of the ICAI as required under the provisions of Regulation 33 of the Listing Regulations.

### ▶ SECRETARIAL AUDITOR

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors appointed Ms Rupal Patel, Practicing Company Secretaries, Ahmedabad to undertake the Secretarial Audit of your Company for the financial year 2018-19 in the duly convened Board Meeting on April 15, 2019.

The Secretarial Auditor Report in the Format MR-3 is annexed to this Report as "**Annexure - B**"

### ▶ QUALIFICATION, RESERVATION OR ADVERSE REMARK IN THE AUDITOR'S REPORTS AND SECRETARIAL AUDIT REPORT

There is no qualification, reservation or adverse remark made by the Auditors in their Reports to the Standalone Financial Statements or by the Secretarial Auditor in his Secretarial Audit Report for the financial year ended March 31, 2019

## INTERNAL AUDIT & CONTROLS

The company has appointed Mr. Prashant H. Patel as an internal auditor, the accounting and other system have been designed in such a manner that review of entire process for safeguarding the assets of the company, its operational efficiency, and effectiveness of the systems are taken care of properly. Their scope of work includes review of processes for safeguarding the assets of the Company, review of operational efficiency, effectiveness of systems and processes, and assessing the internal control strengths in all areas. Internal Auditors findings are discussed with the process owners and suitable corrective actions taken as per the directions of Audit Committee on an ongoing basis to improve efficiency in operations.

## DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS

The Company has adequate and proper Internal financial controls with reference to the Financial Statements during the year under review.

## EXTRACT OF ANNUAL RETURN

As required pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of annual return in the form MGT-9 attached as a part of this Director's Report as "Annexure - C".

## VIGIL MECHANISM:

In pursuant to the provisions of section 177(9) & (10) of the Companies Act, 2013 and Regulation 22 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a Vigil Mechanism for directors and employees to report genuine concerns has been established. The web link of Vigil Mechanism Policy on the website of the Company is <http://www.mishtann.com/relation.php?category=disclosures-and-policies>

## RISK MANAGEMENT POLICY

Risk management is embedded in your company's operating framework. Your company believes that managing risk helps in maximizing returns. The company's approach to addressing business risk is comprehensive and includes periodic review of such risks and a framework for mitigating controls and reporting mechanism of such risks. The risk management framework is reviewed periodically by the Board and the Audit Committee. Some of the risks that the company is exposed to are:

### ➤ Commodity Price Risks

The Company is exposed to the risk of price fluctuation of raw material as well as finished goods. The company proactively manages these risks through forward booking, Inventory management and proactive vendor development practices. The Company's reputation for quality, product differentiation and service, coupled with existence of powerful brand image with robust marketing network mitigation the impact the impact of price risk on finished goods.

### ➤ Regulatory Risks

The company is exposed to risks attached to various statues and regulations including the company Act. The company is mitigating these risks through regular review of legal compliances carried out through internal as well as external compliance audits.

### ➤ Human Resources Risks

Retaining the existing talent pool and attracting new talent are major risks. The company has initialed various measures including rolling out strategic talent management system, training and integration of learning and development activities.

### ➤ Strategic Risks

Emerging businesses, capital expenditure for capacity expansion, etc., are normal strategic risk faced by the company. However, the company has well-defined processes and procedures for obtaining approvals for investments in new business and capacity expansion etc.

## MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

During the Financial Year 2018-19 there were no Material changes occurred subsequent to the close of the financial year of the Company to which the balance sheet relates and the date of the report.

## DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

During the Financial Year 2018-19 there were no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

## DEPOSITS

Your Company has not accepted / renewed any deposits from the public during the Financial Year 2018-19.

## PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

Particulars of loans given, investments made, guarantees and securities provided under section 186 of the Companies Act, 2013 are provided in the notes of Standalone Financial Statement.

## PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All transactions executed by the Company during the financial year with related parties were on arm's length basis and in ordinary course of business. All such related party transactions were placed before the Audit Committee for approval, wherever applicable. Particulars of the contracts or arrangement with related parties referred into Section 188 (1) of the Companies Act, 2013, in prescribed Form AOC -2 is attached as "**Annexure - D**".

## CORPORATE GOVERNANCE

The Company has been proactive in the following principles and practices of good corporate governance. A report in line with the requirements of Regulation 27(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the report on Management Discussion and Analysis and the Corporate Governance practices followed by the Company and the Auditors Certificate on Compliance of mandatory requirements are given as an "**Annexure - E**" respectively to this report.

Your Company is committed to the tenets of good Corporate Governance and has taken adequate steps to ensure that the requirements of Corporate Governance

as laid down in Regulation 27(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are complied with.

As per 27(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchange, the Corporate Governance Report, Management Discussion and Analysis and the Auditor's Certificate regarding compliance of conditions of Corporate Governance are attached separately and form part of the Annual Report.

## OBLIGATION OF COMPANY UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

Company has only one female Employee, it is beyond the practicality to constitute a local compliance committee but a system has been put in place to protect Female Employee(s) from sexual harassment. During the year Company has not received any complaint of harassment.

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

The Particulars regarding Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo, pursuant to Section 134(3)(m) of the Companies Act 2013 read with the Rule 8 of Companies (Account) Rules, 2014 is given in "**Annexure - F**".

## CORPORATE SOCIAL RESPONSIBILITY (CSR)

In compliance with the requirements of Section 135 read with Schedule VII of the Companies Act 2013, the Board has constituted Corporate Social Responsibility Committee

The Annual Report on CSR activities as required under Companies (Corporate Social Responsibility Policy) Rules, 2014 is set out as "**Annexure - G**" forming part of this Report.

### Brief terms of reference for the CSR Committee include:

1. To formulate a CSR policy which shall indicate activities to be undertaken by the Company.
2. To recommend the CSR policy to the Board.

3. To recommend the amount of expenditure to be incurred on the activities.
  4. To monitor the policy from time to time as per the CSR policy.
- (f) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively

## HUMAN RESOURCES

Your Company treats its "human resources" as one of its most important assets.

Your Company continuously invests in attraction, retention and development of talent on an ongoing basis. A number of programs that provide focused people attention are currently underway. Your Company thrust is on the promotion of talent internally through job rotation and job enlargement.

## DIRECTORS' RESPONSIBILITY STATEMENT

The Directors' Responsibility Statement referred to in clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, shall state that—

- (a) In the preparation of the annual accounts, the applicable accounting standards had been followed along with 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 this Act 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; and
- (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.

## TRANSFER OF UN-CLAIMED DIVIDENDS

The Company does not have any funds lying as unpaid or unclaimed for a period of seven years. Therefore there were no funds which were required to be transferred to Investor Education and Protection Fund (IEPF).

## LISTING WITH STOCK EXCHANGES

The Company got Listing Approval from Metropolitan Stock Exchange of India Limited vide their letter dated May 6, 2019.

## SECRETARIAL STANDARDS

The Directors State that applicable Secretarial Standards - 1,2,3 and 4 issued by the Institute of Company secretaries of India relating to 'Meetings of the Board of Directors' and General Meetings', 'Payment of Dividend' and 'Report of the Board of Directors' respectively, have been duly followed by the Company.

## ACKNOWLEDGMENTS

The management is grateful to the government authorities, Bankers, Vendors, farmers for their continued assistance and co-operation. The Directors wish to place on record the confidence of members in the company. The Directors place on record their sincere appreciation to all employees of the Company for their unstinted commitment and continued contribution to the Company.

For & on behalf of the **Board of Director**  
For **Mishtann Foods Limited**

SD/-  
**Hiteshkumar Gaurishankar Patel**  
Managing Director  
DIN: 05340865

**Date:** 14<sup>th</sup> August, 2019  
**Place:** Ahmedabad



# Annexure - A

## PARTICULARS OF EMPLOYEE

### I. INFORMATION AS PER RULE 5(1) OF CHAPTER XIII, COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

#### Remuneration paid to whole-time directors

Name of the Director and KMP	Designation	Ratio of remuneration of each Director / KMP to the Median Remuneration of Employees	Percentage increase in Remuneration in the Financial year 2018-19
Mr. Hiteshkumar Gaurishankar Patel	Managing Director	1.24:1	NIL
Mr. Navinchandra Dahyalal Patel*	Whole time Director & CFO	1.24:1	NIL
Mr. Ravikumar Gaurishankar Patel**	Whole time Director & CFO	#	#
Mr. Jatinkumar Ramanbhai Patel**	Whole time Director	#	#
Ms. Sonu Jain***	Company secretary & Compliance Officer	#	#
Ms. Sugandha Goyal	Company secretary & Compliance Officer	#	#

\* Appointed with effect from February 12, 2019

\*\* Ceased with effect from October 31, 2018

\*\*\* Appointed with effect from October 01, 2018

# Ratio/Percentage increase in remuneration is not reported as they were holding respective office(s) for part of the financial year 2018-19.

#### Note:

- The details of remuneration of the Independent Directors of the Company have been provided in the Corporate Governance Report. The ratio of remuneration and percentage increase for the Independent Directors' Remuneration is, therefore, not considered for the purpose above.
  - Percentage increase in remuneration indicates annual total compensation increase, as recommended by the Nomination and Remuneration Committee and duly approved by the Board of Directors of the Company.
- II. The percentage increase in the median remuneration of employees in the financial year 2018-19: NIL.
- III. There were 12 permanent employees on the rolls of the Company as on March 31, 2019.
- IV. Average percentage increase made in the salaries of employees other than the KMP in the previous financial year - NIL, whereas the average percentage increase in remuneration of the KMP was 23.53%. The average increase of remuneration every year is an outcome of the Company's market competitiveness as against similar Companies. The increase of remuneration this year is a reflection of the compensation philosophy of the Company and in line with the benchmark results.
- (v) It is hereby affirmed that the remuneration paid to all the Directors, KMP, Senior Managerial Personnel and all other employees of the Company during the financial year ended March 31, 2019, were as per the Nomination and Remuneration Policy of the Company.

# Annexure - B

## Form No. MR - 3

### SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2019

*[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,

**Mishtann Foods Limited (CIN:L15400GJ1981PLC004170)**

C-808, Ganesh Meridian Opp. High Court of Gujarat,  
S. G. Highway Ahmedabad - 380060

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Mishtann Foods Limited**. (hereinafter called "the company") for the audit period covering the financial year ended on 31<sup>st</sup> March, 2019. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of company's books, papers, minutes book, 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, 2019 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:

1. We have examined the books, papers, minutes books, forms and returns filed and other records maintained by the Company, for the financial year ended on 31<sup>st</sup> March, 2019, according to the provisions of:
  - (i) The Companies Act, 2013 (the Act) and the rules made there under and the Companies Act, 1956, to the extent it is applicable.
  - (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
  - (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
  - (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the 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, 2009;
- (d) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (e) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015

We have also examined compliance of the following to the extent applicable:

- (i). Secretarial Standards with regard to Meeting of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India (effective from 1<sup>st</sup> July, 2015); under the provisions of Companies Act, 2013;

We have relied upon the representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under applicable Acts, Laws and Regulations to the Company, as identified and confirmed by the management of the company and listed in **Annexure -I** to this report.

On the basis of our examination and representation made by the Company we report that during the period under review the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines etc. mentioned above and there are no material non-compliances that have come to our knowledge except non compliance in respect of:

- a) During the year under review, as per MRL received dated 14<sup>th</sup> August, 2019 the Company is in process of obtaining factory License under Factory Act.

**We Further Report that, there were no actions/ events in pursuance of:**

- a) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- b) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
- c) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 notified on 28 October 2014 requiring compliance thereof by the Company during the period under review

**We further report that** the compliance by the company of applicable financial laws like direct and indirect tax laws like Income Tax Act, 1961, Goods and Service Tax Act, 2017 etc., and maintenance of financial records and books of account has not been checked/verified/reviewed in this Audit since the same have been subject to review by statutory financial auditor and other designated professionals.

**We further report that** the Board of Directors of the Company is duly constituted with 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 few cases, and to the certain extent, 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.

Decisions at the meetings of the Board of Directors of the Company were carried through on the basis of majority. There were no dissenting views by any member of the

Board of Directors during the period under review.

**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.

**We further report that** during the audit period there were no specific events / actions having a major bearing on the company's affairs except as mentioned below:

1. The company has obtained approval from members of the company, for below mentioned businesses, in its Extra Ordinary General Meeting which was held on 08.06.2018:
  - Increase Authorised Share Capital of the Company to ₹ 50,00,00,000/- (Rupees Fifty Crores only) consisting of 5,00,00,000 (Five Crores) Equity Shares of ₹ 10/- (Rupees Ten) each and consequent change in Memorandum of Association of the Company.
  - Issue Equity Shares on preferential basis to Promoters upto 1,09,00,000 (One Crore Nine Lakh) Equity Shares and to and Non-Promoters upto 80,80,900 (Eighty Lakhs Eighty Thousand and Nine Hundred) of face value of ₹ 10/- each at a price of ₹ 10/- each being not lower than the minimum price calculated in accordance with the Regulations for Preferential Issue contained in Chapter VII of SEBI (ICDR) Regulations as amended;
2. The company has obtained approval from members of the company, for below mentioned businesses in its Annual General Meeting which was held on 27<sup>th</sup> September, 2018:
  - Splitting of the Company's Equity Shares of ₹ 10/- each into 10 Equity Shares having a face value of ₹ 1/- each
  - Subdivision of Authorised Equity Share Capital of the company from ₹ 50,00,00,000/- (Rupees Fifty crores only) dividend into 5,00,00,000 Equity shares of ₹ 10/- (Rupees Ten only) each to ₹ 50,00,00,000/- (Rupees Fifty Crores only) would comprise of 50,00,00,000 ( Fifty Crores) Equity Shares of ₹ 1/- (Rupee One only) each and Consequent Alteration of Memorandum of Association

- Appointment of Mrs. Vandana Patel, to a place of profit being head of Marketing of the Company
  - Appointment of Mrs. Tejal Patel , to a place of profit being head of advertising of the Company
  - Appointment of Mrs. Rinkal Patel, to a place of profit being head of advertising of the Company
  - Appointment of Ms. Kamini Patel , to a place of profit being head of accounts of the Company
3. The company has made below mentioned preferential allotment on 21<sup>st</sup> June, 2018 for which, approval from members were obtained in Extra Ordinary General Meeting which was held on 8<sup>th</sup> June, 2018:
- 63,79,800 Equity Shares at a price of ₹ 10/- each, being the price which is in accordance with the ICDR Regulations, to promoters on conversion of unsecured loan amounting to ₹ 6,37,98,000/-.
  - 45,20,200 Equity Shares at a price of ₹ 10/- each being the price which is in accordance with the ICDR Regulations to promoters for cash.
  - 80,80,900 Equity Shares at a price of ₹ 10/- each being the price which is in accordance with the ICDR Regulations to Non promoter for cash.
4. The Board of Directors of the Company take note of the fact and declare that Mishtann Agro Private Limited ceased to be a subsidiary of Mishtann Foods Limited due to resignation of Board of Directors of the Company and transfer of entire stake held in Mishtann Agro Private Limited in the meeting of Board of Directors of the Company held on 14<sup>th</sup> May, 2018.
5. The company has made application to Metropolitan Stock Exchange of India Limited to list its 50,00,00,000 Equity Shares having face value of ₹ 1/- per share on MSE platform on 8<sup>th</sup> March, 2019.

Sd/-  
Name of Practicing Company Secretary: **Rupal Patel**  
C. P. No.: 3803  
FCS No.: 6275

**Date:** 14<sup>th</sup> August, 2019  
**Place:** Ahmedabad

**Note:** This report is to be read with our letter of even date which is annexed as ANNEXURE-II and forms an integral part of this report.

## ANNEXURE- I

### List of applicable laws to the Company

1. The Company has complied with the laws and regulations applicable specifically to the Company given its business of trading and processing of Agricultural product:

1. Fire & Explosive Act
2. The Apprentices Act
3. The Air (Prevention and Control of Pollution) Act, 1981
4. The Water (Prevention and Control of Pollution) Act, 1974
5. Agricultural and Processed food Products Export Development Authority Act, 1985
6. Micro, Small and Medium Enterprises Development Act, 2006

As amended from time to time till date.

2. All General Laws such Direct and Indirect Taxation related, Labour Laws and other incidental laws of respective States;

Sd/-  
Name of Practicing Company Secretary: **Rupal Patel**  
C. P. No.: 3803  
FCS No.: 6275

**Date:** 14<sup>th</sup> August, 2019

**Place:** Ahmedabad

## ANNEXURE- II

To,  
The Members,  
**Mishtann Foods Limited (CIN: L15400GJ1981PLC004170)**  
C-808, Ganesh Meridian Opp. High Court of Gujarat,  
S. G. Highway Ahmedabad - 380060

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, we 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. Wherever 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.

Sd/-  
Name of Practicing Company Secretary: **Rupal Patel**  
C. P. No.: 3803  
FCS No.: 6275

**Date:** 14<sup>th</sup> August, 2019  
**Place:** Ahmedabad

# Annexure - C

## Form No. MGT - 9

### EXTRACT OF ANNUAL RETURN

as on the financial year ended on March 31, 2019

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

## I REGISTRATION AND OTHER DETAILS:

i) CIN	L15400GJ1981PLC004170
ii) Registration Date	27/02/1981
iii) Name of the Company	Mishtann Foods Limited
iv) Category/Sub-category of the Company	Company Limited by Shares / Indian Non-Government Company
v) Address of the Registered office and contact details	C-808, Ganesh Meridian, Opp. High Court of Gujarat, Sola, S. G. Highway, Ahmedabad-380060 Tel no. (079) 4002 3116 Fax no. (079) 4003 3116 Email: cs@mishtann.com; info@mishtann.com
vi) Whether listed company	Yes
vii) Name, Address and Contact details of Registrar and Transfer Agent	<b>MCS Share Transfer Agent Ltd</b> <b>Address:</b> 1. 12/1/5, Manoharpukur Road, Kolkata-700026, <b>Contact No.:</b> 033- 40724051/52/5 2. 201, Shatdal Complex, Opp. Bata Show Room, Ashram Road, Ahmedabad-380009 <b>Contact No.:</b> 079-2658 2878, 2879, 2880 <b>E-mail id:</b> mcssta@rediffmail.com mcsstaahmd@gmail.com

## II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Sr. No.	Name and Description of main products/services	NIC Code of the Product/service	% to total turnover of the company
1	Basmati Rice	10612	95.38

## III PARTICULARS OF HOLDING, SUBSIDIARY, ASSOCIATE AND JOINT VENTURE COMPANIES

Sr. No.	Name and Address of the Company	CIN/GLN	Holding/Subsidiary/Associate/Joint Venture Companies	% of shares held	Applicable Section
			NIL*		

\* Note: Mishtann Shoppee India Private Limited (formerly known as Mishtann Agro Private Limited) ceased to be subsidiary Company of Mishtann Foods Limited w.e.f. 14<sup>th</sup> May, 2018.

## IV SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

### (i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 01-April -2018]				No. of Shares held at the End of the year [As on 31-March-2019]				% Change during the year*
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoter's</b>									
<b>(1) Indian</b>									
a) Individual/HUF	12726400	1017900	13744300	44.31	246443000	-	246443000	49.29	4.98
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	-	-	-	-	-	-	-	-	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
<b>Sub-total (A) (1):-</b>	<b>12726400</b>	<b>1017900</b>	<b>13744300</b>	<b>44.31</b>	<b>246443000</b>	<b>-</b>	<b>246443000</b>	<b>49.29</b>	<b>4.98</b>
<b>(2) Foreign</b>									
a) NRIs -									
Individuals	-	-	-	-	-	-	-	-	-
b) Other -Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other...	-	-	-	-	-	-	-	-	-
<b>Sub-total (A) (2):-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Shareholding of Promoter (A) = (A)(1)+(A)(2)</b>	<b>12726400</b>	<b>1017900</b>	<b>13744300</b>	<b>44.31</b>	<b>246443000</b>	<b>-</b>	<b>246443000</b>	<b>49.29</b>	<b>4.98</b>
<b>B. Public shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(1):-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>2. Non-Institutions</b>									
a) Bodies Corp.									
i) Indian	-	-	-	-	383777	-	383777	0.08	0.08
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	10	58957	58967	7.63	384718	25040	409758	0.08	(7.55)
ii) Individual shareholders holding nominal share capital in excess of ₹1 lakh	16823202	392631	17215833	48.06	252739574	0	252739574	50.55	2.49
c) Others (specify)									
i) Non-Resident Individuals	-	-	-	-	19461	0	19461	0.00	0.00
ii) HUF	-	-	-	-	4430	0	4430	0.00	0.00
<b>Sub-total (B)(2):-</b>	<b>16823212</b>	<b>451588</b>	<b>17274800</b>	<b>55.69</b>	<b>253531960</b>	<b>25040</b>	<b>253557000</b>	<b>50.71</b>	<b>(4.98)</b>
<b>Total Public Shareholding B) = (B) (1)+(B)(2)</b>	<b>16823212</b>	<b>451588</b>	<b>17274800</b>	<b>55.69</b>	<b>253531960</b>	<b>25040</b>	<b>253557000</b>	<b>50.71</b>	<b>(4.98)</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>									
<b>Grand Total (A+B+C)</b>	<b>29549612</b>	<b>1469488</b>	<b>31019100</b>	<b>100</b>	<b>499974960</b>	<b>25040</b>	<b>500000000</b>	<b>100</b>	<b>-</b>



**(ii) Shareholding of Promoters (including promoter group)**

Sr. No.	Share holder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year*
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbe-red to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbe-red to total shares	
1	Hiteshkumar G Patel	3600000	11.61	-	80400000	16.08	-	4.47
2	Ravikumar G Patel	3600000	11.61	-	79000000	15.8	-	3.47
3	Navinchandra D Patel	1762000	5.68	-	32620000	6.52	-	0.84
4	Jatinkumar R Patel	2600000	8.38	-	32600000	6.52	-	(1.86)
5	Kantilal J Khimani HUF	153000	0.49	-	-	-	-	(0.49)
6	Ketan Khimani	323600	1.04	-	-	-	-	(1.04)
7	Bipinchandra Maganbhai Patel	20000	0.06	-	-	-	-	(0.06)
8	Manjulaben Patel	1164400	3.75	-	21823000	4.36	-	0.61
9	Harshadbhai Chaganbhai Patel	296500	0.96	-	-	-	-	(0.96)
10	Jasminbhai Lakshmanbhai Patel	11400	0.04	-	-	-	-	(0.04)
11	Vijaykumar Bipinbhai Patel	213400	0.69	-	-	-	-	(0.69)

\* % Change during the year is due to:

1. Preferential Allotment
2. Subdivision of share of ₹ 10/- each into 10 shares of ₹ 1/- each.

**(iii) Change in Promoters' Shareholding (including promoter group) (please specify, if there is no change)**

Sr. No.	Name	Shareholding No. of shares at the beginning (1 <sup>st</sup> April 2018) / end of the year (31 <sup>st</sup> March 2019)	% of total shares of the Company	Date of Change in Shareholding	Increase/ Decrease in Shareholding	Reason	Cumulative shareholding during the year (1 <sup>st</sup> April 2018 to 31 <sup>st</sup> March 2019)	% of total Shares of the Company
1	Hiteshkumar Gaurishankar Patel	3600000	11.61	01-04-2018				
				21-06-2018	4440000	Preferential Allotment	8040000	16.08
				01-11-2018	72360000	Sub-division of Equity Shares	80400000	16.08
		80400000	16.08	31-03-2019				
2	Ravikumar Gaurishankar Patel	3600000		01-04-2018				
				21-06-2018	4300000	Preferential Allotment	7900000	15.8
				01-11-2018	71100000	Sub-division of Equity Shares	79000000	15.8
		79000000		31-03-2019				
3	Jatinkumar Ramanbhai Patel	2600000	5.68	01-04-2018				
				21-06-2018	660000	Preferential Allotment	3260000	6.52
				01-11-2018	29358000	Sub-division of Equity Shares	32600000	6.52
		32620000	6.52	31-03-2019				
4	Navinchandra Dahyalal Patel	1762000	5.68	01-04-2018				
				21-06-2018	1500000	Preferential Allotment	3262000	6.52
				01-11-2018	29358000	Sub-division of Equity Shares	32620000	6.52
		32620000	6.52	31-03-2019				
5	Manjulaben Gaurishankar Patel	1164400		01-04-2018				
				02-08-2018	1017900	Inter se Promoter Transfer	2182300	4.36
				01-11-2018	19640700	Sub-division of Equity Shares	21823000	4.36
		21823000		31-03-2019				
6	Kantilal J Khimani HUF	153000	0.49	01-04-2018				
				02-08-2018	-153000	Inter se Promoter Transfer	0	0
				31-03-2019				
		0	0	31-03-2019				

Sr. No.	Name	Shareholding No. of shares at the beginning (1 <sup>st</sup> April 2018) / end of the year (31 <sup>st</sup> March 2019)	% of total shares of the Company	Date of Change in Shareholding	Increase/ Decrease in Shareholding	Reason	Cumulative shareholding during the year (1 <sup>st</sup> April 2018 to 31 <sup>st</sup> March 2019)	% of total Shares of the Company
7	Ketan Khimani	323600	1.04	01-04-2018				
				02-08-2018	-323600	Inter se Promoter Transfer	0	0
		0		31-03-2019				
8	Bipinchandra Maganbhai Patel	20000	0.06	01-04-2018				
				02-08-2018	-20000	Inter se Promoter Transfer	0	0
		0		31-03-2019				
9	Harshadbhai Chaganbhai Patel	296500	0.96	01-04-2018				
				02-08-2018	-296500	Inter se Promoter Transfer	0	0
		0	0	31-03-2019				
10	Jasminbhai Laxmanbhai Patel	11400	0.04	01-04-2018				
				02-08-2018	-11400	Inter se Promoter Transfer	0	0
		0	0	31-03-2019				
11	Vijaykumar Bipinbhai Patel	213400	0.69	01-04-2018				
				02-08-2018	-213400	Inter se Promoter Transfer	0	0
				31-03-2019				

**(iv) Shareholding Pattern of top ten Shareholders**

Sr. No.	Name	Shareholding No. of shares at the beginning (1 <sup>st</sup> April 2018) / end of the year (31 <sup>st</sup> March 2019)	% of total shares of the Company	Date of Change in Shareholding	Increase/ Decrease in Shareholding	Reason	Cumulative shareholding during the year (1 <sup>st</sup> April 2018 to 31 <sup>st</sup> March 2019)	% of total Shares of the Company
1	Rajeshkumar Prabhudasbhai Patel	2565673	8.27	01-04-2018				
				01-11-2018	23091057	Sub-division of Equity Shares	25656730	5.13
		25656730	5.13	31-03-2019				
2	Parichay Kumar Maganbhai Patel	304180	0.98	01-04-2018				
				11-05-2018	16352	Transfer	320532	1.03
				21-06-2018	2020225	Preferential Allotment	2340757	4.68
					21066813	Sub-division of Equity Shares	23407570	4.68
3	Sureshkumar Ramji Bahi Patel	295990	0.95	01-04-2018				
				11-05-2018	22226	Transfer	318216	
				21-06-2018	2020225	Preferential Allotment	2338441	
					21045969	Sub-division of Equity Shares	23384410	
					30	Sell	23384380	
4	Patel Shankarbhai Kodarbhai	308765		31-03-2019				
				01-04-2018				
				20-04-2018	2490	Transfer	311255	
5	Jignesh Ramanlal Patel			21-06-2018	2020225	Preferential Allotment	2331480	
					20983320	Sub-division of Equity Shares		
		23314800		31-03-2019				
		2209100	7.12	01-04-2018				
5	Jignesh Ramanlal Patel			01-11-2018	19881900	Sub-division of Equity Shares	22091000	4.42
		22091000	4.42	31-03-2019				

Sr. No.	Name	Shareholding No. of shares at the beginning (1 <sup>st</sup> April 2018) / end of the year (31 <sup>st</sup> March 2019)	% of total shares of the Company	Date of Change in Shareholding	Increase/ Decrease in Shareholding	Reason	Cumulative shareholding during the year (1 <sup>st</sup> April 2018 to 31 <sup>st</sup> March 2019)	% of total Shares of the Company
6	Patel Kanakkumar V	2189561	7.06	01-04-2018				
				26-07-2018	1020	Transfer	2190581	4.38
				03-09-2018	2973	Purchase	2193554	4.39
				12-10-2018	550	Purchase	2194104	4.39
				02-11-2018	19746936	Sub-division of Equity Shares	21941040	4.39
				27-11-2018	10	Sell	21941030	4.39
				26-12-2018	25971	Purchase	21967001	4.39
				15-01-2019	25971	Sell	21941030	4.39
				25-01-2019	14000	Purchase	21955030	4.39
				28-02-2019	80330	Purchase	22035360	4.41
				01-03-2019	15910	Purchase	22051270	4.41
				28-03-2019	5000	Sell	22046270	4.41
				22046270	4.41	31-03-2019		
7	Sureshbhai Hirabhai Patel	2189385	7.06	01-04-2018				
				01-11-2018	19704465	Sub-division of Equity Shares	21893850	4.38
		21893850	4.38	31-03-2019				
8	Vasantbhai Mulchandbhai Patel	2155298	6.95	01-04-2018				
				02-11-2018	19397682	Sub-division of Equity Shares	21552980	4.31
				28-01-2019	3170	Sell	21549810	4.31
				29-01-2019	2661	Sell	21547149	4.31
				30-01-2019	2611	Sell	21544538	4.31
				13-02-2019	8600	Sell	21535938	4.31
				14-02-2019	8450	Sell	21527488	4.31
				15-02-2019	8300	Sell	21519188	4.3
				18-02-2019	3050	Sell	21516138	4.3
		21516138	4.3	31-03-2019				
9	Jayantilal Mulchandbhai Patel	130500	0.42	01-04-2018				
				21-06-2018	2020225	Preferential Allotment	2150725	4.3
				02-11-2018	1935625	Sub-division of Equity Shares	21507250	4.3
		21507250	4.3	31-03-2019				
10	Ashwin Maganbhai Patel	745636	2.4	01-04-2018				
				02-11-2019	6710724	Sub-division of Equity Shares	7456360	1.49
		7456360	1.49	31-03-2019				

**(v) Shareholding of Directors and Key Managerial Personnel:**

Sr. No.	Name	Shareholding No. of shares at the beginning (1 <sup>st</sup> April 2018) / end of the year (31 <sup>st</sup> March 2019)	% of total shares of the Company	Date of Change in Shareholding	Increase/ Decrease in Shareholding	Reason	Cumulative shareholding during the year (1 <sup>st</sup> April 2018 to 31 <sup>st</sup> March 2019)	% of total Shares of the Company
1	Hiteshkumar Gaurishankar Patel	3600000	11.61	01-04-2018				
				21-06-2018	4440000	Preferential Allotment	8040000	16.08
				01-11-2018	72360000	Sub-division of Equity Shares	80400000	16.08
		80400000	16.08	31-03-2019				
2	Navinchandra Dahyalal Patel	1762000	5.68	01-04-2018				
				21-06-2018	1500000	Preferential Allotment	3262000	6.52
				01-11-2018	29358000	Sub-division of Equity Shares	32620000	6.52
		32620000	6.52	31-03-2019				

Sr. No.	Name	Shareholding No. of shares at the beginning (1 <sup>st</sup> April 2018) / end of the year (31 <sup>st</sup> March 2019)	% of total shares of the Company	Date of Change in Shareholding	Increase/ Decrease in Shareholding	Reason	Cumulative shareholding during the year (1 <sup>st</sup> April 2018 to 31 <sup>st</sup> March 2019)	% of total Shares of the Company
3	Ravikumar Gaurishankar Patel	3600000		01-04-2018				
				21-06-2018	4300000	Preferential Allotment	7900000	15.8
				01-11-2018	71100000	Sub-division of Equity Shares	79000000	15.8
		79000000		31-03-2019				
4	Jatinkumar Ramanbhai Patel	2600000	5.68	01-04-2018				
				21-06-2018	660000	Preferential Allotment	3260000	6.52
				01-11-2018	29358000	Sub-division of Equity Shares	32600000	6.52
		32620000	6.52	31-03-2019				

## V INDEBTEDNESS

	Secured Loan excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the FY</b>				
i) Principal Amount	21,42,63,400.00	12,50,71,249.00	-	339334649
ii) Interest due but not paid	4,28,713.00	-	-	428713
iii) Interest accrued but not due	-	-	-	0
<b>Total (i+ii+iii)</b>	<b>21,46,92,113.00</b>	<b>12,50,71,249.00</b>	<b>-</b>	<b>339763362</b>
<b>Change in indebtedness during the FY</b>				
* Addition	15,40,68,277.00	-	-	154068277
* Reduction	1,35,66,676.00	8,54,14,146.00	-	98980822
Net Change	14,05,01,601.00	-8,54,14,146.00	-	55087455
<b>Indebtedness at the end of the FY</b>				
i) Principal Amount	35,49,45,655.00	3,96,57,103.00	-	394602758
ii) Interest due but not paid	2,48,059.00	-	-	248059
iii) Interest accrued but not due	-	-	-	0
<b>Total (i+ii+iii)</b>	<b>35,51,93,714.00</b>	<b>3,96,57,103.00</b>	<b>-</b>	<b>394850817</b>

## VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

### (A) Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sr. No.	Particulars of Remuneration	Name of MD/WTD/ Manager				Total Amount (p.a.)
		Mr Hiteshkumar Gaurishankar Patel	Mr. Ravikumar Gaurishankar Patel*	Mr Navinchandra Dahyalal Patel	Mr Jatinkumar Ramanbhai Patel*	
1	<b>Gross salary</b>	300000	300000	300000	300000	1200000
	(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	-	-	-	-	-
	<b>Total (A)</b>	<b>300000</b>	<b>300000</b>	<b>300000</b>	<b>300000</b>	<b>1200000</b>
Ceiling as per the Companies Act, 2013						

**(B) Remuneration to other directors:**

No Fees for attending board / committee meetings, Commission and Others were paid to Independent and Non-Executive Directors of the Company during the Financial Year 2018-19.

**(C) Remuneration to Key Managerial Personnel other than MD/Manager/WTD**

Sr. No.	Particulars of Remuneration	Key Managerial Personnel		Total Amount (p.a)
		CS	CFO	
1	<b>Gross salary</b>	249750	97731	<b>347481</b>
	(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	<b>Stock Option</b>	-	-	-
3	<b>Sweat Equity</b>	-	-	-
4	<b>Commission</b>	-	-	-
	- as % of profit	-	-	-
	others, specify...	-	-	-
5	<b>Others, please specify</b>	-	-	-
	<b>Total</b>	<b>249750</b>	<b>97731</b>	<b>347481</b>

**VII 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)
A. COMPANY					
		Penalty			
		Punishment	NIL		
		Compounding			
B. DIRECTORS					
		Penalty			
		Punishment	NIL		
		Compounding			
C. OTHER OFFICERS IN DEFAULT					
		Penalty			
		Punishment	NIL		
		Compounding			

For & on behalf of Board of Directors,  
**Mishtann Foods Limited**

SD/-  
**Hiteshkumar Gaurishankar Patel**  
Managing Director  
(DIN: 05340865)

**Date:** 14<sup>th</sup> August, 2019  
**Place:** Ahmedabad

# Annexure - D

## Form No. AOC - 2

### MATERIAL RELATED PARTY TRANSACTIONS

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts / arrangements entered into by the Company with related parties referred to in subsection (1) of Section 188 of the Act including certain arm's length transactions under third proviso thereto.

- A. Details of contracts or arrangements or transactions not at arm's length basis during the year ended March 31, 2019: None**
- B. Details of material contracts or arrangements or transactions at arm's length basis during the year ended March 31, 2019: None**

Details of Related party Transaction at arms-length basis in the ordinary course of business:

S No	Name(s) of the related party	Nature of relationship	Duration of contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transaction	Value of Transaction (in ₹)	Date(s) of approval by the Board	Amount paid as advance
1	Mishtann Shoppee India Private Limited (Formerly Known as Mishtann Agro Private Limited)	Subsidiary Company (Ceased with effect from 14-05-2018)	-	-	-	-	-
2	Ravi Trading Co.	Partnership Firm where director is partner	-	Purchase and sales of Goods and Materials	16,19,998	-	-
3	Gayatri Trading Company	Partnership Firm where Independent Director is partner	-	Purchase and sales of Goods and Materials	172,53,20.361	-	-
4	Vraj corporation	Partnership Firm where Independent Director is partner	-	Purchase and sales of Goods and Materials	81,51,54.668	-	-
5	Dharti Marketing	Partnership Firm where Independent Director is partner	-	Purchase and sales of Goods and Materials	6,56,03,403	-	-
6	Arihant Corporation	Partnership Firm where Independent Director is partner	-	Purchase and sales of Goods and Materials	130,97,74.533	-	-
7	Patel Brothers	Partnership Firm where Independent Director is partner	-	Purchase and sales of Goods and Materials	60,80,77.786	-	-
8	Umiya Agency	Partnership Firm where Independent Director is partner	-	Purchase and sales of Goods and Materials	47,28,07.283	-	-

For & on behalf of Board of Directors

SD/-  
**Hiteshkumar Gaurishankar Patel**  
 Managing Director  
 (DIN: 05340865)

**Date:** 14<sup>th</sup> August, 2019  
**Place:** Ahmedabad

# Annexure - E

## REPORT ON CORPORATE GOVERNANCE

[In terms of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations')]

### 1. COMPANY'S PHILOSOPHY

Mishtann is focused towards bringing transparency in all its dealings, adhering to well defined corporate values and leveraging the corporate resources for long-term value creation.

Your Company continues to strengthen its governance principles to generate long-term value for its various stakeholders on a sustainable basis thus ensuring ethical and responsible leadership both at the Board and at the Management levels.

**Mishtann Corporate Governance philosophy is based on the following principles:**

- Ensure transparency and maintain a high level of disclosure
- Clearly distinguish between personal conveniences and corporate resources
- Communicate externally and truthfully, about how the Company is run internally
- Have a simple and transparent corporate structure driven solely by business needs
- The Management is the trustee of the shareholders' capital and not the owner
- Corporate Governance Standards should satisfy both the spirit of the law and the letter of the law

### CODE/GOVERNANCE POLICIES

- Whistle Blower Policy
- Policy for determination of Materiality
- Policy on Archival of Documents
- Corporate Social Responsibility Policy
- Board Diversity Policy
- Nomination & Remuneration Policy
- Policy for Determining Material Subsidiaries
- Related Party Transactions Policy

- Familiarisation Programme for Independent Directors
- Policy on Preservation of Documents
- Code of practices and procedures for fair disclosures of Unpublished price sensitive information

### 2. MANAGEMENT DISCUSSION AND ANALYSIS

The Management Discussion and Analysis forms part of this Report for the year ended 31<sup>st</sup> March, 2019 and annexed to this Report.

### 3. BOARD OF DIRECTORS

#### (a) Composition of Board

The Board of Mishtann is an optimum combination of Executive, Non-executive and Independent Directors including Independent Woman Director. For the Financial Year ended March 31, 2019 the board composition was as follows;

Promoter & Promoter Group	2
Executive Directors	2
Independent and Non-Executive Directors	3

#### (b) During the Financial Year 2018-19 fourteen Board Meetings were held on the following dates;

1	Friday, April 13, 2018
2	Monday, May 14, 2018
3	Thursday, June 21, 2018
4	Monday, June 25, 2018
5	Monday, July 09, 2018
6	Monday, August 13, 2018
7	Tuesday, August 28, 2018
8	Tuesday, September 18, 2018
9	Saturday, October 13, 2018
10	Monday, October 22, 2018
11	Wednesday, October 31, 2018
12	Wednesday, December 05, 2018
13	Tuesday, February 12, 2019
14	Monday, March 25, 2019

**(c) Meetings attended by the Board Members during the Year 2018-19**

Name of Director	Category	No. of Directorship held in other listed Entity	No. of Board Meeting Attended	Attended last AGM	No. of Memberships of other Board Committees	No. of other Board Committees of which the Director is a Chairperson
Mr. Hiteshkumar G. Patel	Managing Director	-	14	Yes	-	-
Mr. Navinchandra D. Patel	Whole time Director	-	14	Yes	-	-
Mr. Bharatbhai J. Patel	Non-executive & Independent Director	-	14	Yes	-	-
Mr. Devalkumar B. Patel	Non-executive & Independent Director	-	14	Yes	-	-
Mrs. Heemaben J. Patel	Non-executive & Independent Director	-	#	#	-	-

# Appointed with effect from March 25, 2019, thereafter no Board Meeting were held in the Year.

Note: Mr. Bharatbhai J. Patel is father of Mr. Devalkumar B. Patel.

Minutes of the meetings of all the Board and Committees are circulated to all the Directors.

**(d) Familiarisation Programme for Independent Directors**

The Company conducts familiarisation programs for Independent Directors with regard to their roles, rights, responsibilities towards the Company, the business operations of the Company, etc. Descriptions of the familiarisation programs extended to the Independent Directors is disclosed on the Company website at <http://www.mishtann.com/uploads/specification/familiarization-programme-for-independent-directors.PDF>

(e) The list of core skills/expertise/competencies identified by the board of directors as required in the context of the business(es) and sector(s) for it to function effectively and those actually available with the board

i) **Knowledge:** to understand the company's policies, procedures, mission, vision, values, goals and must have basic understanding of reading and interpreting Financial data.

ii) **Negotiating skills:** the Agriculture business requires immense communication with farmers, traders and dealers.

iii) **Behavioral Skills:** attributes and competencies to use their knowledge and skills to function well as team members and to interact with key stakeholders.

iv) **Ability and Willingness to Facilitate Change:** the ability to change and adapt the with various technologies in the business processes and its effective management.

v) **A Willingness to Collaborate:** agriculture is growing more interdependent, the directors and managers must such attitude.

(f) The Board confirms that the Independent Directors fulfill the conditions specified in Section 149 of the Act and Regulation 16(1)(b) of the Listing Regulations and are independent of the management.



(g) During FY 2018-19, Mr. Ravikumar Ramanbhai Patel, Mr. Bhaveshkumar Vasantbhai Patel and Mrs. Sweetiben ravikumar Patel resigned from the Board of Directors of the Company, effective February 12, 2019, due to personal reasons and pre occupations.

## 4. COMMITTEES OF BOARD

### 1) Audit Committee

#### Brief description of terms of reference:

- |   |  |
|---|--|
| <p>A. To oversee the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.</p> <p>B. To recommend the appointment and removal of external auditor, fixation of audit fees and also approval for payment of any other Consultancy services provided by the statutory auditor.</p> <p>C. To Review, with management the annual financial statements before submission to the Board, focusing primarily on:</p> <p>(a) matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;</p> <p>(b) changes, if any, in accounting policies and practices and reasons for the same;</p> <p>(c) major accounting entries involving estimates based on the exercise of judgment by management;</p> <p>(d) significant adjustments made in the financial statements arising out of audit findings;</p> <p>(e) compliance with listing and other legal requirements relating to financial statements;</p> <p>(f) disclosure of any related party transactions;</p> <p>(g) modified opinion(s) in the draft audit report;</p> <p>D. To review, with the management, the quarterly financial statements before submission to the board for approval</p> | <p>E. To review, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter</p> <p>F. To reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process</p> <p>G. approval or any subsequent modification of transactions with related parties;</p> <p>H. To scrutinize inter-corporate loans and investments</p> <p>I. To Evaluate the value of undertakings or assets of the Company, wherever it is necessary;</p> <p>J. To evaluate the internal financial controls and risk management systems;</p> <p>K. To review, with the management, performance of statutory and internal auditors, adequacy of the internal control systems</p> <p>L. To review the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;</p> <p>M. To discuss with internal auditors of any significant findings and follow up there on;</p> <p>N. To review the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;</p> <p>O. To discuss with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;</p> |
|---|--|

- P. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, if any, shareholders (in case of non-payment of declared dividends) and creditors;
- Q. To review the functioning of the whistle blower mechanism;
- R. To approve appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
- S. To review the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.
- S. To carry out any other function as is mentioned in the terms of reference of the audit committee.
- Review the financial reporting process and disclosure of its financial information
  - Review with the management, Annual financial statements before submission to the Board
  - Review with the management, statutory Auditors and Internal Auditors and adequacy of internal control systems
  - Review the company's accounting and risk management policies
  - Review the company's accounting and management reporting systems and updates the same from time to time recommend the appointment and removal of statutory and Internal Auditors and fixation of fees for the same.
  - Review quarterly financial statement.
  - Review internal investigations made statutory/ Internal Auditors.
  - Scope of Statutory/ Internal Audit
  - Review fixed deposits/repayment systems etc.
  - Review related party transactions.
- Executive summary of the Audit Committee Meetings are placed before the immediate next Board Meetings held after the Audit

Committee for deliberations and the full minutes of the same are placed before the following Board Meeting for record. The Board of Directors, regularly apprised on the recommendations for the Audit Committee, further, at the beginning of the financial year, the Committee discuss the plan for the internal audit and statutory audit. The company Secretary acts as Secretary of the Audit Committee.

Dates of the Audit Committee Meetings are fixed in advance and agenda is circulated to the Directors at least seven days before the meeting.

As required under Regulation 18(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Audit Committee had reviewed the following information:

- Management Discussion and analysis of financial condition and results of operations.
- Statement of significant related party transactions submitted by management
- Management letters/letters of internal controls, weaknesses issued by the Statutory Auditors.
- Internal Auditors Reports relating to internal control weaknesses.
- Appointment, removal and terms of remuneration of the internal auditors.
- During the year four meetings of Audit Committee were held on the following dates:

1	Monday, May 14, 2018
2	Monday, August 13, 2018
3	Monday, October 22, 2018
4	Tuesday, February 12, 2019

The constitution, composition and attendance details of the Audit Committee are as under:

The audit Committee as on March 31, 2019 comprises of three Non-executive and Independent Directors.

Name of Director	Title	No. of meetings attended
Mr. Bhaveshkumar V. Patel*	Chairman	2
Mr. Ravikumar R. Patel**	Chairman	2
Mr. Bharatbhai J. Patel	Chairman	4
Mr. Devalkumar B. Patel	Member	4
Mrs. Heemaben J. Patel	Member	#

\* Mr. Bhaveshkumar V. Patel loses his Independency with effect from September 18, 2018

\*\* Ceased to be Non-executive and Independent Directors effective after the closing of working hours on February 12, 2019

# appointment with effect from March 25, 2019

## 2) Nomination And Remuneration Committee

### Brief description of terms of reference:

The Committee has adopted a policy relating to the appointment and remuneration of Directors, Key Managerial Personnel and Senior Management employees.

### The role of Nomination and Remuneration Committee is as follows:

- (1) To formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel, Senior Management and other employees;
- (2) To formulate the criteria for evaluation of performance of independent directors and the board of directors;
- (3) To devise a policy on diversity of board of directors;
- (4) To identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.
- (5) To determine whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.

(6) To recommend to the board, all remuneration, in whatever form, payable to senior management.

(7) To review HR Policies and Initiatives.

The Committee shall, while formulating the policy, ensure the following :

- a) The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully;
- b) Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- c) Remuneration to Directors, KMP and Senior Management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.

### During the Year three meetings of NRC were held on the following dates:

1	Monday, August 13, 2018
2	Saturday, October 13, 2018
3	Saturday, February 09, 2019

### The constitution, composition and attendance details of the NRC are as under:

The Nomination and Remuneration Committee as on March 31, 2019 comprises of three Non-executive and Independent Directors.

Name of Director	Title	No. of meetings attended
Mr. Bhaveshkumar V. Patel*	Chairman	1
Mr. Ravikumar R. Patel**	Chairman	2
Mr. Bharatbhai J. Patel	Chairman	3
Mr. Devalkumar B. Patel	Member	3
Mrs. Heemaben J. Patel	Member	#

\* Mr. Bhaveshkumar V. Patel loses his Independency with effect from September 18, 2018

\*\* Ceased to be Non-executive and Independent Directors effective after the closing of working hours on February 12, 2019

# appointment with effect from March 25, 2019

### Performance evaluation criteria for Directors

During the year, the Board adopted a formal mechanism for evaluating its performance as well as that of its Committees and individual Directors, including the Chairman of the Board. The exercise was carried out through a structured evaluation process covering various aspects of the Boards functioning such as composition of the Board & committees, experience & competencies, performance of specific duties & obligations, governance issues etc. Separate exercise was carried out to evaluate the performance of individual Directors including the Board Chairman who were evaluated on parameters such as attendance, contribution at the meetings and otherwise, independent judgment, safeguarding of minority shareholders interest etc.

The evaluation of the Independent Directors was carried out by the entire Board and that of the Chairman and the Non-Independent Directors were carried out by the Independent Directors.

The Directors were satisfied with the evaluation results, which reflected the overall engagement of the Board and its Committees with the Company.

## 2.1 Remuneration of directors

- (a) There were no pecuniary relationship or transactions with the Non-executive directors during the year. The company do not pay sitting fees or commissions to the Non-executive directors.
- (b) The criteria for making payments to non-executive directors are placed on the company's website at <http://www.mishtann.com/uploads/specification/criteria-for-making-payment-to-non-executive-directors.PDF>

### (c) Remuneration details of Directors

Name of Director	Remuneration inclusive of all benefits per Annum in ₹
Mr. Hiteshkumar G. Patel	3,00,000
Mr. Navinchandra D. Patel	3,00,000
Mr. Jatinkumar R. Patel*	3,00,000
Mr. Ravikumar G. Patel*	3,00,000

\* Ceased to be director with effect from October 31, 2019.

## 3) STAKEHOLDERS' GRIEVANCE COMMITTEE / STAKEHOLDERS RELATIONSHIP COMMITTEE

### (a) The committee composes of the following Non-executive and Non-Independent Directors:

Name of Director	Title
Mr. Bhaveshkumar V. Patel*	Chairman
Mr. Ravikumar R. Patel**	Chairman
Mr. Bharatbhai J. Patel	Chairman
Mr. Devalkumar B. Patel	Member
Mrs. Heemaben J. Patel	Member

\* Mr. Bhaveshkumar V. Patel loses his Independency with effect from September 18, 2018

\*\* Ceased to be Non-executive and Independent Directors effective after the closing of working hours on February 12, 2019

# appointment with effect from March 25, 2019

### (b) The dates of the four meetings of the committee held during the year are following:

1	Friday, April 04, 2018
2	Tuesday, July 17, 2018
3	Friday, October 05, 2018
4	Monday, January 07, 2019

### (c) Complaints status for the period 01-04-2018 to 31-03-2019

Number of complaints received	Number of complains pending	Number of complains resolved
17	6	11

### (d) Name and Designation of the Compliance Officer

Ms. Sonu Jain, Company Secretary & Compliance Officer of the Company with effect from October 01, 2018.

Prior to October 01, 2018 Ms. Sugandha Goyal was the Compliance Officer of the Company.

### (e) The Stakeholders Relationship Committee also have the following roles;

- To Resolve the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
- To review measures taken for effective exercise of voting rights by shareholders.

- (3) To review the adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
- (4) To review various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

## 5. GENERAL BODY MEETINGS

### (a) A brief summary of last three Annual General meetings and special resolution passed;

Financial Year	Day, Date and Time	Venue of the Annual General Meeting	No. Of Special resolution passed
2017-18	Thursday, September 29, 2018 at 11:45 A.M.	Renaissance Hotel Ganesh Meridian, Opp. High Court of Gujarat, Sola, S. G. Highway, Ahmedabad - 380060	6
2016-17	Friday, September 29, 2017 at 11:00 A.M.	C-808, Ganesh Meridian Opp. High Court of Gujarat, S.G. Highway Ahmedabad - 380060	5
2015-16	Tuesday, August 02, 2016 at 11:45 A.M.	C-808, Ganesh Meridian Opp. High Court of Gujarat, S.G. Highway Ahmedabad - 380060	4

### (b) Special Resolutions passed in 38<sup>th</sup> Annual General Meeting are as follows:

- To approve for splitting of the Company's Equity Shares of ₹ 10/- each into 10 Equity Shares having a face value of ₹ 1/- each
- Subdivision of Authorised Equity Share Capital and Consequent Alteration of Memorandum of Association
- To approve appointment of Mrs. Vandana Patel, to a place of profit being head of Marketing of the Company
- To approve appointment of Mrs. Tejal Patel, to a place of profit being head of advertising of the Company
- To approve appointment of Mrs. Rinkal Patel, to a place of profit being head of advertising of the Company
- To approve appointment of Ms. Kamini Patel, to a place of profit being head of accounts of the Company

### (c) Special Resolutions passed in 37<sup>th</sup> Annual General Meeting are as follows:

- To appoint Mr. Hiteshkumar Gaurishankar Patel as Managing Directors of the company.
- To Approve for Increase the Remuneration of Director & Chief Financial Officer Mr. Ravi Kumar G. Patel.

- To Appoint Mr. Jatin Patel as Whole Time Director of the company
- To Appoint Mr. Navinchandra Patel as Whole Time Director of the company
- To approve for avilment of Unsecured Loan from Promoter and Promoter Group of the company with an exercise of option to convert the said loan into equity Shares of the company.

### (d) Special Resolutions passed in 36<sup>th</sup> Annual General Meeting are as follows:

- Increase Borrowing Power of board of directors of the company.
- Reclassification of Authorised Equity Share Capital and consequent alteration of Memorandum of association.
- Sub-division of one equity share of the company of face value of ₹ 10/ each to 10 Equity Shares of ₹ 1/- each.
- To obtain approval for related party transactions.

- (e) No Special Resolution through postal ballot was passed during the F.Y. 2017-18. As on the date of this Report, there are no special resolutions proposed to be conducted through Postal Ballot.

**(f) Extra ordinary General Meeting**

An Extra ordinary general Meeting was duly called, held and conducted on Friday, June 08, 2019 at the Registered Office of the Company at 11:00 A.M. for transacting business as follows:

- (1) To consider increase in authorised share capital of the company
- (2) To amend Memorandum of Association of the company and;
- (3) Issue of Equity shares on preferential basis.

**6. MEANS OF COMMUNICATION****(a) Quarterly Results**

The quarterly, Half-early and Annually Financial Results of the Company are published in widely circulated Economic Times, Business Standard in English and vernacular language as required under Regulation 47 of the SEBI Listing Regulations.

**(b) Website where results were displayed**

The Company's website contains a separate dedicated section "Investor Relations" which provides comprehensive information for members such as Press Releases, Unclaimed Dividend, Company details, Disclosures and

**(e) Listing on Stock Exchanges**

Name of the Stock Exchange	Stock Code	ISIN (International Securities Identification Number)
Bombay Stock Exchange Limited <b>Address:</b> P.J. Towers Dalal Street, Mumbai-400001	539594	INE094S01041
Metropolitan Stock Exchange of India Limited <b>Address:</b> 4 <sup>th</sup> Vibgyor Tower, Opp. Trident Hotel, Bandra-Kurla Complex, Mumbai-400098	MISHTANN	INE094S01041

The Annual Listing Fees for the year 2019-2020 to Bombay Stock Exchange Limited and Metropolitan Stock Exchange of India Limited has been paid where the Company's Equity Shares are listed.

policies, Shareholding Pattern, Quarterly Governance Reports, Financial Results, Annual reports, the Board Members etc. Stakeholders may visit the website [www.mishtann.com](http://www.mishtann.com)

**7. GENERAL SHAREHOLDER INFORMATION**

(a) Annual General Meeting: Thursday, September 26, 2019 at 11:00 a.m. (IST) at Hotel Aloft, 147/1 Opposite Bhagwat Vidhya Peeth, Aarkhej-Gandhinagar Hwy, Sola, Ahmedabad-380061, Gujarat

(b) Financial Year: April 01, 2018 to March 31, 2019

(c) Dividend Payment Date:

The company paid First Interim Dividend on April 13, 2019.

Final Dividend will be paid within the stipulated time after declaration by the members at the ensuing Annual General Meeting.

(d) Record Date for payment of Dividend:

Dividend on equity shares on declaration will be paid on or before October 25, 2019 to those shareholders whose names stand in the Company's Register of Members in case of Physical Shares/beneficial owners as per the records of the depositories in case shares held in dematerialized form on cut-off date i.e. Thursday, September 19, 2019.

**(f) Market Price data**

Month	High Price	Low Price
Apr-18		
May-18	The Company has no data to report for this Period.	
June-18		
July-18		
Aug-18	56.9	27.3
Sep-18	80.75	58
Oct-18	118.25	82.35
Nov-18	17.44	12.03
Dec-18	25.3	17.75
Jan-19	39.2	25.8
Feb-19	51.25	38.45
Mar-19	63.35	43.05

**(g) Performance in comparison to Broad-based Indices**

Comparison of Mishtann with S&P BSE Midcap

Month	Mishtann Closing Price at BSE	S&P BSE Midcap
April-18		17012.03
May-18	No data available for this period	
Jun-18		15450.9
Jul-18		16013.44
Aug-18	56.9	16881.33
Sep-18	80.75	14763.2
Oct-18	118.25	14612.59
Nov-18	17.44	15039.35
Dec-18	25.3	15438.45
Jan-19	39.2	14560.09
Feb-19	43.9	14318.36
Mar-19	63.35	15479.62

**(h) The Company's Equity Shares are not suspended from trading in the Financial Year 2018-19.****(i) Registrar & Share Transfer Agent**

**Name:** MCS Share Transfer Agent Limited  
**Address:** 1) 383 Lake Gardens, 1<sup>st</sup> Floor, Kolkata - 700045  
 2) 201, Shatdal Complex, Opp. Bata Show Room, Ashram Road, Ahmedabad - 380009  
**Tel:** 079 2658 0461, 0462,0463, 033-4072 4051,4052,4053,4054  
**Fax:** 033-40724050  
**E-mail:** mcsstaahmd@gmail.com

For any assistance regarding dematerialisation of shares, share transfers, transmissions, change of address, non-receipt of dividend or any other query relating to shares, please write to our RTA at the aforesaid address.

For convenience of Members, documents will also be accepted at the Registered Office of the Company during working hours between Monday to Friday (10:00 a.m. to 6:00 p.m.), except public holidays.

**(j) Share Transfer System**

Applications for transfer of shares held in physical form are received at the office of the Registrars & Share Transfer Agents of the Company. All valid transfers are processed and registered within stipulated time.

Shares held in dematerialised form are electronically traded through the Depositories.

Requests for dematerialisation of physical shares are processed and completed within a period of 21 days from the date of receipt, provided they are in order in every respect. Bad deliveries are immediately returned to Depository Participants under advice to the Members.

**(k) Distribution of Shareholding**

Shareholding Pattern as on March 31, 2019

Category of Shareholders	No. of Shareholders	% of Total Shares
Promoter & Promoter Group	5	49.2886
Public	1216	50.6298664
Other Bodies Corporate	38	0.0767554
NRI	11	0.0038922
HUF	4	0.000886
Shares underlying DRs	0	0
Shares held by Employee Trusts	0	0
Total Shareholding	1274	100

Description	Shares	Folios	Percent Shares	Percent Holders
1-500	101114	1060	0.02	83.20
501-1000	48218	58	0.01	4.55
1001-2000	67823	44	0.01	3.45
2001-3000	31545	12	0.01	0.94
3001-4000	43765	13	0.01	1.02
4001-5000	32983	7	0.01	0.55

Description	Shares	Folios	Percent Shares	Percent Holders
5001-10000	155565	21	0.03	1.65
10001-50000	502978	20	0.10	1.57
50001-100000	423223	6	0.08	0.47
100001 and above	498592786	34	99.72	2.67
Total	500000000	1275	100	100.08

#### (l) Dematerialization of Shares and Liquidity

Particulars of Equity holding	Equity Shares of ₹ 1/- each.	
	Number of shares	Percent of total shares
NSDL	25040	0.005
CDSL	295550791	59.110
Physical form	204424169	40.885

#### (m) Outstanding Global Depository Receipts or American Depository Receipts or warrants or any convertible instruments

There are no outstanding GDRs / ADRs / Warrants or any convertible instruments as at March 31, 2019.

#### (n) Commodity price risk or foreign exchange risk and hedging activities: Not Applicable

#### (o) Plant Location

Survey No.10, At Kabori, Himatnagar- Dhansura Highway, Ta. Talod, Dist. Sabarkantha- 383305 Gujarat, India

#### (p) Address for Correspondence

C-808, Ganesh Meridian, Opp. High Court of Gujarat, Sola, S.G. Highway, Ahmedabad- 380060

#### (q) Credit Ratings:

No credit ratings obtained by the Company during the relevant financial year for any debt instruments, fixed deposit programme, any scheme or proposal, involving mobilization of funds, whether in India or abroad.

## 8. OTHER DISCLOSURES

- There were no materially significant related party transactions that may have potential conflict with the interests of the company at large during the year.
- There were no material non-compliance by the company, penalties, strictures imposed on the listed entity by stock exchange(s) or the board or any statutory authority, on any matter related to capital markets, during the last three years.
- The company has an effective vigil mechanism, whistle blower policy which is hosted on the Company's website i.e. [www.mishtann.com](http://www.mishtann.com). No personnel has been denied access to the audit committee.
- The policy for Determining material subsidiaries is available on the web link at <http://www.mishtann.com/uploads/specification/policy-for-determining-material-subsidies.pdf>
- The policy on dealing with Related Party Transactions is available on the web link at <http://www.mishtann.com/uploads/specification/related-party-transactions-policy.PDF>
- The funds raised through preferential Allotment were used as per the objects stated in the offer document and explanatory statement to the Notice of Extra ordinary General Meeting held on June 08, 2018.
- a certificate from a company secretary in practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority is received.
- During the year the Board has accepted and appreciated the recommendations received from its committees. There were no instances where Board did not accept the recommendations of its committees which are mandatory in nature.



- i) The Company has paid ₹ 1,70,000/- (One lakh seventy thousands) to its statutory Auditors for all services received from them during the year.
- j) Under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 the details of the complaints during the year as follows:
- a. number of complaints filed during the financial year: 0
  - b. number of complaints disposed of during the financial year: 0
  - c. number of complaints pending as on end of the financial year: 0

9. The Company has made adequate disclosures as required under Regulations 17 to 27 and Clause (b) to (i) of Sub-Regulation (2) of Regulation 46 of the SEBI Listing Regulations.

## 10. Declaration by the chief executive officer

I, Hiteshkumar Gaurishankar Patel, Managing Director of the Company, in pursuance of Regulation 26(3) and clause D of Schedule V declares that the members of board of directors and senior management personnel have affirmed compliance with the code of conduct of board of directors and senior management for the year ended March 31, 2019

For **Mishtann Foods Limited**

SD/-  
**Hiteshkumar Gaurishankar Patel**  
Managing Director  
(DIN: 05340865)

**Date:** 14<sup>th</sup> August, 2019

**Place:** Ahmedabad

## 11. Compliance certificate from the auditors

To  
The Members,  
**Mishtann Foods Limited**

We have examined the compliance of condition of Corporate Governance of the **Mishtann Foods Limited** ("the Company") for the year ended March 31, 2019 as stipulated in the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulation, 2015 (collectively referred to as "SEBI Listing Regulation, 2015).

The compliance of conditions of corporate Governance is the responsibility of the Company's management. My examination was limited to a review of procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to me, and the representations made by the Directors and the management, We certify that the Company has complied with the conditions of Corporate Governance as stipulated in Listing Regulations during the year ended 31<sup>st</sup> March, 2019.

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

For **Rahul Kakani & Associates**  
(Chartered Accountants)  
F.R.No. 130198W

Sd/-  
**Ajay D Patel**  
Partner  
M.no.: - 163596

**Date:** 14<sup>th</sup> August, 2019

**Place:** Ahmedabad

## CHIEF EXECUTIVE OFFICER/CHIEF FINANCIAL OFFICER CERTIFICATION

The following certificate was placed at the Board Meeting held on Wednesday, August 14, 2019

I, Navinchandra Dahyalal Patel, Whole-time Director and Chief Financial Officer to the best of our knowledge and belief certify that:

- A. I have reviewed financial statements and the cash flow statement for the year and that to the best of their knowledge and belief:
  - (1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (2) these statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of my knowledge and belief, no transactions entered into by the listed entity during the year which are fraudulent, illegal or violative of the listed entity's code of conduct.
- C. I accept responsibility for establishing and maintaining internal controls for financial reporting and that I have evaluated the effectiveness of internal control systems of the listed entity pertaining to financial reporting and have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which I am aware and the steps they have taken or propose to take to rectify these deficiencies.
- D. I have indicated to the auditors and the Audit committee
  - (1) significant changes in internal control over financial reporting during the year;
  - (2) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - (3) instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the listed entity's internal control system over financial reporting.

For **Mishtann Foods Limited**

**Navinchandra Dahyalal Patel**  
Whole-time Director &  
Chief Financial Officer  
DIN: 05340874

**Date:** 14<sup>th</sup> August, 2019

**Place:** Ahmedabad

# Annexure - F

STATEMENT CONTAINING PARTICULARS PURSUANT TO SECTION 134(3)(M) OF THE ACT READ WITH RULE 8(3) OF THE COMPANIES (ACCOUNTS) RULES, 2014 AND FORMING PART OF THE REPORT OF THE DIRECTORS FOR THE YEAR ENDED MARCH 31, 2019

## A. Conservation of Energy

### i. Power and Fuel Consumption

Particulars	2018-19	2017-18
<b>A. Electricity</b>		
Units Purchased	1459278	1204029
Expenditure	8894030	7552124
Rate/Unit	6.09	6.27
<b>B. Consumption per unit of Production</b>		
Production (in ton.)	58803.3	52475.43
Units	1459278	1204029
Unit/Tonne	24.82	22.94

- i. The steps taken by the Company for utilising alternate sources of energy: NIL
- ii. The capital investment on energy conservation equipments: NIL

## C. Technology Absorption

- i. The efforts made towards technology absorption: NIL
- ii. The benefits derived: NIL  
like product improvement, cost reduction, product development or import substitution;
- iii. Technology imported, if any. (imported during the last three years reckoned from the beginning of the financial year)
  - (a) the details of technology imported: NIL
  - (b) the year of import: NIL
  - (c) whether the technology been fully absorbed: NIL
  - (d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof: NIL
- (iv) the expenditure incurred on Research and Development: NIL

## D. Foreign Exchange earnings and outgo

Actual Foreign exchange earned during the year	NIL
Actual Foreign exchange outgo during the year	₹ 3,36,364/-

For and on behalf of **Board of Directors**

**Hiteshkumar Gaurishankar Patel**  
Managing Director  
(DIN: 05340865)

**Date:** 14<sup>th</sup> August, 2019  
**Place:** Ahmedabad

# Annexure - G

## ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR)

1. A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.

Pursuant to Section 135 of the Companies Act, 2013, the Corporate Social Responsibility Committee of the Board had approved a CSR Policy with primary focus on Hunger, Poverty, Malnutrition and Health, Education, Environmental sustainability. Besides these focus areas the Company shall also undertake any other CSR activities listed in Schedule VII of the Companies Act, 2013. The CSR Policy of the Company can be viewed on [www.mishtann.com](http://www.mishtann.com)

2. The Composition of the CSR Committee.

Name of Director	Title
Mr. Bhaveshkumar V. Patel*	Chairman
Mr. Ravikumar R. Patel**	Chairman
Mr. Bharatbhai J. Patel	Chairman
Mr. Devalkumar B. Patel	Member
Mrs. Heemaben J. Patel	Member

\* Mr. Bhaveshkumar V. Patel loses his Independency with effect from September 18, 2018

\*\* Ceased to be Non-executive and Independent Directors effective after the closing of working hours on February 12, 2019

# appointment with effect from March 25, 2019

3. Average net profit of the company for last three financial years: ₹ 1,18,45,240

4. Prescribed CSR Expenditure (two per cent. Of the amount as in item 3 above): ₹ 2,36,905

5. Details of CSR spent during the financial year.

(a) Total amount to be spent for the financial year: ₹ 2,36,905

(b) Amount unspent, if any: 0

(c) Manner in which the amount spent during the financial year is detailed below:

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
S. No.	CSR project or activity identified	Sector in which project is covered	Projects or programs (1) Local area or other (2) Specify the State and district where projects or Programs Was undertaken	Amount outlay (budget) project or wise	Amount spent on the projects or programsSub heads: (1) Direct expenditure on projects or programs. (2) Overheads	Cumulative -expenditure upto to the reporting period	Amount spent Direct or through implementing agency
1	Promoting Education	Education	Himmatnagar, Gujarat	2,36,905	2,36,905	2,36,905	Directly

For and on behalf of **Board of Directors**

**Hiteshkumar Gaurishankar Patel**  
Managing Director  
(DIN: 05340865)

Date: 14<sup>th</sup> August, 2019

Place: Ahmedabad

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# 3

## Financial Statements

# Independent Auditor's Report

To the Members

## **MISHTANN FOODS LIMITED**

Ahmedabad.

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

We have audited the accompanying standalone financial statements of MISHTANN FOODS LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2019, and the Statement of Profit and for the year then ended, and a summary of significant accounting policies and other explanatory information.

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

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these standalone financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2019;
- b) in the case of the Profit and Loss Account, of the profit for the year ended on that date.
- c) in case of Cash Flow Statement, of the Cash Flow for the year ended on that date.

## Report on other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure-A a statement on the matters specified in paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by section 143 (3) of the Act, we report that:
  - a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose 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, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
  - e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such

controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company has disclosed the impact of pending litigations, if any on its financial position in its financial statements .
  - 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 derivative contracts .
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For **RAHUL KAKANI & ASSOCIATES**  
(CHARTERED ACCOUNTANTS)

**AJAY D. PATEL**  
PARTNER  
M.NO.: 163596  
F.R.No. 130198W

**Place:** Ahmedabad  
**Date:** 29/04/2019



# “Annexure-A”

## to the Independent Auditor’s Report

Referred to in the Paragraph 1 under the heading ‘Report on the Other Legal and Regulatory Requirements’ of our report of even date on the financial statements of the Company for the year ended March 31, 2019.

### I. In respect of its fixed assets:

- a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- b) According to the information and explanations given to us, the fixed assets have been physically verified by the management during the year in a phased periodical manner which, in our opinion, is reasonable having regard to the size of the Company and nature of its business. No discrepancies of serious nature have been noticed by the management and almost all the items as appearing in the register have been physically verified at the end of the year.
- c) According to the information and explanations given to us, title deeds of immovable properties are not held in the name of the company. The title deeds of immovable properties are held in name of below mentioned director:-

Mr. Hiteshkumar G. Patel, Mr. Navinchandra D. Patel.

Directors has given right to use of immovable property to the company by executing registered lease deed for the period of 30 years.

### II. In respect of its Inventories:

- a) Physical verification of inventory has been conducted at reasonable intervals by the management and no material discrepancies were noticed.
- b) The Company is valuing physical inventories at lower of cost or Net realizable Value.

### III. In respect of loans granted and taken to / from parties covered in the register maintained u/s 189 of the Companies Act, 2013

The company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.

- i. the terms and conditions of the grant of such loans are not prejudicial to the company’s interest.

- ii. the schedule of repayment of principal and payment of interest has been stipulated and whether the repayments or receipts are regular.

### IV. In respect of loans, investments and guarantees u/s. Section 185 and 186 of the Companies Act, 2013.

In our opinion and according to the information and explanations given to us, In respect of loans, investments and guarantees, whether provisions of Section 185 and 186 of the Companies Act, 2013 have been complied with.

### V. In respect of deposits from public :

In our opinion and according to the information and explanations given to us, the Company has not accepted deposits from the public during the year. Therefore the provisions of clause 4(vi) of CARO are not applicable to the Company.

### VI. In respect of maintenance of cost records:

Pursuant to rules made by the Central Government for the maintenance of cost records under sub-section (1) of section 148 of the Companies Act 2013 in respect of certain manufacturing activities, as informed to us, the Company is not required to maintain cost records.

### VII. In respect of statutory dues:

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, Wealth tax, Sales tax, Value added tax, cess and any other material statutory dues have generally been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of Employees’ State Insurance, Custom Duty and Excise duty. According to the information and explanations given to us, there are no undisputed statutory dues payable in respect of Provident Fund, Employees State Insurance, Income tax, Sales-tax Wealth Tax, Custom Duty, Excise Duty, Cess which are outstanding as at 31.3.2019 for a period of more than six months from the date they became payable.

According to the information and explanations given to us, the particulars of dues of income tax or

sales tax or service tax or duty of customs or duty of excise or value added tax and other material statutory dues as at 31<sup>st</sup> March, 2019 which have not been deposited on account of any dispute, are as follows:

Name of the Statute	Nature of Dues	Amounts Involved	Period to which the amount relates	Forum where the dispute is pending
-	-	-	-	-

### VIII. In respect of dues to financial institution / banks / debentures:

Based on our audit procedures and on the basis of information and explanation given by the management, we are of the opinion that the company has not defaulted in the repayment of dues to financial institution and banks.

### IX. In respect of application of money raised by Initial public offer, further public offer (including debt instruments) and term loans.

According to the information and explanations given to us, company has not raised any money from initial public offer, further public offer (including debt instruments).

According to the information and explanations given to us, the term loan has been applied for the purpose for which the loans were obtained.

### X. In respect of fraud:

To the best of our knowledge and belief and according to the information and explanations given to us, no 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. In respect of Managerial Remuneration.

In our opinion and according to the information and explanations given to us and on the basis of our examination of the records, managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act.

### XII. In respect of Nidhi Company

In our opinion and according to the information and explanations given to us, Company is not

Nidhi Company. Hence Compliance related to Net owned fund is not applicable to company.

### XIII. In Respect of Related parties Transactions

In our opinion and according to the information and explanations given to us, all transactions with the related parties are in compliance with Section 188 and 177 of Companies Act, 2013, & where applicable and the details have been disclosed in the Financial Statements etc as required by the accounting standards and Companies Act, 2013.

### XIV. In Respect of Preferential Allotment/ Private Placement of shares.

According to the information and explanations given to us, the company has made only preferential allotment for 1,89,80,900 share issued at ₹ 10 each fully paid up and compliance under section 42 of the Companies Act, 2013 complied with. Further, the company has not made any private placement of shares or fully or partly convertible debentures during the year under review and if so, compliance under section 42 of the Companies Act, 2013 complied with.

### XV. In Respect of Non Cash transactions with Directors

According to the information and explanations given to us the company has not entered into any non-cash transactions with directors or persons connected with him and so compliance under section 42 of the Companies Act, 2013 need not complied with.

### XVI. In Respect of Registration of Nidhi Company .

The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **RAHUL KAKANI & ASSOCIATES**  
(CHARTERED ACCOUNTANTS)

**AJAY D. PATEL**  
Partner  
M.NO.: - 163596

**Place:** Ahmedabad  
**Date:** 29/04/2019

# “Annexure-B”

## to the Independent Auditor’s Report

**(Referred to in paragraph 2(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of Mishtann Foods Limited of even date)**

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

We have audited the internal financial controls over financial reporting of MISHTANN FOODS LIMITED (“the Company”) as of March 31, 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

### Management’s Responsibility for Internal Financial Controls

The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, 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.

### Auditor’s Responsibility

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

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

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

### Meaning of Internal Financial Controls Over Financial Reporting.

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

## Limitations of Internal Financial Controls Over Financial Reporting

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

## Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting

were operating effectively as at March 31, 2019, 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 **RAHUL KAKANI & ASSOCIATES**  
(CHARTERED ACCOUNTANTS)

**AJAY D. PATEL**  
Partner  
M.NO.: - 163596

**Place:** Ahmedabad  
**Date:** 29/04/2019

# Balance Sheet

As at 31<sup>st</sup> March 2019

Particulars	Notes	As at 31 <sup>st</sup> March 2019	As at 31 <sup>st</sup> March 2018
<b>Assets</b>			
<b>Non-current assets</b>			
Property Plant and Equipment	2	8,43,68,099	10,09,21,237
Capital work-in-progress		-	-
Other Intangible assets			
Financial Assets			
Investments	3	22,392	
Loans	4	1,54,61,994	1,47,34,045
Differed Tax Assets (Net)		11,79,667	5,11,640
Other Non-current Assets	5	18,26,319	36,52,636
<b>Non-Current Assets</b>		<b>10,28,58,471</b>	<b>11,98,19,558</b>
<b>Current assets</b>			
Inventories	6	39,60,41,436	34,06,00,188
Financial Assets			
Trade receivables	7	56,62,85,601	30,89,68,345
Cash and cash equivalents	8	7,35,414	3,50,040
Loans	9	8,29,71,555	9,44,199
Other current assets		-	-
<b>Total Current Assets</b>		<b>1,04,60,34,006</b>	<b>65,08,62,772</b>
<b>Total Assets</b>		<b>1,14,88,92,476</b>	<b>77,06,82,330</b>
<b>Equity</b>			
Equity Share capital	10	50,00,00,000	31,01,91,000
Other Equity	11	19,18,44,539	7,38,23,903
<b>Non-current liabilities</b>			
Financial Liabilities			
Borrowings	12	3,39,77,931	13,09,68,833
Deferred tax liabilities (Net)		-	-
Other non-current liabilities		-	-
Current liabilities			
Financial Liabilities			
Borrowings	13	32,41,02,615	17,00,34,337
Trade payables	14	24,87,280	1,60,86,307
Other current financial liabilities	15	5,87,51,827	2,87,89,776
Other current liabilities	16	3,77,28,285	4,07,88,174
Current Tax Liabilities (Net)			
<b>Total Equity and Liabilities</b>		<b>1,14,88,92,476</b>	<b>77,06,82,330</b>

Significant Accounting Policies

1

The Notes Referred To Above Form Part of the Financial Statements  
In terms of our separate report of even date attached

For **Rahul Kakani & Associates**,  
Chartered Accountants  
FRN : 130198W

for and on behalf of the **Board of  
Directors of Mishtann Foods Ltd**

Sd-  
**Ajay D. Patel**  
Partner  
Membership No. 163596

Sd-  
**Hitesh G. Patel**  
DIN: 05340865  
Managing Director

Sd-  
**Navinchandra D. Patel**  
DIN: 05340874  
Director & CFO

Sd-  
**Sonu Jain**  
M. No. A56519  
Company Secretary

**Place:** Ahmedabad  
**Date:** 29.04.2019

**Place:** Ahmedabad  
**Date:** 29.04.2019

# Statement of Profit & Loss

## for the year ended on 31<sup>st</sup> March,2019

Particulars	Notes	For the Year ended on 31 <sup>st</sup> March 2019	For the Year ended on 31 <sup>st</sup> March 2018
<b>Income</b>			
Revenue from operations	17	4,81,71,94,276	3,87,52,61,896
Other Income	18	10,40,623	8,61,336
<b>Total Revenue</b>		<b>4,81,82,34,899</b>	<b>3,87,61,23,232</b>
<b>Expenditure</b>			
Cost of Materials Consumed	19	4,59,62,62,392	3,72,17,61,986
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	20	(5,54,41,255)	(7,31,062)
Employee benefit expense	21	42,43,886	1,38,03,010
Selling, Administration & other expenses	22	1,33,45,814	34,17,632
Financial costs	23	4,00,83,962	3,20,64,818
Depreciation & Amortisation Charges	24	1,83,88,101	1,87,14,166
Other Expenses	25	2,53,02,392	40,55,551
<b>Total Expenses</b>		<b>4,64,21,85,292</b>	<b>3,79,30,86,101</b>
<b>Profit before exceptional and extraordinary items and tax</b>		<b>17,60,49,607</b>	<b>8,30,37,131</b>
Exceptional Items		-	-
<b>Profit before extraordinary items and tax</b>		<b>17,60,49,607</b>	<b>8,30,37,131</b>
Extraordinary Items		-	-
<b>Profit before tax</b>		<b>17,60,49,607</b>	<b>8,30,37,131</b>
Tax expense:			
Current tax		5,86,96,998	2,75,86,200
Deferred tax		(6,68,027)	(6,83,594)
<b>Profit/(Loss) for the year</b>		<b>11,80,20,636</b>	<b>5,61,34,525</b>
Earning per equity share:			
(1) Basic	26	0.24	1.81
(2) Diluted			
The Notes Referred To Above Form Part of the Financial Statements In terms of our separate report of even date attached	28		

For **Rahul Kakani & Associates**,  
Chartered Accountants  
FRN : 130198W

Sd-  
**Ajay D. Patel**  
Partner  
Membership No. 163596

Place: Ahmedabad  
Date: 29.04.2019

for and on behalf of the **Board of  
Directors of Mishtann Foods Ltd**

Sd-  
**Hitesh G. Patel**  
DIN: 05340865  
Managing Director

Sd-  
**Navinchandra D. Patel**  
DIN: 05340874  
Director & CFO

Sd-  
**Sonu Jain**  
M. No. A56519  
Company Secretary

Place: Ahmedabad  
Date: 29.04.2019

# Cash Flow Statement

As on 31<sup>st</sup> March 2019

Particulars	For the Year ended on 31 <sup>st</sup> March 2019	For the Year ended on 31 <sup>st</sup> March 2018
<b>Profit for the financial year ( Profit Before Tax)</b>	<b>17,60,49,607</b>	<b>8,30,37,131</b>
Adjustments for:		
Tax on profit		
Depreciation and amortisation	1,65,61,783	1,68,87,848
(Profit)/loss on disposal of property, plant, equipment and investment	-	-
Increase in provisions	2,99,62,050	1,81,41,170
Operating cash flows before movements in working capital	22,25,73,440	11,80,66,149
(Increase)/Decrease in Inventories	(5,54,41,248)	2,40,97,650
(Increase)/Decrease in short term loan and advances	(8,20,27,356)	(72,564)
Increase/(Decrease) in Other Current Liabilities	(30,59,889)	(16,34,100)
(Increase)/Decrease in Long Term Advances	(7,27,949)	(71,51,235)
(Increase)/Decrease in other non current assets	18,26,317	18,26,318
Decrease/(Increase) in receivables	(25,73,17,256)	(30,68,94,460)
Increase in assets (misc. assets)		
Increase/(Decrease) in Short Term Borrowing	15,40,68,278	(4,02,15,542)
Increase/(Decrease) in trade payables	(1,35,99,027)	1,00,02,191
Cash generated by operation	(25,62,78,130)	(32,00,41,742)
Taxes paid	(5,86,96,998)	(2,75,86,200)
<b>Net cash inflow from operating activities</b>	<b>(9,24,01,688)</b>	<b>(22,95,61,793)</b>
<b>Investing activities</b>		
Proceeds of disposal of fixed assests		
Proceeds of disposal of Investments		
(Purchase)/Sale of fixed assests	(8,644)	(1,76,732)
(Purchase)/Sale of investments	(22,392)	-
<b>Net cash used in investing activities</b>	<b>(31,036)</b>	<b>(1,76,732)</b>
<b>Financing activities</b>		
Proceeds from issue of share capital	18,98,09,000	21,00,30,000
Proceeds from long term borrowings	(9,69,90,902)	1,83,11,587
Dividend paid	-	-
<b>Net cash used in investing activities</b>	<b>9,28,18,098</b>	<b>22,83,41,587</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>3,85,374</b>	<b>(13,96,938)</b>
Cash and cash equivalents at beginning of year	3,50,040	17,46,978
<b>Cash and cash equivalents at end of year</b>	<b>7,35,414</b>	<b>3,50,040</b>
ACTUAL CASH	7,35,414	350040

The Notes Referred To Above Form Part of the Financial Statements  
In terms of our separate report of even date attached

For **Rahul Kakani & Associates,**  
Chartered Accountants  
FRN : 130198W

Sd-  
**Ajay D. Patel**  
Partner  
Membership No. 163596

**Place:** Ahmedabad  
**Date:** 29.04.2019

for and on behalf of the **Board of  
Directors of Mishtann Foods Ltd**

Sd-  
**Hitesh G. Patel**  
DIN: 05340865  
Managing Director

Sd-  
**Sonu Jain**  
M. No. A56519  
Company Secretary

**Place:** Ahmedabad  
**Date:** 29.04.2019

Sd-  
**Navinchandra D. Patel**  
DIN: 05340874  
Director & CFO

# Notes forming part of the Financial Statements

## Corporate Information

Mishtann Foods Limited is a public company domiciled in India and is incorporated under the Provision of the Companies Act applicable in India. The Registered office of the company is at C-808, Ganesh Meridian, Opp Gujarat High Court, S.G Highway, Sola, Ahmedabad, Gujarat-380060. The Shares of the Company are listed on Bombay Stock Exchange of India (BSE). The Company is engaged in manufacturing and processing of Basmati Rice and other Agro Commodity.

## 1) Significant accounting policies

### ► Basis of preparation:

The financial statements have been prepared in accordance with Indian Accounting standards (Ind AS), under the historical Cost Convention on accrual basis, the provisions of the Companies Act, 2013 ('the Act') (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

Effective April 1, 2017, the Company has adopted all the Ind AS standards and the adoption was carried out in accordance with Ind AS 101 First time adoption of Indian Accounting Standards, with April 1, 2016 as the transition date. The transition was carried out from Indian Accounting Principles generally accepted in India as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP), which was the previous GAAP.

### ► Accounting Estimates:

The preparation of these financial statements in conformity with the recognition and measurement principles of Ind AS requires management to make judgments, estimates and assumptions, that affect the reported balance of assets and liabilities, disclosure relating to contingent liabilities as at the date of the financial statements and the reported amounts of income and expenses for the years presented. Actual results may differ from these estimates.

### ► Revenue Recognition:

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being

made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duty. The Company assesses its revenue arrangements against specific criteria to determine if it is acting as principal or agent. The Company has concluded that it is acting as a principal in all of its revenue arrangements.

### ► Dividend:

Final dividends on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors

The Company declares and pays dividends in Indian rupees is subject to applicable distribution taxes.

The Board of Directors recommended a final dividend of ₹ 0.002/- per equity share for the financial year ended March 31, 2019. The payment is subject to the approval of the shareholders in the ensuing Annual General Meeting of the Company and if approved would result in a cash outflow of approximately ₹ 12.03 Lakh, including dividend distribution tax.

The Board of Directors, in their meeting on 12<sup>th</sup> February, 2019 declared an interim dividend of ₹ 0.002/- per equity share, which resulted in a cash outflow of ₹ 12.03 Lakh, inclusive of dividend distribution tax.

### ► Property, Plant & Equipments:

Property, Plant & Equipments has been recorded at actual cost inclusive of duties, taxes and other incidental expenses related to acquisition, improvement and installation. The Company depreciates property, plant & equipments over their estimated useful lives using the SLM method.

#### The estimated useful lives of assets are as under:

Name of Asset	Useful life
Building	60 Years
Electric Installations	10 Years
Plant & Machineries	15 Years
Computers	3 Years
Furniture & Fittings	10 Years
Office Equipments	5 Years
Vehicles	8



For transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipments recognized as of April 1, 2016 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

➤ **Impairment of Assets:**

Assets are reviewed for impairment losses whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the carrying amount of the assets exceeds its recoverable amount, which is the higher of an asset's net selling price and value in use.

➤ **Investments:**

Investments carried at Cost. (In ₹ Lakh)

Particulars	As at	
	March 31, 2019	March 31, 2018
Non-current Investments	0.22	-
Equity Instruments of Other Companies		

➤ **Borrowing Cost:**

Borrowing costs directly attributable to the acquisition or construction of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalized as part of the cost of the asset until such time that the assets are substantially ready for their intended use. Capitalization of borrowing costs is suspended and charged to profit and loss during the extended periods when the active development on the qualifying assets is interrupted. Qualifying fixed asset is an asset that necessarily takes a substantial period of time to get ready for their intended use or sale. All other borrowing costs are charged to Statement of Profit and Loss over the tenure of the borrowing.

➤ **Inventories:**

Inventories are Valued at Lower of Cost or Net Realisable.

➤ **Taxes on Income:**

Taxes on Income are accounted in the same period to which the revenue and expenses relate. Provision for current income tax is made on the basis of estimated taxable income, in accordance with the provisions of the Income Tax Act, 1961 and rules framed there under. Deferred tax is the tax effect of timing differences. The timing differences are differences between the taxable income and accounting income for a period that originate in one period and are capable of reversal in one or more subsequent periods.

MAT credit is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period.

Income tax expense in the statement of profit and loss comprises:

Particulars	Year ended	
	March 31, 2019	March 31, 2018
Current Tax	586.97	275.86
Deferred Tax	(6.68)	(6.84)
Income Tax expense	580.29	269.02

➤ **Earning Per Share (EPS):**

Basic earnings per share are computed by dividing the profit/ (loss) after tax by the total number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit/ (loss) after tax by the total number of equity shares considered for deriving basic earnings per share.

➤ **Segment Reporting:**

Segments are identified based on dominant source and nature of risks and returns and internal financial reporting system to the management. However, no reportable segment has been identified during the year.

**Revenue from Major Customer:**

As per Ind AS 108 Operating Segment Para 34, Concentration of revenues from Five customers of the Group were 78.97% and from four customers of the Group were 45.56% of total revenue for the year ended March 31, 2019 and March 31, 2018 respectively.

➤ **Foreign Exchange Translations:**

Transactions regarding Import & Export are Nil.

➤ **Employee's Benefits:**

Estimated liabilities for gratuity on the Balance Sheet date has not been quantified or provided. The same is to be accounted for on cash basis of payment.

➤ **Contingencies and Provisions:**

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

Contingent liabilities are recognized only when there is a possible obligation arising from past events, due to occurrence or non-occurrence of one or more uncertain future events, not wholly within the control of the Company or where any present obligation cannot be measured in terms of future outflow of resources or where a reliable estimate of obligation cannot be made. Contingent assets are not recognized in the financial statements

As informed to us by the director that there are no contingencies or events which have taken place after preparing the financial statements, which are required to be taken into consideration nor any events has occurred, which required its disclosure.

➤ **Statement of Cash Flow:**

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

➤ **Financial Instruments:**

Financial Assets and Financial Liabilities are recognized when the Company becomes party to the contractual provisions of the financial instrument. Financial Assets are derecognized

when the rights to receive benefits have expired or been transferred, and the Company has transferred substantially all risks and rewards of ownership of such financial asset. Financial liabilities are derecognized when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expired. Purchase or sale of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place are recognized on trade date i.e. the date when the Company commits to purchase or sale the asset.

➤ **Comparatives:**

When required by Ind As, Comparative figures have been adjusted to conform to changes in presentation for the current financial year.

➤ **Extra ordinary items:**

As informed to us by the director that there is not an extra ordinary items which was debited or credited to profit and loss a/c of the current year which is distinct from the ordinary activities of the business and which is both material and magnitude and are expected to occur once in a while.

## 28. NOTES ON ACCOUNTS:

1. Previous year figures have been re-grouped and rearranged wherever necessary for proper presentation of accounts.
2. Sundry debit and credit balances of loans and advances are subject to confirmation and Bank Balances as per reconciliation, if any. As per view precaution of actual and realizable value has been taken care of.
3. As informed to us, there are no contingent liabilities as on Balance Sheet Date.
4. Auditors Remuneration relating to audit works is provided at the end of year.
5. As informed to us there are no estimated amounts of contracts remaining to be executed on Capital Amount.
6. The Company has not disposed off any Fixed Assets during the year.

7. As certified by the Directors all amounts in the Balance Sheet relating to Sundry Debtors, Sundry Creditors, Unsecured Loans, Deposits, Loans and advances are shown at net realizable or net payable as the case may be.
8. As certified by Company that it has received written representation from all the Directors, That Companies in which they are Directors had not defaulted in terms of section 164 (2) of the Companies Act, 2013, and that representation of Directors taken in Board that Director is disqualified from being appointed as Director of the Company.
9. The company is engaged primarily in Agri business i.e manufacturing & processing of Rice, wheat etc. As per As-108 Operating Segment , none of the segment/products exceeds specified limits for the purpose of reporting so reporting as per AS-108 is not applicable.
10. Income in Foreign Currency is NIL.
11. Expenditure in Foreign Currency is ₹ 3,36,364/-
12. Particulars of licensed Capacity or Production Capacity is 45 Ton per hour of the Company.

For **Rahul Kakani & Associates,**  
Chartered Accountants  
FRN : 130198W

Sd-  
**Ajay D. Patel**  
Partner  
Membership No. 163596

**Place:** Ahmedabad  
**Date:** 29.04.2019

for and on behalf of the **Board of  
Directors of Mishtann Foods Ltd**

Sd-  
**Hitesh G. Patel**  
DIN: 05340865  
Managing Director

Sd-  
**Sonu Jain**  
M. No. A56519  
Company Secretary

**Place:** Ahmedabad  
**Date:** 29.04.2019

Sd-  
**Navinchandra D. Patel**  
DIN: 05340874  
Director & CFO

# Notes forming part to the Financial Statements

Year ended on 31<sup>st</sup> March 2019

## 2. Fixed Assets

Tangible asset	Gross Value			Depreciation			Closing balance			
	Opening balance 01.04.2018	Additions	Deletions	Total	Opening balance	Additions	Deletions	Total	31.03.2019	31.03.2018
a Factory & Building	1,89,34,822	-	-	1,89,34,822	45,89,326	13,62,822	-	59,52,148	1,29,82,674	1,43,45,496
b Plant & Machinery	11,12,22,006	-	-	11,12,22,006	3,41,50,950	1,39,49,861	-	4,81,00,811	6,31,21,195	7,70,71,056
c Air Conditioner	9,31,000	-	-	9,31,000	3,97,727	1,38,064	-	5,35,791	3,95,209	5,33,273
d Computer & Printer	9,00,301	8,644	-	9,08,945	7,95,014	70,882	-	8,65,896	43,049	1,05,287
e Electrical Installation	15,81,720	-	-	15,81,720	11,59,830	1,90,146	-	13,49,976	2,31,744	4,21,890
f Office Furniture	5,14,467	-	-	5,14,467	2,82,384	60,086	-	3,42,470	1,71,997	2,32,083
g Telephone	44,437	-	-	44,437	29,666	6,657	-	36,323	8,114	14,771
h Electric Equipment	39,925	-	-	39,925	12,392	7,128	-	19,520	20,405	27,533
i Office Building	85,76,096	-	-	85,76,096	4,06,248	7,76,136	-	11,82,384	73,93,712	81,69,848
<b>Total</b>	<b>14,27,44,774</b>	<b>8,644</b>	<b>-</b>	<b>14,27,53,418</b>	<b>4,18,23,537</b>	<b>1,65,61,782</b>	<b>-</b>	<b>5,83,85,319</b>	<b>8,43,68,099</b>	<b>10,09,21,237</b>
<b>Capital Work in Progress</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>14,27,44,774</b>	<b>8,644</b>	<b>-</b>	<b>14,27,53,418</b>	<b>4,18,23,537</b>	<b>1,65,61,782</b>	<b>-</b>	<b>5,83,85,319</b>	<b>8,43,68,099</b>	<b>10,09,21,237</b>
Figures for the previous year	-	-	-	-	-	-	-	-	-	-

### 3. Investments

Particulars	As at 31 <sup>st</sup> March 2019	As at 31 <sup>st</sup> March 2018
Investment in Equity Shares of,		
Adani Enterprise	351	-
Arvind Ltd	816	-
Asian Granito	1,429	-
Bank of Baroda	2,213	-
KRBL Ltd.	200	-
Punjab National Bank	883	-
SBI	4,640	-
TCS	11,860	-
	<b>22,392</b>	<b>-</b>

### 4. Long Term Loans and Advances

Particulars	As at 31 <sup>st</sup> March 2019	As at 31 <sup>st</sup> March 2018
Security Deposites		
Bharat Pesticides Industries Pvt. Ltd.	80,000	80,000
Indian Oil Corporation Ltd.	5,100	5,100
Punjab National Bank Deposit	58,71,637	55,03,688
CST Deposit	10,000	10,000
VAT Deposit	10,000	10,000
Uttar Gujarat Vij Company Ltd. Deposit	21,93,920	21,93,920
Gujarat Agro Industrial Corporation	-	-
FD with Mas Financial Service	72,66,337	69,06,337
Other Advances		
Advance Tax -VAT	25,000	25,000
	<b>1,54,61,994</b>	<b>1,47,34,045</b>

### 5. Other Non Current Assets

Particulars	As at 31 <sup>st</sup> March 2019	As at 31 <sup>st</sup> March 2018
Preliminary Expenses Not Written Off	-	-
BSE Ltd	-	-
Listing Fee	7,38,308	14,76,614
Stamp Duty	3,84,140	7,68,280
Stamp Duty MCA ( ROC )	5,45,126	10,90,252
Upfornt Fees	1,58,745	3,17,490
	<b>18,26,319</b>	<b>36,52,636</b>

## 6. Inventories

Particulars	As at 31 <sup>st</sup> March 2019	As at 31 <sup>st</sup> March 2018
Raw materials	33,20,85,176	33,20,85,183
Finished goods	6,39,56,260	85,15,005
Semi Finished goods	-	-
Waste	-	-
	<b>39,60,41,436</b>	<b>34,06,00,188</b>

Inventory items have been valued as disclosed in note related to Significant accounting policies.

## 7. Trade Receivable

Particulars	As at 31 <sup>st</sup> March 2019	As at 31 <sup>st</sup> March 2018
<b>Outstanding for less than six months</b>		
a) Secured, Considered Good :		-
b) Unsecured, Considered Good :	56,62,85,601	30,89,68,345
c) Doubtful		-
<b>Outstanding for more than six months</b>		
a) Secured, Considered Good :		-
b) Unsecured, Considered Good :		-
c) Doubtful		-
<b>Others</b>		
a) Secured, Considered Good :		-
b) Unsecured, Considered Good :		-
c) Doubtful		-
	<b>56,62,85,601</b>	<b>30,89,68,345</b>

## 8. Cash and cash equivalents

Particulars	As at 31 <sup>st</sup> March 2019	As at 31 <sup>st</sup> March 2018
Balance with banks		
HDFC BANK INTERIM DIVIDEND A/C	54,143	-
HDFC BANK UNCLAIMED DIV. A/C	686	-
STATE BANK OF INDIA -CURRENT A/C	1,49,662	-
Cash on Hand	5,30,923	3,50,040
	<b>7,35,414</b>	<b>3,50,040</b>

## 9. Short term loan and advances

Particulars	As at 31 <sup>st</sup> March 2019	As at 31 <sup>st</sup> March 2018
Advance against purchases	7,98,63,009	-
Advance against expenditure	5,53,074	47,757
Pre-Paid Expenses	3,86,523	2,48,330
TDS Receivable	1,45,836	64,952
GST Receivable	20,23,113	5,83,161
	<b>8,29,71,555</b>	<b>9,44,199</b>

## 10. Share Capital

Particulars	As at 31 <sup>st</sup> March 2019	As at 31 <sup>st</sup> March 2018
<b>Authorised Share Capital:</b>		
(50,00,00,000 Equity shares of ₹ 1/- each)	50,00,00,000	45,00,00,000
50,00,00,000 Equity shares of ₹ 1/- each		
<b>Issued, Subscribed and Fully Paid up Share Capital:</b>		
50,00,00,000 Equity shares of ₹ 1/- each	50,00,00,000	31,01,91,000
	<b>50,00,00,000</b>	<b>31,01,91,000</b>

### a) The reconciliation of the number of shares outstanding is set out below:

Number of Equity Shares at the beginning of the year at ₹ 10/- each	3,10,19,100	10,01,61,000
Add: No. of Equity Shares issued during the year as Preferential Allotment at ₹ 10/- each	1,89,80,900	2,10,03,000
Number of Equity Shares at the end of the year * at ₹ 1/- each	50,00,00,000	3,10,19,100

\* The Authorised Capital of the Company is ₹ 50,00,00,000 comprising of 50,00,00,000 number of Equity Shares of ₹ 1/- each. The company has obtained approval of shareholders at their Annual General Meeting held on 27<sup>th</sup> September, 2018 for Sub-division of face value of Shares of ₹ 10/- each into ₹ 1/- each, Sub-division of existing equity shares from every ONE equity share of ₹ 10/- each into TEN equity shares of ₹ 1/- each w.e.f. 27<sup>th</sup> September, 2018

### b) Shares held by Shareholders holding more than 5 percent shares in the Company :

Name of Shareholder	As At 31-March-2019		As At 31-March-2018	
	No. of Shares	holding	No. of Shares	holding
Hiteshkumar Gaurishankar Patel	8,04,00,000	16.08%	36,00,000	11.61%
Navinchandra Dahyalal Patel	3,26,20,000	6.52%	17,62,000	5.68%
Ravikumar Gaurishankar Patel	7,90,00,000	15.80%	36,00,000	11.61%
Jatinkumar Ramanbhai Patel	3,26,00,000	6.52%	26,00,000	8.38%
Rajeshkumar Prabhudasbhai Patel	2,56,56,730	5.13%	25,65,673	8.27%
Jignesh Ramanlal Patel	-	-	22,09,100	7.12%
Kanakkumar Vinodbhai Patel	-	-	21,89,561	7.06%
Sureshbhai Hirabhai Patel	-	-	21,89,385	7.06%
Vasantbhai Mulchandbhai Patel	-	-	21,55,298	6.95%

### c) Terms/Rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 1/- per share. Each holder of equity shares is entitled to one vote per share and has equal dividend right. The Company declares and pays dividend in Indian Rupees. The Dividend if proposed by the Board of Directors is subject to shareholders approval in the ensuing Annual General Meeting. In the event of liquidation of the Company, the equity shareholders will be entitled to receive the remaining assets of the Company in proportion to the number of equity shares held by the shareholders.

## 11. Other Equity

PARTICULARS	Share applica- tion money pending allotment	Equity component of compound financial instruments	Reserves and Surplus				Debt Redemption Reserve	Employee Stock Option Outstanding	Total
			Capital Reserve	Securities Premium Reserve	General Reserves	Retained Earnings/ profit & loss			
<b>Balance as at 1.04.2017</b>	-	-	-	-	-	-	-	<b>1,76,89,378</b>	
Total Comprehensive Income for the year	-	-	-	-	-	-	-	5,73,38,101	
Dividends	-	-	-	-	(10,00,000)	-	-	(10,00,000.00)	
Tax on Dividends	-	-	-	-	(2,03,576)	-	-	(2,03,576.00)	
Transfer from profit & loss	-	-	-	-	-	-	-	-	
On ESOP	-	-	-	-	-	-	-	-	
<b>Balance as at 31.03.2018</b>	-	-	-	-	-	-	-	<b>7,38,23,903</b>	
Total Comprehensive Income for the year	-	-	-	-	-	-	-	11,80,20,636	
Dividends	-	-	-	-	-	-	-	-	
Tax on Dividends	-	-	-	-	-	-	-	-	
On ESOP	-	-	-	-	-	-	-	-	
Transfer from DRR to General Reserve	-	-	-	-	-	-	-	-	
Bonus Issue	-	-	-	-	-	-	-	-	
<b>Balance as at 31.03.2019</b>	-	-	-	-	-	-	-	<b>19,18,44,539</b>	



## 12. Long Term Borrowings

Particulars	As at 31 <sup>st</sup> March 2019	As at 31 <sup>st</sup> March 2018
<b>Secured loans</b>		
Loans from Banks		
State Bank of India TL (Beyond 12 Months Liabilities taken with reference to note no.16 )	1,63,31,099	
Punjab National Bank TL (Beyond 12 Months Liabilities taken with reference to note no.16 )	-	2,98,97,775
<b>Unsecured Loans</b>		
Loan from Promoters	-	6,88,35,373
Loans and Advances From Related Parties	-	-
Loans from MAS Financial Services -1 (Beyond 12 Months Liabilities taken with reference to note no.16 )	1,15,75,735	2,09,85,554
Loans from MAS Financial Services -2 (Beyond 12 Months Liabilities taken with reference to note no.16 )	60,71,097	1,12,50,131
	<b>3,39,77,931</b>	<b>13,09,68,833</b>

## 13. Short-term borrowings

Particulars	As at 31 <sup>st</sup> March 2019	As at 31 <sup>st</sup> March 2018
Loans from Banks		
State Bank of India (CC Account No.37820307899)	32,41,02,615	-
Punjab National Bank (CC Account No.1960008700001228)	-	17,00,34,337
	<b>32,41,02,615</b>	<b>17,00,34,337</b>

## 14. Trade Payables

Particulars	As at 31 <sup>st</sup> March 2019	As at 31 <sup>st</sup> March 2018
Creditors for raw materials	1,75,132	1,51,79,990
Creditors for expenses	15,46,292	9,06,317
Creditors for Packing Material	7,65,856	-
	<b>24,87,280</b>	<b>1,60,86,307</b>

## 15. Other current financial liabilities

Particulars	As at 31 <sup>st</sup> March 2019	As at 31 <sup>st</sup> March 2018
Provision for Income Tax	5,86,96,998	2,75,86,200
Provision for Proposed Dividend	-	10,00,000
Provision for Dividend Distribution Tax	-	2,03,576
Unclaimed Dividend A/c	686	-
Interim Dividend A/c	54,143	0
	<b>5,87,51,827</b>	<b>2,87,89,776</b>

## 16. Other Current Liability

Particulars	As at 31 <sup>st</sup> March 2019	As at 31 <sup>st</sup> March 2018
State Bank of India TL (12 Months Liabilities taken from Notes. No.12. Installment Amount 1230000 ₹ Per Month)	1,47,60,000	
Punjab National Bank TL (12 Months Liabilities taken from Notes. No.12. Installment Amount 1230000 ₹ Per Month)	-	1,47,60,000
MAS Financial Services (12 Months Liabilities taken from Notes. No. 12 )	2,20,10,271	2,40,00,191
TDS Payable	1,84,396	2,59,145
Advance Received From Customers	7,73,618	17,68,838
	<b>3,77,28,285</b>	<b>4,07,88,174</b>

## 17. Revenue from Operations

Particulars	For the Year ended on 31 <sup>st</sup> March 2019	For the Year ended on 31 <sup>st</sup> March 2018
<b>Sale of Products</b>		
Sales	4,81,71,94,276	3,87,52,61,896
	<b>4,81,71,94,276</b>	<b>3,87,52,61,896</b>

## 18. Other Income

Particulars	For the Year ended on 31 <sup>st</sup> March 2019	For the Year ended on 31 <sup>st</sup> March 2018
	-	41,868
	-	8,19,468
Dividend Income	62	
Interest Income on FD	9,42,107	
Short Term Capital Gain	98,455	
	<b>10,40,623</b>	<b>8,61,336</b>

## 19. Cost of Materials Consumend

Particulars	For the Year ended on 31 <sup>st</sup> March 2019	For the Year ended on 31 <sup>st</sup> March 2018
Opening stock	33,20,85,183	35,69,13,895
<b>ADD: PURCHASE</b>		
Purchases	4,58,70,86,054	3,68,71,24,736
Add: Manufacturing Expenses	91,76,331	98,08,538
	<b>4,59,62,62,385</b>	<b>3,69,69,33,274</b>
<b>LESS:</b>		
Closing stock	33,20,85,176	33,20,85,183
	<b>4,59,62,62,392</b>	<b>3,72,17,61,986</b>

## 20. Change in Inventories

Particulars	For the Year ended on 31 <sup>st</sup> March 2019	For the Year ended on 31 <sup>st</sup> March 2018
OP. Stock	85,15,005	77,83,943
Less. Closing Stock	6,39,56,260	85,15,005
	<b>(5,54,41,255)</b>	<b>(7,31,062)</b>

## 21. Employee benefit expense

Particulars	For the Year ended on 31 <sup>st</sup> March 2019	For the Year ended on 31 <sup>st</sup> March 2018
Staff Salary	29,79,638	41,99,670
Contribution to P.F. & Others	-	-
Staff Welfare Exp.	64,248	1,61,438
Directors Remuneration	12,00,000	11,95,505
Labour	-	82,46,397
	<b>42,43,886</b>	<b>1,38,03,010</b>

## 22. Selling, Administration & other expenses

Particulars	For the Year ended on 31 <sup>st</sup> March 2019	For the Year ended on 31 <sup>st</sup> March 2018
Advertisement Exp	1,53,563	1,04,357
Office Rent	4,46,775	4,49,158
Office Expenses	4,52,261	3,65,870
Repairs & Maintenance Exps.	32,229	1,14,982
Travelling Exps. - Foreign Travelling	3,36,364	-
Travelling Exps. - Domestic Travelling	2,85,345	3,51,487
Marketing & Promotional Exps.	8,16,943	7,57,036
Refreshment & Foods Exps.	-	47,615
Software Support Charges	-	10,800
Telephone & Internet Exp.	-	1,74,588
Conveyance Exps.	5,10,105	4,04,704
Bardan & Katta Exp	75,84,480	-
Processing Fees	-	5,00,000
Brokerage Expense	-	61,265
Garden Exp.	-	10,070
Annual Fees	5,70,000	-
AGM Exp	38,884	-
GPCB Licence Fees	6,000	-
Packing Material Exp.	19,79,469	-
Municipal Tax	57,656	-
Electricity Exp.- Office	75,740	65,700
	<b>1,33,45,814</b>	<b>34,17,632</b>

## 23. Financial Costs

Particulars	For the Year ended on 31 <sup>st</sup> March 2019	For the Year ended on 31 <sup>st</sup> March 2018
Interest	3,72,29,275	3,15,14,010
Bank charges	28,54,687	5,50,808
	<b>4,00,83,962</b>	<b>3,20,64,818</b>

## 24. Depreciation and Amortisation Charges

Particulars	For the Year ended on 31 <sup>st</sup> March 2019	For the Year ended on 31 <sup>st</sup> March 2018
Depreciation	1,65,61,783	1,68,87,848
Preliminary Exps Written off	18,26,318	18,26,318
	<b>1,83,88,101</b>	<b>1,87,14,166</b>

## 25. Other Exp.

Particulars	For the Year ended on 31 <sup>st</sup> March 2019	For the Year ended on 31 <sup>st</sup> March 2018
Audit Fees	1,70,000	1,00,000
Legal & Professional Fees	26,03,161	14,62,762
Insurance Expenses	4,15,653	5,02,601
ROC & MCA Charges	4,05,240	5,41,426
Incometax Exps	67,20,850	2,45,187
Interim Dividend	10,00,000	-
Dividend Distribution Tax	2,03,576	-
Postage & Courier Exp.	42,094	-
Stamp Duty	15,19,839	-
CSR Activity Exp	2,36,905	-
Loading & Unloading Exp	1,01,60,355	-
Factory Exp	18,24,720	-
Other Provisions	-	1203576
	<b>2,53,02,392</b>	<b>40,55,551</b>

## 26. Earnings per Share

Particulars	For the Year ended on 31 <sup>st</sup> March 2019	For the Year ended on 31 <sup>st</sup> March 2018
Net Profit after tax as per Statement of Profit & Loss attributable to Equity Share Holder (A)	11,80,20,636	5,61,34,525
Basic Earnings per Shares	0.24	1.81
Face Value Per Equity Shares	1	10

## 27. Related Party Disclosures

### List of Related Parties where control exists and related parties with whom transactions have taken place and relationship

Name of the Related Party	Relatives / Associates
NAVINCHANDRA D PATEL	Director
MANJULABEN G PATEL	Relatives
JATINKUMAR R PATEL	Director
RAVIKUMAR G.PATEL	Director
HITESHKUMAR G PATEL	Director
MISHTANN AGRO PVT LTD	Subsidiary Company (till 14 <sup>th</sup> May 2018)
RAVI TRADING CO.	Firm
GAYATRI TRADING COMPANY	Firm
VRAJ CORPORATION	Firm
DHARTI MARKETING	Firm
ARIHANT CORPORATION	Firm
PATEL BROTHERS	Firm
UMIYA AGENCY	Firm

#### Transactions During the year with related parties

Name of the Related Party	Nature of Transaction	2018-19	Nature of Transaction	2017-18
MANJULABEN G PATEL	Loan Given	12,00,000	Loan Taken	12,00,000

#### Transactions During the year with Directors

Name of the Related Party	Nature of Transaction	2018-19	Nature of Transaction	2017-18
HITESHKUMAR G PATEL	Loan Given	2,19,29,855	Loan Taken	2,19,29,855
JATINKUMAR R PATEL	Loan Given	71,32,930	Loan Taken	71,32,930
RAVIKUMAR G.PATEL	Loan Given	2,02,69,188	Loan Taken	2,02,69,188
NAVINCHANDRA D PATEL	Loan Given	1,83,03,400	Loan Taken	1,83,03,400

#### Transactions During the year with Subsidiary Companies

Name of the Related Party	Nature of Transaction	2018-19	Nature of Transaction	2017-18
MISHTANN AGRO PVT LTD	Sales	-	Sales	28,55,15,328
MISHTANN AGRO PVT LTD	Purchase	-	Purchase	93,24,700

#### Transactions During the year with Firm

Name of the Related Party	Nature of Transaction	2018-19	2017-18
RAVI TRADING CO.	Purchase	-	28,86,93,246
RAVI TRADING CO.	Sales	16,19,998	76,64,508
GAYATRI TRADING COMPANY	Purchase	1,72,53,20,361	-
VRAJ CORPORATION	Purchase	81,51,84,668	-
DHARTI MARKETING	Purchase	6,56,03,403	-
ARIHANT CORPORATION	Sales	1,30,97,74,533	-
PATEL BROTHERS	Sales	60,80,77,786	-
UMIYA AGENCY	Sales	47,28,07,283	-

#### DIRECTOR REMUNERATION

Name of the Related Party	Nature of Transaction	2018-19	Nature of Transaction	2017-18
HITESHKUMAR G PATEL	Remuneration	3,00,000	Remuneration	2,99,108
RAVIKUMAR G.PATEL	Remuneration	3,00,000	Remuneration	2,98,215
JATINKUMAR R PATEL	Remuneration	3,00,000	Remuneration	2,99,074
NAVINCHANDRA D PATEL	Remuneration	3,00,000	Remuneration	2,99,108



**MISHTANN**

limitless happiness...☺

**MISHTANN FOODS LIMITED**

**REGD. OFFICE:** C-808, GANESH MERIDIAN, OPP. GUJARAT HIGH COURT,  
SOLA, S.G. HIGHWAY, AHMEDABAD-380060

**WEBSITE:** www.mishtann.com; **CIN:** L15400GJ1981PLC004170

**TEL NO.:** 91 079 4002 3116; **FAX:** 4003 3116; **E-MAIL:** cs@mishtann.com

**Notice**

**Members of Mishtann Foods Limited are hereby given notice for the 39<sup>th</sup> Annual General Meeting of the Company, the schedule of which and the business to be transacted there at, are given below:**

**Day and Date:** Thursday, September 26, 2019

**Time:** 11:30 A.M. (IST)

**Venue:** Hotel Aloft, 147/1 Opposite Bhagwat Vidhya Peeth, Sarkhej-Gandhinagar Hwy, Sola, Ahmedabad-380061, Gujarat.

**ORDINARY BUSINESS:**

**1. Adoption of Standalone Audited Financial Statements of the Company:**

To receive, consider and adopt the Audited Financial Statements of the Company for the year ended March 31, 2019, together with the Reports of the Board of Directors and Auditors thereon.

**2. Declaration of Dividend:**

To declare final dividend on equity shares for the financial year ended March 31, 2019 of ₹ 0.002/- per Equity Share (0.2%) on Equity Share of Face Value ₹ 1/-each.

**3. Appointment of Mr. Navinchandra D. Patel (DIN: 05340874), who retires by rotation and being eligible, offers himself for re-appointment:**

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

**RESOLVED THAT** pursuant to Section 152 (6) and other applicable provisions, if any, of the Companies Act, 2013, Mr. Navinchandra D. Patel (DIN: 05340874), who retires by rotation and being eligible offers himself for re-appointment, be and is hereby re-appointed as the Director of the Company.

**4. To appoint Statutory Auditor's:**

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 Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 (the Act), and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or

reenactment thereof, for the time being in force) and pursuant to recommendation of the Audit Committee and the Board of Directors, M/s. J. M. Patel & Bros., Chartered Accountants, (ICAI Firm Registration No. 107707W) be and are hereby appointed as Statutory Auditors of the Company in place of, M/s Rahul Kakani & Associates, Chartered Accountants (ICAI Registration No. 130198W), whose tenure expires at the ensuing Annual General Meeting, at such remuneration plus reimbursement of out-of pocket, travelling and living expenses etc., as may be mutually agreed between the Board of Directors (including its Committee thereof) of the Company and the said Auditors."

**"RESOLVED FURTHER THAT** M/s. J. M. Patel & Bros., Chartered Accountants, if appointed as the Statutory Auditors of the Company, shall hold office for a period of five years, from the conclusion of this Thirty Ninth Annual General Meeting till the conclusion of Forty-Third Annual General Meeting of the Company."

**"RESOLVED FURTHER THAT** the Board of Directors of the Company (including its Committee thereof), be and is hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution."

**SPECIAL BUSINESS**

**5. Appointment of Mrs. Himaben Patel (DIN: 08399809), as an Independent Director**

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

**"RESOLVED THAT** Mrs. Himaben Janakkumar Patel (DIN: 08399809) who was appointed as an Additional Independent Director by the Board of Directors under Section 161 of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof, for the time being in force), Regulation 17 and other applicable provisions, if any, of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') and based on the recommendations of the Nomination & Remuneration Committee and the Board of Directors of the Company and subject to regulatory approvals, if any, with effect from March 25, 2019 and who holds office up to the date of this Annual General Meeting, be and is hereby appointed as the Independent Director of the Company for a term of five consecutive years."

**“RESOLVED FURTHER** that the Board be and is hereby authorised to do all such acts, deeds and things, including authorising any official of the Company to do all such acts, deeds and things as may be necessary to give effect to this resolution.”

**6. Appointment of Mr. Utpalbhair Dineshbhai Raval (DIN: 08498407), as an Independent Director**

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

**“RESOLVED THAT** Mr. Utpalbhair Dineshbhai Raval (DIN: 08498407) who was appointed as an Additional Independent Director by the Board of Directors under Section 161 of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof, for the time being in force), Regulation 17 and other applicable provisions, if any, of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (‘Listing Regulations’) and based on the recommendations of the Nomination & Remuneration Committee and the Board of Directors of the Company and subject to regulatory approvals, if any, with effect from July 03, 2019 and who holds office up to the date of this Annual General Meeting, be and is hereby appointed as the Independent Director of the Company for a term of five consecutive years.”

**“RESOLVED FURTHER** that the Board be and is hereby authorised to do all such acts, deeds and things, including authorising any official of the Company to do all such acts, deeds and things as may be necessary to give effect to this resolution.”

**7. Appointment of Mr. Ajitkumar Narayanbhai Patel (DIN: 08121392), as an Independent Director**

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

**“RESOLVED THAT** Mr. Ajitkumar Narayanbhai Patel (DIN: 08121392) who was appointed as an Additional Independent Director by the Board of Directors under Section 161 of the Companies Act, 2013 (including any statutory modification(s) or

re-enactment thereof, for the time being in force), Regulation 17 and other applicable provisions, if any, of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (‘Listing Regulations’) and based on the recommendations of the Nomination & Remuneration Committee and the Board of Directors of the Company and subject to regulatory approvals, if any, with effect from July 03, 2019 and who holds office up to the date of this Annual General Meeting, be and is hereby appointed as the Independent Director of the Company for a term of five consecutive years.”

**“RESOLVED FURTHER** that the Board be and is hereby authorised to do all such acts, deeds and things, including authorising any official of the Company to do all such acts, deeds and things as may be necessary to give effect to this resolution.”

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

**Date:** 14<sup>th</sup> August, 2019  
**Place:** Ahmedabad

Sd/-  
**Sonu Jain**  
Company Secretary

**Registered Office:**  
C-808, Ganesh Meridian, Opp. Gujarat High Court,  
S.G. Highway, Ahmedabad-380060  
CIN: L15400GJ1981PLC004170  
E-mail Id.: cs@mishtann.com

## NOTES:

**1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THAT THE PROXY NEED NOT BE A MEMBER.**

Proxy form has been annexed to this Notice.

A person can act as a proxy on behalf of members not exceeding fifty (50) and holding in aggregate not more than ten (10) percent of the total paid-up share capital of the Company. A member holding more than ten (10) percent of total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other member.

2. The proxy, in order to be effective, must be duly completed, stamped and signed and should be deposited at the Registered Office of the Company not less than forty eight (48) hours before the commencement of the meeting.
3. The relative Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 in respect of special businesses at Item No. 5, 6 and 7 is annexed hereto.
4. During the period beginning twenty-four hours before the time fixed for the commencement of the Meeting and ending with the conclusion of the Meeting, a Member would be entitled to inspect the proxies lodged with the Company during normal business hours [9.00 a.m. (IST) to 6.00 p.m. (IST)] at the registered office of the Company, provided that a requisition for the same from the Member is received in writing not less than 3 days before the commencement of the Meeting.
5. Corporate members intending to send their authorised representatives to attend the Meeting are requested to send to the Company a certified copy of the Board resolution authorising their representative to attend and vote on their behalf at the Meeting.
6. 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.
7. A person who is not a Member as on the cut-off date should treat this Notice for information purpose only.

## E-VOTING FACILITY

8. In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide members the facility to exercise their right to vote at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by National Securities Depository Limited (NSDL).
9. The facility for voting is also be made available at the meeting and members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their right at the meeting.
10. The Members who have cast their votes through remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their votes again. However, in case a Member casts his/her vote both by voting at the AGM and by remote e-voting, then voting done through remote e-voting shall be considered and voting done at the AGM will be treated as invalid.
11. A person whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on closure of the working hours of the cut-off date i.e. Thursday, September 19, 2019 shall be entitled to avail the facility of remote e-voting as well as voting at the AGM.

Please refer to the below instructions and general instructions relating to voting through electronic means which are being sent along with the Annual Report.

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned 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 is mentioned below:

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.nsd.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 :

<b>Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical</b>	<b>Your User ID is:</b>
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*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	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***

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. 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 from your mailbox. Open the email and open the attachment i.e. a .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, your 'initial password' is communicated to you on your postal address.

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 [www.evoting.nsd.com](http://www.evoting.nsd.com).
- b) **Physical User Reset Password?"** (If you are holding shares in physical mode) option available on [www.evoting.nsd.com](http://www.evoting.nsd.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.

7. After entering your password, tick 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 is given 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 Mishatnn 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.

### General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to kshahcs@yahoo.co.in with a copy marked to evoting@nsdl.co.in.
2. To take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request at evoting@nsdl.co.in

12. The remote e-voting period commences on Monday, September 23, 2019 at 9.00 a.m. (IST) and ends on Wednesday, September 25, 2019 at 5.00 p.m. (IST). During this period, the Members of the Company holding shares in physical form or in dematerialized form, as on the cut-off date being Thursday, September 19, 2019 may cast their vote by electronic means in the manner and process set out herein above. The remote e-voting module shall be disabled for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently. Further, the Members who have casted their vote electronically shall not vote by way of poll, if held at the Meeting.
13. The voting rights of the Members shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date i.e. Thursday, August 19, 2019.
14. The Register of Members and Share Transfer Books of the Company will remain closed from Friday, 20<sup>th</sup> September, 2019 to Thursday, 26<sup>th</sup> September, 2019 (both days inclusive).
15. Members who hold shares in the dematerialized form are requested to write their DP ID and Client ID and those holding shares in physical form are requested to write their folio number in the attendance slip and hand it over at the entrance of the meeting hall.
16. Payment of dividend as recommended by the Board of Directors in their Meeting held on April 29, 2019, if approved at the 39<sup>th</sup> Annual General Meeting, will be made to those members whose names are on the Company's Register of Members as at on the close of Business hours on Thursday, September 19, 2019 and those whose names appear as Beneficial Owners as at the close of the business hours on Thursday, September 19, 2019 as per the details to be furnished by the Depositories, viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for this purpose.
17. Members seeking clarifications on the Annual Report are requested to send the queries to the Company (cs@mishatnn.com) at least one week before the date of the Meeting. This would enable the Company to compile the information and provide the replies at the Meeting.
18. Pursuant to Section 107 of the Act read with Rule 20 the Companies (Management and Administration) Rules, 2014, there will not be any voting by show of hands on any of the agenda items at the Meeting and the Company will conduct polling at the Meeting.

19. The Board of Directors has appointed Kamlesh M. Shah, Practising Company Secretary (ACS 8356, CP 2072), as Scrutinizer for conducting the voting process in a fair and transparent manner.
20. The Scrutinizer shall submit his / her report, to the Chairman / Managing Director, on the voting in favour or against, if any, within a period of two working days from the date of conclusion of the Meeting.
21. The results declared along with the consolidated Scrutinizer's Report shall be placed on the website of the Company [www.mishtann.com](http://www.mishtann.com). The results shall simultaneously be communicated to the Stock Exchanges.
22. Please refer the route map giving directions to the venue of the Meeting.
23. Members / Proxies are requested to bring the attendance slip along with their copy of the Annual Report to the Meeting.
24. Members holding shares in physical form are requested to notify / send the following to the Company's Registrar and Transfer Agents to facilitate better service:
  - a) Any change in their address
  - b) Particulars of their bank accounts in case the same have not been sent earlier, for dividend payment through electronic mode and
  - c) Share certificate(s) held in multiple accounts in identical names or joint accounts in the same order of the names for consolidation of such holdings into one account.
25. Members holding shares in electronic form are advised that address / bank details as furnished to the Company by the respective Depositories, viz. NSDL and CDSL will be printed on the dividend payment instrument. Members are requested to inform the concerned Depository Participants of any change in address, dividend mandate, etc.
26. Members holding shares in physical form and desirous of making a nomination in respect of their shareholding in the Company, as permitted under Section 72 of the Act, are requested to submit details to the Registrar and Transfer Agents of the Company, in the prescribed Form SH-13 for this purpose.
27. Members who have not registered their e-mail addresses so far are requested to register their e-mail addresses with the Company's Registrar and Transfer Agents or the Company at its Registered Office for receiving communication from the Company in electronic form.
28. All documents referred to in the accompanying notice requiring the approval of the members at the meeting shall be available for inspection at the Registered Office of the Company on all working days between 11:00 a.m. to 5:00 p.m. except Saturday prior to the date of Annual General Meeting i.e. on Thursday, September 26, 2019. The notice and the Annual Report are available on the Company's website [www.mishtann.com](http://www.mishtann.com)
29. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company or Registrar & Share Transfer Agent MCS Share Transfer Agent Limited.
 

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, provided the votes are not already cast by remote e-voting by the first holder.
30. Any person who acquires shares after dispatch of Notice and holding shares as on the cut-off date i.e. September 19, 2019 may obtain login Id and password by sending an e-mail to [cs@mishtann.com](mailto:cs@mishtann.com). However, if a person is already registered with NSDL for remote e-voting then existing user Id can be used for casting vote.

**Explanatory Statement pursuant to Section 102 (1) of the Companies Act, 2013, setting out the material facts concerning each item of special business:**

<b>Agenda Item No.</b>	<b>3</b>
Name	Navinchandra Dahyalal Patel
Age	52 Years
Date of Birth	01/06/1967
DIN	05340874
Qualifications	Bachelor of commerce
Brief Profile including expertise	Mr. Navinchandra Patel is having more than 25 years of experience in the field of Agriculture Industry. He is the Promoter and Director of Mishtann Foods Limited. His association with the company added immense value to the Company's Financial Stability.
Directorship in other companies	NIL
Names of the listed companies in which holds the directorship and the membership of Committees Board	NIL
Relationship with other Directors and KMP	NIL
Shareholding in Mishtann Foods Limited	3,26,20,000 Shares
Attendance in the meetings in the last financial year	Disclosed in the Corporate Governance section.

**Agenda Item No. 4**

As per the provisions of the Companies Act, 2013 the tenure of Statutory Auditors i.e. M/s Rahul Kakani & Associates (FRN: 130198W), Chartered Accountants of the Company expires and therefore, the Company is required to appoint Statutory Auditor u/s 139(1) of the Companies Act, 2013.

The Board on the recommendation of the Audit Committee approves the appointment of M/s J.M. Patel & Bros., Chartered Accountants, having FRN: 107707W [Peer Reviewed Firm] located at Ahmedabad, subject to approval of shareholders of the Company at the Annual General Meeting. The Fees Payable and the terms of appointment are mutually agreed between the Board of Directors (including its Committee thereof) of the Company and the said Auditors. There is no material change in the fee payable to such auditor from that paid to the outgoing auditor.

<b>Agenda Item No.</b>	<b>5</b>
Name	Mrs. Himaben Janakkumar patel
Age	31 Years
Date of Birth	07/09/1988
DIN	08399809
Qualifications	Bachelor of commerce
Brief Profile including expertise	Mrs. Himaben Patel, w/o Janakkumar Patel is a Homemaker having excellent academics.
Directorship in other companies	None
Names of the listed companies in which holds the directorship and the membership of Committees Board	None
Relationship with other Directors and KMP	None
Shareholding in Mishtann Foods Limited	NIL
Attendance in the meetings in the last financial year	Disclosed in the Corporate Governance section.

<b>Agenda Item No.</b>	<b>6</b>
Name	Mr. Utpalbhai Dineshbhai Raval
Age	33 Years
Date of Birth	25/05/1986
DIN	08498407
Qualifications	Bachelor of commerce
Brief Profile including expertise	Mr. Utpalbhai Raval, s/o Dineshbhai Raval is engaged in food business having profound expertise of over 7 Years.
Directorship in other companies	None
Names of the listed companies in which holds the directorship and the membership of Committees Board	None
Relationship with other Directors and KMP	None
Shareholding in Mishtann Foods Limited	31200 Equity Shares
Attendance in the meetings in the last financial year	Appointed with effect from July 03, 2019

<b>Agenda Item No.</b>	<b>7</b>
Name	Mr. Ajitkumar Narayanbhai Patel
Age	37 Years
Date of Birth	21/08/1981
DIN	08121392
Qualifications	Bachelor of commerce
Brief Profile including expertise	Mr. Ajitkumar Patel, s/o Narayanbhai Patel is running his own business in Agriculture related activities having experience of more than 10 Years.
Directorship in other companies	1
Names of the listed companies in which holds the directorship and the membership of Committees Board	None
Relationship with other Directors and KMP	None
Shareholding in Mishtann Foods Limited	52540 Equity Shares
Attendance in the meetings in the last financial year	Appointed with effect from July 03, 2019

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

**Sonu Jain**  
Company Secretary

**Date:** August 14, 2019

**Place:** Ahmedabad

**Registered Office:**

C-808, Ganesh Meridian, Opp. Gujarat High Court,  
S.G. Highway, Ahmedabad-380060

**CIN:** L15400GJ1981PLC004170

**E-mail Id.:** cs@mishtann.com



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**MISHTANN FOODS LIMITED**

**REGD. OFFICE:** C-808, GANESH MERIDIAN, OPP. GUJARAT HIGH COURT,  
SOLA, S.G. HIGHWAY, AHMEDABAD-380060

**WEBSITE:** www.mishtann.com; **CIN:** L15400GJ1981PLC004170

**TEL NO.:** 91 079 4002 3116; **FAX:** 4003 3116; **E-MAIL:** cs@mishtann.com

**Form No. MGT-11**

**PROXY FORM**

**Thirty-Ninth Annual General Meeting**

Thursday, September 26, 2019 at 11.30 a.m. (IST)

[Pursuant to section 105 (6) of the Companies Act, 2013 and rule 19 (3) of the Companies (Management and Administration) Rules, 2014]

CIN: L15400GJ1981PLC004170  
Name of the Company: Mishtann Foods Limited  
Registered Office: C-808, Ganesh Meridian, Opp. Gujarat High Court,  
Sola, S.G. Highway, Ahmedabad-380060  
**TEL NO.:** 91 079 4002 3116; **FAX:** 4003 3116

Name of the Member(s):	
Registered address:	
E-mail Id:	
Folio No.:	
DP ID-Client ID No.:	

I/We, being the member(s), holding ..... shares of the above named company, hereby appoint

- Name: .....  
Address: .....  
E-mail .....Id: .....  
Signature: .....or failing him/her
- Name: .....  
Address: .....  
E-mail .....Id: .....
- Name: .....  
Address: .....  
E-mail .....Id: .....  
Signature: .....or failing him/her

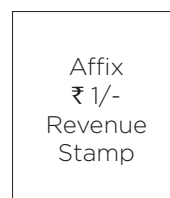
as my/our Proxy to attend and vote (on poll) for me/us and on my/our behalf at the Thirty-Ninth Annual General Meeting of the Company to be held on Thursday, September 26, 2019 at 11.30 a.m. (IST) at Hotel Aloft, 147/1 Opposite Bhagwat Vidhya Peeth, Sarkhej-Gandhinagar Hwy, Sola, Ahmedabad-380061, Gujarat and at any adjournment thereof in respect of such resolutions as are indicated overleaf.

Sr. No.	Resolutions	Optional*	
		For	Against
1	To receive, consider and adopt Audited Financial Statements of the Company for the Financial Year ended March 31, 2019, the Reports of the Board of Director's and Auditor's thereon		
2	To declare a dividend of ₹ 0.002/- per Equity Share (0.2%) on Equity Share of Face Value ₹ 1/-each for the Financial Year ended March 31, 2019		
3	To appoint a director in place of Mr. Navinchandra D. Patel (DIN: 05340874) who retires by rotation and being eligible, offers himself for re-appointment.		
4	To appoint Statutory Auditor's		
5	Appointment of Mrs. Himaben Patel, as an Independent Director		
6	Appointment of Mr. Utpalbhair Dineshbhai Raval, as an Independent Director		
7	Appointment of Mr. Ajitkumar Narayanbhai Patel, as an Independent Director		

Signed this ..... day of ..... 2019

Signature of Member(s) .....

Signature of Proxy holder(s) .....



**Notes:**

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. For the Resolutions, Explanatory Statement and Notes, please refer to the Notice of the Thirty Ninth Annual General Meeting.
3. \*It is optional to put a '✓' in the appropriate column against the Resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all Resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
4. Please complete all details including details of member(s) in above box before submission.



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**MISHTANN FOODS LIMITED**

**REGD. OFFICE:** C-808, GANESH MERIDIAN, OPP. GUJARAT HIGH COURT,  
SOLA, S.G. HIGHWAY, AHMEDABAD-380060

**WEBSITE:** www.mishtann.com; **CIN:** L15400GJ1981PLC004170

**TEL NO.:** 91 079 4002 3116; **FAX:** 4003 3116; **E-MAIL:** cs@mishtann.com

**ATTENDANCE SLIP**

I/We hereby record my/our presence at the Thirty-Ninth Annual General meeting of Mishtann Foods Limited to be held on Thursday, September 26, 2019 at 11.30 a.m. (IST) at Hotel Aloft, 147/1 Opposite Bhagwat Vidhya Peeth, Sarkhej-Gandhinagar Hwy, Sola, Ahmedabad-380061, Gujarat

Name of the Shareholder/Proxy (in Block Letters)	
Shareholder's Folio No./DP ID - Client ID No.	
Signature of the Shareholder/Proxy	

**Notes:**

1. Please write the Name, Folio No./DP ID-Client ID No. and sign this attendance slip and hand it over at the Attendance Verification Counter at the entrance of the meeting hall.
2. Only Member(s) or their Proxies with the attendance slip will be allowed entry to the Meeting. Shareholders/Proxy holders are requested to tender their attendance slips (annexed to the Notice), along with a valid identity proof such as the PAN card, passport, AADHAAR card, at the registration counters at the venue of the Meeting and seek registration before entering the Meeting hall.  
Only bonafide Shareholders/Proxy holders of the Company whose names appear on the Register of Members/ Proxy holders, in possession of valid attendance slips duly filled and signed will be permitted to attend the Meeting. The Company reserves its right to take all steps as may be deemed necessary to restrict non-members from attending the Meeting.
3. Members holding shares in physical form are requested to advise the change in their address, if any, to MCS Share Transfer Agent Limited, quoting their Folio No(s). Members holding shares in electronic form may update such details with their respective Depository Participant(s).
4. Members/Proxies are requested to bring this slip along with them as duplicate slips will not be issued at the venue of the Meeting.
5. Please read carefully the instructions given in the Notice of the Thirty-Ninth Annual General Meeting under the heading 'E-Voting Facility'.



## Map of the venue of the AGM

**Venue:** Hotel Aloft, 147/1 Opposite Bhagwat Vidhya Peeth, Sarkhej-Gandhinagar Hwy, Sola, Ahmedabad-380061, Gujarat





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## **MISHTANN FOODS LIMITED**

### **Registered Office:**

C-808, Ganesh Meridian, Opp. Gujarat High Court, S.G. Highway, Ahmedabad-380060.  
**Ph.:** +91 7940023116 | **Fax:** +91 7940033116  
**E-mail:** info@mishtann.com

### **Plant:**

Survey No.10, At Kabodari,  
Himatnagar - Dhansura Highway, Ta. Talod,  
Dist. Sabarkantha-383305, Gujarat, India

[www.mishtann.com](http://www.mishtann.com)