

**MAHAAN FOODS LTD.**

Correspondence Address:
M-19, 1st Floor, M Block Market,
Greater Kailash Part - II
New Delhi - 110 048 India
Ph. : +91 11 43107200
CIN : L15419HP1987PLC007356
Email : info@mahaanfoods.com
Website: http://mahaanfoods.com

The Manager
Department of Corporate Services
BSE Ltd.
25th Floor, P. J. Towers,
Dalal Street, Mumbai - 400001.

Date: 13.10.2018

Ref : Mahaan Foods Limited (Scrip Code: 519612)

Sub.: Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Dear Sir/ Madam,

Pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby submit the Integrated Report and Annual Accounts of the Company for the financial year 2017-18.

Please take the above in your record.

Thanking you,

Yours faithfully,

For **Mahaan Foods Limited**




Shubham Jain

(Company Secretary cum Compliance Officer)

**31st ANNUAL REPORT
(2017-18)**



MAHAAN FOODS LIMITED

Board of Directors	Mr. Sanjeev Goyal, Chairman & Managing Director Mrs. Saloni Goyal Mrs. Manisha Goyal Mrs. Rupali Chawla
Bankers	HDFC Bank Axis Bank
Secretary	Mr. Vijay Gupta
Auditors	M/s D. D. Nagpal & Co. Chartered Accountants Room No. H, 6th Floor, Gopala Tower, 25, Rajendra Place, New Delhi - 110008
Registered Office	Highwinds, National Highways 22, Village Datyar, Parwanoo, Himachal Pradesh - 173220
Corporate Office	M-19, 1st Floor, M-Block Market, Greater Kailash - II, New Delhi - 110048
Registrar & Transfer Agents	M/s Alankit Assignments Limited 1 E/ 13, Alankit House, Jhandewalan Extension, New Delhi - 110005

NOTICE

Notice is hereby given that the 31st Annual General Meeting of the shareholders of Mahaan Foods Limited will be held at RVCC, Sector-5, Parwanoo, Himachal Pradesh-173220 on Friday, 28th September, 2018 at 2:00 P.M. to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements of the company for the year ended 31st March, 2018 and the Directors' and Auditors' Report thereon.
2. To appoint a Director in place of Mrs. Saloni Goyal (DIN: 00400832), Director, who retires by rotation and being eligible, offers herself for re-appointment.

SPECIAL BUSINESS

3. To consider and approve appointment of Mrs. Manisha Goyal as Director and in this regard, pass the following resolution as an **Ordinary Resolution:**

"RESOLVED THAT Mrs. Manisha Goyal, (DIN: 00724073) who was appointed by the Board of Directors on recommendation of Nomination & Remuneration Committee as an Additional Director of the Company with effect from May 4, 2018 and who holds office upto the date of this Annual General Meeting of the Company in terms of Section 161 and other applicable provisions of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and being eligible offers herself for appointment, be and is hereby appointed, as Non-Executive Director of the Company.

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

4. To consider and approve appointment of Mrs. Manisha Goyal as Independent Director and in this regard, pass the following resolution as an **Ordinary Resolution:**

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 ("Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Act and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mrs. Manisha Goyal, (DIN: 00724073), who has submitted a declaration that she meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment and whose appointment is recommended by the Nomination & Remuneration Committee and the Board of Directors of the Company, be and is hereby appointed as an Independent Non-Executive Director of the Company, not liable to retire by rotation, to hold office for a period of five consecutive years from May 4, 2018 to May 3, 2023 or till such earlier date to conform with any applicable statutes, rules, regulations or guidelines.

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

5. To consider and approve appointment of Mrs. Rupali Chawla as Director and in this regard, pass the following resolution as an **Ordinary Resolution:**

"RESOLVED THAT Mrs. Rupali Chawla, (DIN: 06895504) who was appointed by the Board of Directors on recommendation of Nomination & Remuneration Committee as an Additional Director of the Company with effect from August 14, 2018 and who holds office upto the date of this Annual General Meeting of the Company in terms of Section 161 and other applicable provisions of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and being eligible offers herself for appointment be and is hereby appointed as Non-Executive Director of the Company.

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

6. To consider and approve appointment of Mrs. Rupali Chawla as Independent Director and in this regard, pass the following resolution as an **Ordinary Resolution:**

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 ("Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Act and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mrs. Rupali Chawla, (DIN: 06895504), who has submitted a declaration that she meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment and whose appointment is recommended by the Nomination & Remuneration Committee and the Board of Directors of the Company, be and is hereby appointed as an Independent Non-Executive Director of the Company, not liable to retire by rotation, to hold office for a period of five consecutive years from August 14, 2018 to August 13, 2023, or till such earlier date to conform with any applicable statutes, rules, regulations or guidelines.

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

7. To consider and approve shifting of Registered Office of the Company and in this regard, pass the following resolution as a **Special Resolution:**

"RESOLVED THAT pursuant to the provisions of Section 12, 13 and all other applicable provisions, if any, of the Companies Act, 2013 (the "Act") read with Rule 30 of the Companies (Incorporation) Rules, 2014 (including any statutory modification(s), or reenactment(s) thereof for the time being in force) and subject to the approval of the Central Government (power delegated to Regional Director) and/or any other

authority(ies) as may be prescribed from time to time and subject to such other approvals, permissions and sanctions, as may be required under the provisions of the said Act or under any other law for the time being in force, consent of the members of the Company be and is hereby accorded for shifting the Registered Office of the Company from the State of Himachal Pradesh to the National Capital Territory of Delhi and that Clause II of the Memorandum of Association of the Company be substituted with the following clause:

II. The Registered Office of the Company will be situated in the National Capital Territory of Delhi.

"RESOLVED FURTHER THAT the Board of Directors of the Company (hereinafter referred to as the "Board", which term shall deem to include any of its duly constituted Committee) or any officer/executive/representative and/or any other person so authorized by the Board, be and is hereby authorized on behalf of the Company to make any modifications, changes, variations, alterations or revisions stipulated by any authority, while according approval, consent as may be considered necessary and to appoint counsels/consultant and advisors, file applications/petitions, issue notices, advertisements, obtain orders for shifting of Registered Office from the authorities concerned and to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary and to settle any questions, difficulties or doubts that may arise in this regard without requiring the Board to secure any further consent or approval of the members of the Company."

8. To consider and approve adoption of new set of Memorandum of Association and in this regard, pass the following resolution as a **Special Resolution:**

"RESOLVED THAT pursuant to the provisions of Sections 4, 13 and other applicable provisions, if any, of the Companies Act 2013, read with Companies (Incorporation) Rules, 2014, including any statutory modification or re-enactment thereof for the time being in force ('the Act') and subject to the necessary approval(s) required under all other applicable laws and regulations if any, consent of the members of the Company be and is hereby accorded to alter the existing Memorandum of Association of the Company, by replacing, it with the new set of Memorandum of Association in accordance with Table 'A' of Schedule I of the Act and that the new set of Memorandum of Association be and is hereby approved and adopted as the Memorandum of Association of the Company in exclusion and in substitution of the existing Memorandum of Association of the Company.

"RESOLVED FURTHER THAT Mr. Sanjeev Goyal, Managing Director, Mrs. Saloni Goyal, Director of the Company and Company Secretary be and are hereby jointly and severally authorized to do and perform all such acts, deeds, matters and things as may be required or deemed necessary or incidental thereto including signing and filing all the e-forms and other documents with the statutory authorities, and to execute all such deeds, documents, agreements and writings as may be necessary for and on behalf of the Company and to settle and finalise all issues that may arise in this regard at any stage without requiring the Board to secure any further consent or approval of the Members of the Company to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution and to delegate all or any of the powers conferred herein as they may deem fit in the best interest of the Company and its members."

9. To consider and approve adoption of new set of Articles of Association and in this regard, pass the following resolution as a **Special Resolution:**

"RESOLVED THAT pursuant to the provisions of Sections 5, 14 and other applicable provisions, if any, of the Companies Act 2013, read with Companies (Incorporation) Rules, 2014, including any statutory modification or re-enactment thereof for the time being in force ('the Act') and subject to the necessary approval(s) required under all other applicable laws and regulations if any, consent of the members of the Company be and is hereby accorded to alter the existing Articles of Association of the Company, by replacing, it with the new set of Articles of Association in accordance with Table 'F' of Schedule I of the Act and that the new set of Articles of Association be and is hereby approved and adopted as the Articles of Association of the Company in exclusion and in substitution of the existing Articles of Association of the Company.

"RESOLVED FURTHER THAT Mr. Sanjeev Goyal, Managing Director, Mrs. Saloni Goyal, Director of the Company and Company Secretary be and are hereby jointly and severally authorized to do and perform all such acts, deeds, matters and things as may be required or deemed necessary or incidental thereto including signing and filing all the e-forms and other documents with the statutory authorities, and to execute all such deeds, documents, agreements and writings as may be necessary for and on behalf of the Company and to settle and finalise all issues that may arise in this regard at any stage without requiring the Board to secure any further consent or approval of the Members of the Company to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution and to delegate all or any of the powers conferred herein as they may deem fit in the best interest of the Company and its members."

By the orders of the Board of Directors

Sd/-

(Vijay Gupta)

Place: New Delhi
Date: 14th August, 2018

Membership No.: A29731
Company Secretary cum Compliance Officer

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF (ONLY ON A POLL) AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING THE PROXY, DULY COMPLETED, MUST BE DEPOSITED AT THE COMPANY'S REGISTERED OFFICE NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING. A PROXY FORM IS ENCLOSED.**
2. **A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more ten percent of the total share capital of the company carrying voting rights. A member holding more than ten percent of the 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 person or shareholder.**
3. An Explanatory Statement setting out the material facts pursuant to Section 102 of the Companies Act, 2013 ("the Act"), concerning the Special Businesses in the Notice is annexed hereto and forms part of this Notice.
4. The requirement to place the matter relating to appointment of Auditors for ratification by members at every Annual General Meeting is done away with vide notification dated May 7, 2018 issued by the Ministry of Corporate Affairs, New Delhi. Accordingly, no resolution is proposed for ratification of appointment of Auditors, who were appointed at the Annual General Meeting held on September, 27, 2014.
5. Corporate members intending to send their Authorized Representative are requested to send a duly certified copy of the Board Resolution authorizing their representatives to attend and vote at the Annual General Meeting.
6. Members / Proxies should bring the duly filled Attendance Slip enclosed herewith to attend the meeting.
7. In case of joint holders attending the meeting, only such joint holder whose name is mentioned in the first place in the order of names will be entitled to vote.
8. The business set out in the Notice will be transacted through electronic voting system and the Company is providing facility for voting by electronic means. Instructions and other information relating to e-voting are given below in this Notice. The Company will also send communication relating to remote e-voting which inter alia would contain details about User ID and password along with a copy of this Notice to the members, separately
9. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013 and the Register of Contracts and arrangements in which directors are interested maintained under section 189 of the Companies Act, 2013 will be available for inspection by the members at the AGM.
10. The Register of Members and Share Transfer Books of the Company will remain closed from 23rd September, 2018 to 28th September, 2018 (both days inclusive) for the purpose of AGM.
11. Members are requested to intimate immediately the change of address or demise of any Member, if any, to the Company's Registrar and Transfer Agents or Depository Participant, as the case may be to prevent frauds.
12. Members holding shares in dematerialised form are requested to intimate all changes pertaining to their change of address, change of name, e-mail address, contact numbers, etc. to their Depository Participant (DP). Members holding shares in physical form are requested intimate such changes to the Company or the Registrar and Transfer Agent of the Company.
13. Members seeking any information or clarification on Accounts are requested to send written queries to the Company at least 7 days before the date of the meeting to enable the management to keep the required information available at the Meeting.
14. The Company is concerned about the environment and utilizes natural resources in a sustainable way. We request you to update your email address with your Depository Participant to enable us to send you the communications via email.
15. Copies of the Annual Report, 2018 are being sent by electronic mode to all members whose email addresses are registered with the Company / Depository Participant(s) for communication purposes unless any member has requested for hard copy of the same. For members who have not registered their email addresses, physical copies of the Annual Report, 2018 are being sent by the permitted mode.
16. Members may also note that the Notice of the 31st AGM and the Annual Report, 2018 will be available on the Company's website, www.mahaanfoods.com. The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during normal business hours on working days. Members who require communication in physical form in addition to e-communication, or have any other queries, may write to us at: investor@mahaanfoods.com.
17. Additional information, pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, in respect of the directors seeking appointment / re-appointment at the AGM, are given in the explanatory statement of the Notice. The directors have furnished consent / declaration for their appointment / re-appointment as required under the Companies Act, 2013 and the Rules thereunder.
18. The Securities and Exchange Board of India (SEBI) has mandated the submission of the Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participant(s). Members holding shares in physical form shall submit their PAN details to the Company.
19. SEBI has also mandated that for registration of transfer of securities, the transferee(s) as well as transferor(s) shall furnish a copy of their PAN card to the Company for registration of transfer of securities.
20. All documents referred to in the notice will be available for inspection at the company's registered office during normal business hours on working days up to the date of the AGM.
21. Annual Listing Fee for the year 2018-2019 has been paid to the BSE Limited wherein shares of the Company are listed.
22. No gift(s) shall be distributed at the ensuing 31st Annual General Meeting of your company.

Voting through Electronic Means - Remote E-Voting

- I. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).
- II. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
- III. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
- IV. The remote e-voting period commences on **Tuesday, 25th September 2018 (9:00 am) and ends on Thursday, 27th September, 2018 (5:00 pm)**. During this period Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. 21st September, 2018, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Members, the Member shall not be allowed to change it subsequently.
- V. The instructions for remote e-voting are as under:
 - A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/Depository Participants(s)]:
 - (i) Open email and open PDF file viz; "remote e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password.
 - (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsd.com/>
 - (iii) Click on Shareholder - Login
 - (iv) Put user ID and password as initial password/PIN noted in step (i) above. Click Login.
 - (v) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
 - (vi) Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
 - (vii) Select "EVEN" of "Mahaan Foods Limited".
 - (viii) Now you are ready for remote e-voting as Cast Vote page opens.
 - (ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
 - (x) Upon confirmation, the message "Vote cast successfully" will be displayed.
 - (xi) Once you have voted on the resolution, you will not be allowed to modify your vote.
 - (xii) 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. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to investor@mahaanfoods.com with a copy marked to evoting@nsdl.co.in
 - B. In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company/ Depository Participants(s) or requesting physical copy] :
 - (i) Initial password is provided as below/at the bottom of the Attendance Slip for the AGM:

EVEN (Remote e-voting Event Number)	USER ID	PASSWORD/PIN
 - (ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.
- VI. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the downloads section of www.evoting.nsd.com or call on toll free no.: 1800-222-990.
- VII. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.
- VIII. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- IX. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 21st September, 2018.
- X. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 21st September, 2018, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or Issuer/ RTA.

However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on www.evoting.nsd.com or contact NSDL at the following toll-free no.: 1800-222-990.
- XI. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.

- XII. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
- XIII. Mr. Deepak Bansal, Company Secretary in Practice (CP 7433) has been appointed for as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- XIV. The Chairman shall, at the AGM at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "Ballot Paper" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
- XV. The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and make not later than 48 hours from the conclusion of the meeting, a consolidated scrutinizer's report of the total vote cast in favour and against, if any, to the Chairman, or an authorized person by him, of the Company.
- XVI. The Results declared along with the report of the Scrutinizer shall be placed on the Company's website: www.mahaanfoods.com and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited, Mumbai.

STATEMENT AS REQUIRED BY SECTION 102 OF THE COMPANIES ACT, 2013 AND THE INFORMATION REQUIRED TO BE FURNISHED UNDER SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

Item No. 3 & 4

The Board of Directors, on the recommendation of the Nomination and Remuneration Committee, appointed Mrs. Manisha Goyal, as an Additional Director and Independent Director, not being liable to retire by rotation, for a term of 5 (Five) years i.e. from 4th May, 2018 to 3rd May, 2023, subject to the approval of the shareholders.

As per Section 161(1) of the Companies Act, 2013 Mrs. Manisha Goyal being an Additional Director, holds office upto date of the forthcoming Annual General Meeting of the Company and is eligible to be appointed as Director of the Company. Mrs. Manisha Goyal is eligible to be appointed and has consented to act as an Independent Director of the Company. The Company has received from Mrs. Manisha Goyal a declaration to the effect that she meets the criteria of independence as provided in Section 149 (6) of the Companies Act, 2013.

The resolution seeks the approval of members for appointment of Mrs. Manisha Goyal as an Independent Director of the Company pursuant to Section 149 and other applicable provisions of the Companies Act, 2013 and the rules made there under. She is not liable to retire by rotation. The Board considers that her association would be of immense benefit to the Company and it is desirable to avail the services of Mrs. Manisha Goyal as an Independent Director.

Copy of the letter for appointment of Mrs. Manisha Goyal as Independent Director is available for inspection by members at the corporate office of the Company. This Statement may also be regarded as a disclosure under the Act and SEBI Regulations.

No Director, Key Managerial Personnel or their relatives, except Mrs. Manisha Goyal and her relatives to whom the resolution relates, is interested or concerned financially or otherwise in the Resolution.

The Board recommends the Resolution No. 3 & 4 for the approval of the members.

The brief resume of Mrs Manisha Goyal is given in the Annexure to the Notice.

Item No. 5 & 6

The Board of Directors, on the recommendation of the Nomination and Remuneration Committee, appointed Mrs. Rupali Chawla, as an Additional Director and Independent Director, not being liable to retire by rotation, for a term of 5 (Five) years i.e. from 14th August, 2018 to 13th August, 2023, subject to the approval of the Shareholders.

As per Section 161(1) of the Companies Act, 2013, Mrs. Rupali Chawla being an Additional Director, holds office upto the date of forthcoming Annual General Meeting of the Company and is eligible to be appointed as Director of the Company. Mrs. Rupali Chawla is eligible to be appointed and has consented to act as an Independent Director of the Company. The Company has received from Mrs. Rupali Chawla a declaration to the effect that she meets the criteria of independence as provided in Section 149 (6) of the Companies Act, 2013.

The resolution seeks the approval of members for appointment of Mrs. Rupali Chawla as an Independent Director of the Company pursuant to Section 149 and other applicable provisions of the Companies Act, 2013 and the rules made there under. She is not liable to retire by rotation. The Board considers that her association would be of immense benefit to the Company and it is desirable to avail the services of Mrs. Rupali Chawla as an Independent Director.

Copy of the letter for appointment of Mrs. Rupali Chawla as Independent Director is available for inspection by members at the corporate office of the Company. This Statement may also be regarded as a disclosure under the Act and SEBI Regulations.

No Director, Key Managerial Personnel or their relatives, except Mrs. Rupali Chawla and her relatives to whom the resolution relates, is interested or concerned financially or otherwise in the Resolution.

The Board recommends the Resolution No. 5 & 6 for the approval of the members.

The brief resume of Mrs. Rupali Chawla is given in the Annexure to the Notice.

Item no 7

Presently, the Registered Office of the Company is situated in the State of Himachal Pradesh and the Corporate Office / Head Office overseeing the day to day operations of the Company is situated at National Capital Territory (NCT) of Delhi. To exercise better administrative and economic control and enable the Company to rationalize and streamline its operations as well as the management of its affairs, the Board of Directors of the Company in its meeting held on August 14, 2018 has recommended to shift the Registered Office of the Company from the State of Himachal Pradesh to National Capital Territory (NCT) of Delhi.

The shifting of Registered Office from the State of Himachal Pradesh to National Capital Territory (NCT) of Delhi is in the best interest of the Company and shareholders and will not be detrimental to the interest of members of the public, shareholders, creditors or employees, in any manner whatsoever. Pursuant to the provisions of Section 12, 13, 108, Rule 20 of Companies (Management and Administration) Rules 2014 and all other applicable provisions, if any, of the Act read with applicable Rules and Regulations made there under (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), shifting of the Registered Office from one State to another and alteration of Clause II of the Memorandum of Association (the "MOA") of the Company requires the approval of the members of the Company by means of a Special Resolution and approval of the Central Government (power delegated to Regional Director).

In light of the above facts, the approval of the members is sought in the AGM for shifting of the Registered Office of the Company from State of Himachal Pradesh to the National Capital Territory (NCT) of Delhi and consequently for altering Clause II of the MOA.

Copies of the existing MOA and Altered MOA and other allied documents, if any, being referred in this resolution would be available for inspection by the members, free of cost, at the Corporate Office of the Company during 11.00 a.m to 1.00 p.m. on all working days (Monday to Friday), up to and including the date of AGM.

None of the Directors and/or Key Managerial Personnel of the Company and/or their relatives are concerned or interested, financially or otherwise in the said resolution except to the extent of their shareholding, if any.

The Board recommends the resolution under Item No. 7 for approval of the members as a Special Resolution.

Item No.8 & 9

The existing Memorandum of Association ("MOA") and Articles of Association ("AOA") of the Company were framed in terms of the provisions of the Companies Act, 1956. With the enactment of the Companies Act, 2013 major parts of the Companies Act, 1956 are no longer in force. Thus, with the coming into force of the Companies Act, 2013, the existing MOA and AOA require alteration in its several clauses. Hence, it is considered expedient to wholly replace the existing MOA and AOA with the new MOA and AOA in line with the new Companies Act, 2013.

The Memorandum of Association and Articles of Association of the Company, proposed to be amended as stated above, are being uploaded on the Company's website for perusal by the Shareholders. A copy of the existing and proposed MOA and AOA would be available for inspection by the members at the registered office of the company on all working days (Monday to Saturday) up to 28th September, 2018.

The alteration of MOA & AOA requires the approval of the Shareholders by means of a Special Resolution pursuant to Section 13 and Section 14 of the Companies Act, 2013 and accordingly the approval of the Shareholders is being sought accordingly.

The Board of Directors in its meeting held on 14th August, 2018 has accorded its approval for alteration of MOA & AOA. Your Directors recommend the same for approval of the Shareholders by passing Special Resolution(s) at Items no. 8 & 9.

None of the Directors, Key Managerial Personnel and their relatives is, in any way, concerned or interested, financially or otherwise, in the said resolution, except to the extent of their shareholdings in the Company, if any.

Relevant details, in terms of Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, in respect of the Directors seeking Appointment/Re-appointment at the ensuing 31st Annual General Meeting are as follows:

Name of the Director	Mrs. Saloni Goyal	Mrs. Manisha Goyal	Mrs. Rupali Chawla
DIN	00400832	00724073	06895504
Date of Birth	4th December, 1965	27th July, 1964	13th February, 1976
Date of Appointment	27.09.2014	04.05.2018	14.08.2018
Qualifications	PG in International Trade	Post Graduate	Graduate
Expertise in Specific Functional Area	Mrs. Saloni Goyal is having corporate experience of around 17 years.	Mrs. Manisha Goyal is having corporate management experience of around 14 years.	Mrs. Rupali Chawla is having experience in Corporate and Legal Management of around 10 years.
Name of the listed entities in which the person also hold the directorship and the membership of committees of the board	NIL	NIL	NIL
Shareholding in the Company	516715 (14.76%) Equity Shares of Re.10/- each	NIL	NIL
Relation with other Directors of the Company	Mrs. Saloni Goyal is wife of Mr. Sanjeev Goyal	NA	NA

By the orders of the Board of Directors

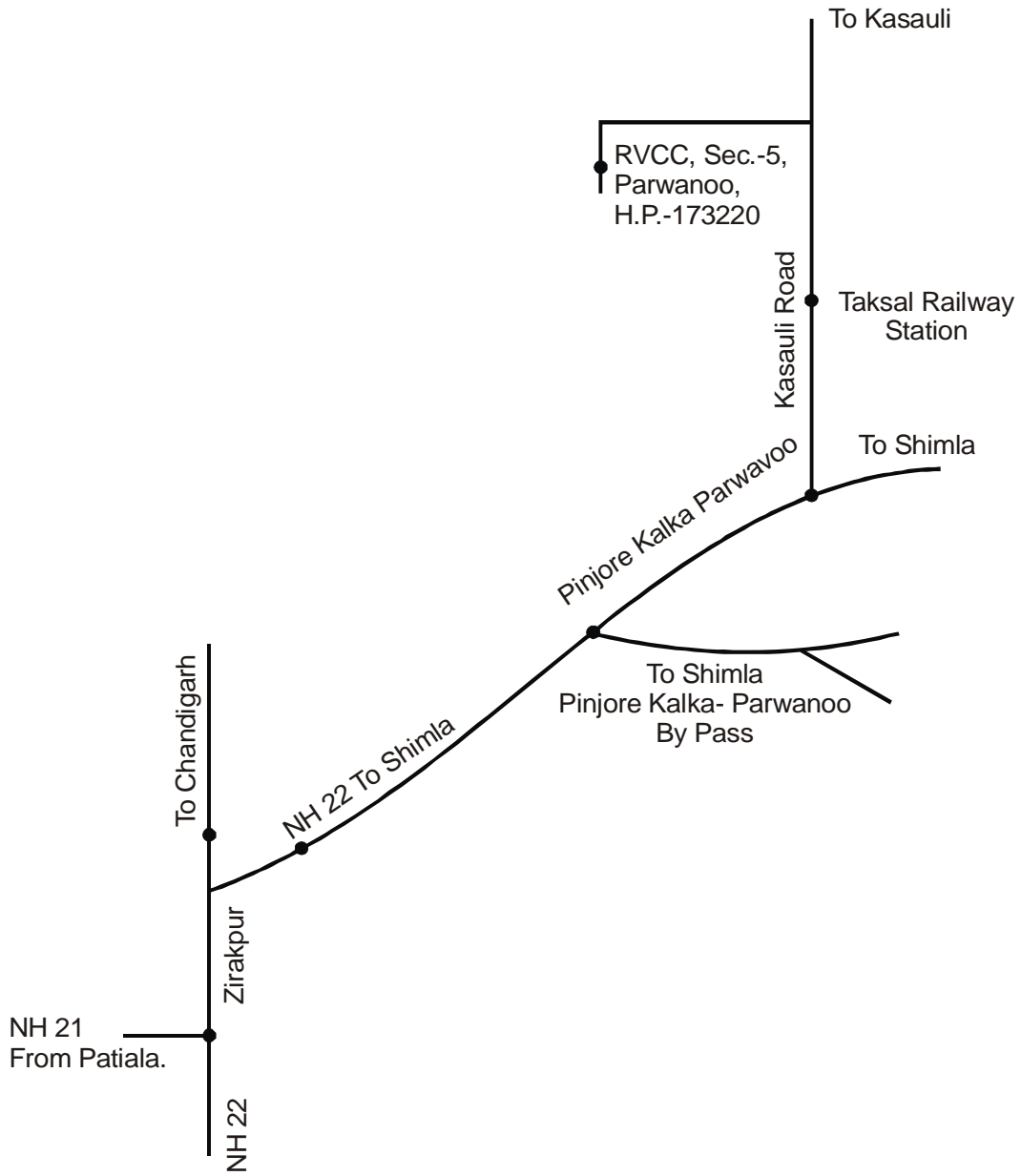
Sd/-

(Vijay Gupta)

Place: New Delhi
Date: 14th August, 2018

Membership No.: A29731
Company Secretary cum Compliance Officer

The route map of the venue of the AGM is given herein below:



DIRECTORS' REPORT

To,
The Members,

Our Directors have pleasure in presenting their 31st Annual Report on the business and operations of the Company together with the Audited Financial Statements for the year ended 31st March, 2018.

1. FINANCIAL HIGHLIGHTS

During the year under review, financial performance of your Company was as under:

(₹ in lakh)

Particulars	2017-2018	2016-17
Sales & other income	120.53	218.89
Profit Before Interest and Depreciation & Taxes	27.28	71.19
Profit/(Loss) before exceptional item & taxes	14.63	58.38
Exceptional item	145.98	-262.51
Profit/(Loss) before Tax	160.61	-204.13
Taxation	15.46	-15.75
Other Comprehensive Income	0.15	-
Profit/(Loss) after taxes	145.30	-219.88

The Company achieved gross turnover including other income of Rs. 120.53 Lakh and posted net profit of Rs 145.30 Lakh for the financial year ended on 31st March, 2018 as against gross turnover including other income of Rs. 218.89 Lakh and net loss of Rs. 219.88 Lakh in the previous financial year.

2. STATE OF COMPANY'S AFFAIRS AND FUTURE OUTLOOK

Your Company's business prospects continued to remain largely affected due to delay in the process of settlement involving the promoters of the Company. Your Company is hopeful that a stalemate, currently being faced in this regard, may be over in the current financial year. However, your Company is constantly exploring available business opportunities

3. CHANGE IN NATURE OF BUSINESS

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

4. DIVIDEND

Your Directors have not recommended dividend for the year ended 31st March, 2018.

5. TRANSFER TO RESERVES

During the year, the Company has transferred Rs. 1,45,30,089 to reserves.

6. CHANGES IN SHARE CAPITAL

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

7. DEPOSITS FROM PUBLIC:

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

8. EXTRACT OF ANNUAL RETURN

In accordance with Sections 134(3) (a) and 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014, the details forming part of the extract of the Annual Return in Form MGT-9 is annexed herewith as "ANNEXURE-A."

9. NUMBER OF BOARD MEETINGS & ATTENDANCE OF DIRECTORS

During the Financial Year 2017-18, 6 (Six) Board Meetings were held and the gap between two meetings did not exceed four months. The Board Meetings were held on 30th May, 2017, 12th August, 2017, 1st September, 2017, 14th November, 2017, 13th February, 2018 and 13th February, 2018 respectively.

The details of composition of the Board, the attendance record of the Directors at the Board Meetings held during the financial year ended on 31.03.2018 and at the last Annual General Meeting (AGM), and the details of their other Directorships. Committee Memberships and Chairmanships are given below:

Category	Name of the Director	No. of Board Meetings attended	Attendance at last AGM	No. of Directorship in other Public Limited Companies	No. of Chairmanship / Memberships of Committees in other Public Limited Companies
Executive Director	Mr. Sanjeev Goyal	6	Yes	1	3
Non-Executive Non-Independent Director	Mrs. Saloni Goyal	6	Yes	-	-
Non-Executive Independent Directors	Mr. Achal Kumar Khaneja	6	No	-	-
	Mrs. Moutushi Sengupta	4	No	-	-
	Mr. Deepak Bansal	1	No	1	4

Number of Equity Shares held by Directors as on 31st March, 2018 are as under: -

Name of Director	Designation	No. of Equity Shares
Mr. Sanjeev Goyal	Chairman & Managing Director	20600
Mrs. Saloni Goyal	Non-Executive Director	516715
Mr. Achal Kumar Khaneja	Independent Director	-
Mr. Deepak Bansal	Independent Director	-

10. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

The Company has not given any loan, guarantee or provided any security under Section 186 of the Companies Act, 2013. Disclosure on details of investments made during the financial years which are covered under provisions of section 186 of the Companies Act, 2013, have been made in the notes to the Financial Statements.

11. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

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

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

12. AUDITORS'

A. STATUTORY AUDITORS'

M/s. D.D. Nagpal & Co, Chartered Accountants, (Firm Registration No.:006413N) are appointed as statutory auditors of the Company from the conclusion of the 27th Annual General Meeting (AGM) of the Company held on September 27, 2014 till the conclusion of the 33rd Annual General Meeting to be held in the year 2019, subject to ratification of their appointment at every Annual General Meeting.

Since the requirement to place the matter relating to appointment of Auditors for ratification by members at every Annual General Meeting is done away with vide notification dated May 7, 2018 issued by the Ministry of Corporate Affairs, New Delhi., no resolution is proposed for ratification of appointment of Auditors, who were appointed in the Annual General Meeting held on September, 27, 2014. The Company has however received a certificate from the Auditors to the effect that their continuance as Auditors of the Company for the Financial Year 2018-19 would be in accordance with the provisions of Section 141 of the Companies Act, 2013.

The Auditors have intimated about change in the name of their firm from M/s D.D. Nagpal & Co. to M/s D M A R K S & Associates with effect from 2nd July, 2018 after taking approval of the Institute of Chartered Accountants of India.

As regards observations contained in the Auditor's Report, the respective notes to the accounts are self-explanatory and therefore, do not call for any further comments.

B. SECRETARIAL AUDITORS'

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, M/s Shakshi Mittal & Associates, Company Secretaries (C.P.No. 12649) had been appointed as Secretarial Auditors to undertake the Secretarial Audit of the Company for the Financial Year 2017-18. The Secretarial Audit Report for the year ended on 31st March, 2018 is annexed herewith as **ANNEXURE B**.

There are no comments in the Secretarial Auditors report which requires any explanation from the directors of the company.

C. INTERNAL AUDITORS'

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

D. COST AUDIT

In terms of provision of section 148(1) of the Companies Act, 2013 read with rule 3 of the Companies (Cost Records and Audit) Rules, 2014, the Company was not required to maintain cost records for the financial year 2017-18.

13. MATERIAL CHANGES AFFECTING THE FINANCIAL POSITION OF THE COMPANY

The inordinate delay in implementation of Company Law Board order dated 3rd September, 2010 involving family settlement amongst the promoters of the company continued to severely affect the financial position and operations of the company.

14. CONSERVATION OF ENERGY, TECHNOLOGY, ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO
A. CONSERVATION OF ENERGY

- i) Steps taken or impact on conservation of energy.
- ii) The steps taken by the company for utilizing alternate sources of energy.

Your Company has taken adequate measures to ensure optimum use of all equipment's so as to conserve energy.

- iii) Capital Investment on energy conservation equipments: Nil

B. TECHNOLOGY ABSORPTION

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

C. FOREIGN EXCHANGE EARNINGS AND OUTGO:

a. Foreign Exchange Earnings: Nil

b. Outgo: Rs. 42,63,980

15. DETAILS OF SUBSIDIARY, JOINT VENTURE OR ASSOCIATES

The Company is having Zeon Lifesciences Limited as its Associate Company in accordance with Section 2(6) of the Companies Act, 2013. However, the shareholding held by the Company in Zeon Lifesciences Ltd. is subject to inter se transfer of shares between the promoters of the Company & Zeon Lifesciences Ltd. in accordance with the Hon'ble Company Law Board order dated 03.09.2010.

The Company does not have any subsidiary or joint venture company.

16. RISK MANAGEMENT

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

17. DIRECTORS & KEY MANAGERIAL PERSONNEL (KMP)

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

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

On recommendation of the Nomination & Remuneration Committee, Mrs. Manisha Goyal (DIN-00724073) and Mrs. Rupali Chawla (DIN-06895504) were appointed Additional and Independent Directors at the meetings of the Board of Directors of the company held on 4th May, 2018, and 14th August, 2018 respectively. The details of their appointment forms part of the notice of AGM. They hold the office as Additional Director up to the date of the ensuing Annual General Meeting. The Board recommends their appointment for consideration of the shareholders of the Company at the ensuing Annual General Meeting.

Mrs. Moutushi Sengupta (DIN-07092382) and Mr. Achal Kumar Khaneja (DIN-02282489) resigned as Directors with effect from 4th May, 2018 and 12th July, 2018 respectively. Further Mr. Deepak Bansal (DIN: 00060726) who was appointed as an Additional and Independent Director on 13th February, 2018 resigned on 14th August, 2018. The Board places on record its deep appreciation for the valuable contribution made by them to the affairs of the company during their tenure as Independent Directors of the Company.

All the Independent Directors have submitted a declaration that each of them meets the criteria of Independence as provided in section 149(6) of the Companies Act, 2013 and Regulation 16 (b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and there has been no change in the circumstances which may affect their status as Independent Directors during the year.

18. DETAILS OF SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNAL

Your Company operations are affected on account of inordinate delay in the settlement of disputes amongst its promoters. The matter is pending for adjudication before the mediator under the supervision of Hon'ble High Court of Delhi.

19. INTERNAL FINANCIAL CONTROLS

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

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

20. FRAUD REPORTING

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

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

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

22. DISCLOSURE OF RATIO OF REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL ETC.

The company did not pay any remuneration to the Managing Director and other directors of the company.

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

23. PARTICULARS OF EMPLOYEES

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

24. CODE OF CONDUCT

The Board of Directors has approved a Code of Conduct which is applicable to all the members of the Board & senior management personnel of the company. The Code has been posted on the Company's website www.mahaanfoods.com.

25. COMMITTEES OF THE BOARD

The Board of Directors has the following Committees:

❖ Audit Committee

The Audit Committee formed in pursuance to Section 177 of the Companies Act, 2013 and in accordance with Regulation 18 of the Listing Regulations is instrumental in reviewing the procedures of financial reporting besides reviewing the quarterly, half yearly, annual financial results of the Company, internal control systems, auditing and accounting matters including recommending for appointment of independent auditors and compliance with legal and statutory requirements and integrity of the Company's financial statements.

During the year, 5 (Five) meetings of the Committee were held on 30th May, 2017, 12th August, 2017, 1st September, 2017, 14th November, 2017, and 13th February, 2018 respectively. The composition and attendance of the Committee was as under:

Name of Director	Position held in the Committee	No. of Committee Meetings attended
Mr. Achal Kumar Khaneja	Chairman	5
Mr. Sanjeev Goyal	Member	5
Mrs. Moutushi Sengupta	Member	4
#Mr. Deepak Bansal	Member	1

Mrs. Moutushi Sengupta ceased to be a member of the Committee w.e.f. 30th November, 2017.

Mr. Deepak Bansal who was appointed as an Additional and Independent Director on 13th February, 2018 was included as member of the Committee on 13th February, 2018.

The Company Secretary acted as the Secretary to the Committee and the Statutory and Internal Auditors attended the meetings on invitation.

❖ NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee (NRC) is constituted pursuant to Section 178 of the Companies Act, 2013, and Regulation 19 of Listing Regulation.

REMUNERATION POLICY

In accordance with the Remuneration policy of the company, the Nomination and Remuneration Committee recommend the appointment/ re-appointment of Directors including Independent Directors and senior management & employees of the Company, based on their qualifications, professional experience, positive attributes, viewpoints, skills and area of expertise.

The Remuneration Policy is placed on the Company's website www.mahaanfoods.com.

During the year One meeting of the Nomination & Remuneration Committee was held on 30th May, 2017.

The composition and attendance of the Committee was as under:

S. No.	Name of Director	Position held in the Committee	No. of Committee Meetings attended
1	Mr. Achal Kumar Khaneja	Chairman	1
2	Mrs. Moutushi Sengupta	Member	1
3	Mr. Sanjeev Goyal	Member	1
4.	#Mr. Deepak Bansal	Member	-

*Mrs. Moutushi Sengupta ceased to be a member of the Committee w.e.f. 30th November, 2017.

#Mr. Deepak Bansal who was appointed as an Additional and Independent Director on 13th February, 2018 was included as member of the

Committee on 13th February, 2018.

The Company Secretary acted as the Secretary to the Committee.

The Company has not given any Stock Option to any Director.

The Company did not pay any remuneration to the Managing Director and Non-Executive Directors of the Company.

❖ **STAKEHOLDERS' RELATIONSHIP COMMITTEE**

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

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

During the year, 4 (Four) meetings of the Committee were held on 5th May, 2017, 10th July, 2017, 13th November, 2017, and 12th February, 2018 respectively:

The Composition and attendance of the Stakeholders' Relationship Committee was as below:

Name of Director	Position held in the Committee	No. of Committee Meetings attended
Mr. Achal Kumar Khaneja	Chairman	4
Mrs. Saloni Goyal	Member	4

The Board has designated Mr. Vijay Gupta, Company Secretary of the Company as Compliance Officer of the Company.

No. of shareholders' complaints received upto 31st March, 2018 : Nil

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

No. of pending complaints : Nil

26. CORPORATE GOVERNANCE

In terms of provision of regulation 15(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, compliance with the Corporate Governance provisions as specified under regulations 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27 and clause (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V is not applicable to the Company as paid-up share capital of the Company is less than Rs. 10 crore and net-worth of the Company is less than Rs. 25 crores, as on the financial year ended on 31st March, 2018. However, in view of provision of regulation 15(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, the Company has made compliances with the applicable provisions under the Companies Act, 2013.

27. CORPORATE SOCIAL RESPONSIBILITY (CSR)

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

28. FORMAL EVALUATION OF BOARD, COMMITTEES & DIRECTORS' PERFORMANCE

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

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

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

29. WHISTLE BLOWER/VIGILANCE POLICY

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

30. DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE, (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013

The Company was not required to constitute Internal Complaints Committee. Your company did not come across any complaint by any employee during the year under review relating to the sexual harassment.

31. SECRETARIAL STANDARDS

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

32. MANAGEMENT DISCUSSIONS AND ANALYSIS

The Management Discussions and Analysis forms an integral part of this report as **Annexure - D**

33. INDIAN ACCOUNTING STANDARDS

The Ministry of Corporate Affairs (MCA) on February 16, 2015, notified that Indian Accounting Standards (Ind AS) are applicable to certain classes of companies from April 1, 2017 with a transition date of April 1, 2016. Ind AS has replaced the previous Indian GAAP prescribed under Section 133 of the Companies Act, 2013 ("the Act") read with Rule 7 of the Companies (Accounts) Rules, 2014.

Ind AS is applicable to the Company from April 1, 2017. The reconciliations and descriptions of the effect of the transition from previous GAAP to Ind AS have been set out in Note 35 in the notes to accounts in the financial statement.

34. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(3) (c) of the Companies Act, 2013, the board of directors, to the best of their knowledge and ability, state that:

- i) in the preparation of the annual accounts, the applicable accounting standards have been followed and there are no material departures;
- ii) 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 financial year ended on 31.03.2018 and of the profit of the Company for that financial year ended 31.03.2018
- iii) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) the directors had prepared the annual accounts on a going concern basis;
- v) 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.
- vi) 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.

35. ACKNOWLEDGEMENT

Your Directors express their sincere gratitude and deep appreciation for the co-operation and assistance given by the financial institutions, banks, suppliers and customers of the Company during the year under report and look forward to their continued support. Your Directors also thankfully acknowledge the trust and confidence reposed by you in the Company.

By order of the Board of Directors

Sd/-

(Sanjeev Goyal)

Chairman & Managing Director

DIN No.00221099

Date: 14/08/2018

Place: New Delhi

FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN
(As on financial year ended on 31.03.2018)
Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company
(Management & Administration) Rules, 2014
I. REGISTRATION & OTHER DETAILS:

1.	CIN	L15419HP1987PLC007356
2.	Registration Date	13.03.1987
3.	Name of the Company	Mahaan Foods Limited
4.	Category/Sub-category of the Company	Company limited by shares/ Indian Non Government Company
5.	Address of the Registered office & contact details	Highwinds, National Highway 22, Village Datyar, Parwanoo, Himachal Pradesh, 173220 Contact Number:011-43107200 Email-ID-vijaygupta@mahaanfoods.com
6.	Whether listed company	Listed
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Name : M/s Alankit Assignments Limited Address 1 E/ 13, Alankit House, Jhandewalan Extension, New Delhi - 110005 Tel: +91 11-4254 1234 Email: rta@alankit.com Website: www.alankit.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)

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

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary / Associate	% of shares held	Applicable Section
1.	* Zeon Lifesciences Limited Address: Village Kunja, Rampur Road Paonta Sahib, Distt Sirmour, Himachal Pradesh.	U15209HP1987PLC007355	Associate	22.73	2(6)

* The shareholding held by the Company in Zeon Lifesciences Ltd. is subject to inter se transfer of shares between the promoters of the Company & Zeon Lifesciences Ltd. in accordance with the Hon'ble Company Law Board order dated 03.09.2010.

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 31-March-2017]				No. of Shares held at the end of the year[As on 31-March-2018]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter's									
(1) Indian									
a) Individual/ HUF	1,865,299	-	1,865,299	53.28	1,865,299	-	1,865,299	53.28	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	-	-	-	-	-	-	-	-	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Sub-Total (A) (1)	1,865,299	-	1,865,299	53.28	1,865,299	-	1,865,299	53.28	
(2) Foreign									
a) NRIs-Individuals	-	-	-	-	-	-	-	-	-
b) Other-Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-
Sub-Total (A) (2)	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A)(1)+(A)(2)	1,865,299	-	1,865,299	53.28	1,865,299	-	1,865,299	53.28	-
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	6,300	6,300	0.18	-	6,300	6,300	0.18	NIL
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	62,500	-	62,500	1.79	62,500	-	62,500	1.79	NIL
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	62,500	6,300	68,800	1.97	62,500	6,300	68,800	1.97	NIL
2. Non-Institutions									
a) Bodies Corp.	119,676	16,800	136,476	3.89	104,002	16,800	120,802	3.45	-0.44
i) Indian									
ii) Overseas									
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	536,745	354,645	891,390	25.46	443,985	348,745	792,730	22.64	-2.82
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	352,043	-	352,043	10.06	448,090	-	448,090	12.80	+2.74
c) Others (specify)									
Non Resident Indians	11,592	159,400	170,992	4.89	11,990	159,400	171,390	4.90	+0.01
Overseas Corporate Bodies	15,700	-	15,700	0.45	15,700	-	15,700	0.45	NIL
Resident HUF	-	-	-	-	17889	-	17889	0.51	+0.51
Sub-total (B)(2):-	1,035,756	530,845	1,566,601	44.75	1,041,656	524,945	1,566,601	44.75	NIL
Total Public Shareholding (B)=(B)(1)+ (B)(2)	1,098,256	537,145	1,635,401	46.72	1,104,156	531,245	1,635,401	46.72	NIL
C. Shares held by Custodian for GDRs & ADRs									
	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	2,963,555	537,145	3,500,700	100	2,969,455	531,245	3,500,700	100	100

ii. Shareholding of Promoters-

Sr No	Shareholder'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/ encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged/ encumbered to total shares	
1	Mr. Aditya Goyal	148,175	4.23	-	148,175	4.23	-	-
2	Mrs. Saloni Goyal	516,715	14.76	-	516,715	14.76	-	-
3	Mr. Sanjeev Goyal	20,600	0.59	-	20,600	0.59	-	-
4	Sanjeev Goyal HUF	99,900	2.85	-	99,900	2.85	-	-
5	Ms. Sanya Goyal	239,750	6.85	-	239,750	6.85	-	-
6	Mrs. Sita Devi	840,159	24.00	-	840,159	24.00	-	-
	Total	1,865,299	53.28		1,865,299	53.28		

iii. Change in Promoters' Shareholding

Sr No	Particular	Shareholding at the beginning of the year		Date	Increase/ Decrease in share-holding during the year	Reasons	Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company				No. of shares	% of total shares of the company
				NIL				

iv. Shareholding Pattern of top ten Shareholders:
(Other than Directors, Promoters and Holders of GDRs and ADRs):

Sr No	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Date	Increase/ Decrease in share-holding during the year	Reasons	Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company				No. of shares	% of total shares of the company
1	SaileshVikramsinh Thakker	141,000	4.03	14.04.2017	-1,000	Sale	140,000	4.00
2	Raju Bhandari	126,977	3.63	07.04.2017 28.04.2017 22.12.2017 12.01.2018 19.01.2018 02.02.2018	-8 +3,000 +469 +5,450 +5,000 +77	Sale Purchase Purchase Purchase Purchase Purchase	140,965	4.02
3	The Pradeshiya Industrial and Investment Corporation	62,500	1.79	-	-	-	62,500	1.79
4	S. Chand & co. Ltd	42,564	1.22	-	-	-	42,564	1.22
5	Alliance Holdings Limited	25,000	0.71	-	-	-	25,000	0.71
6	Asgar Hussaini Bharmal	24,900	.64	-	-	-	24,900	0.64
7	Karvy Stock Broking Limited	24,220	0.69	21.04.2017 05.05.2017 12.05.2017 01.09.2017	-100 +100 -100 -38	Sale Purchase Sale Sale	24,082	0.68
8	*Suresh Gadaley	7,809	0.22	14.04.2017 21.04.2017 28.04.2017 05.05.2017 12.05.2017	+1,275 +16,007 +28,569 +4,151 +2	Purchase Purchase Purchase Purchase Purchase	84,495	2.41

Sr No	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Date	Increase/ Decrease in share-holding during the year	Reasons	Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company				No. of shares	% of total shares of the company
				16.06.2017	+2302	Purchase		
				30.06.2017	+2849	Purchase		
				14.07.2017	+1000	Purchase		
				01.09.2017	+1511	Purchase		
				08.09.2017	+684	Purchase		
				22.12.2017	+1558	Purchase		
				26.01.2018	+1255	Purchase		
				02.02.2018	+4335	Purchase		
				09.02.2018	+1602	Purchase		
				16.02.2018	+925	Purchase		
				23.02.2018	+3611	Purchase		
				02.03.2018	+300	Purchase		
				09.03.2018	-10	Sale		
				16.03.2018	-4	Sale		
				23.03.2018	+3769	Purchase		
				30.03.2018	+995	Purchase		
9	Balram Bharwani	36666	1.047	09.06.2017	+159	Purchase	36735	1.049
				29.09.2017	+15	Purchase		
				13.10.2017	-40	Sale		
				27.10.2017	+5	Purchase		
				16.02.2018	+20	Purchase		
				23.02.2018	-125	Sale		
				09.03.2018	+25	Purchase		
				16.03.2018	+10	Purchase		
10	Pearl Mary Nirmala George	22000	0.63	-	-	-	22000	0.63

Note: The above information is based on the weekly beneficiary position received from depositories on 1st April, 2017 to 31st March, 2018.

*Not in the list of top 10 shareholders as on 01.04.2017, however they are reflected as shareholders on 31.03.2018.

v. Shareholding of Directors and Key Managerial Personnel:

S N	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Mr. Sanjeev Goyal, Chairman cum Managing Director	20600	0.588	20600	0.588
2	Mrs. Saloni Goyal, Non-Executive Director	516715	14.76	516715	14.76

V. **INDEBTEDNESS** - Indebtedness of the Company including interest outstanding/accrued but not due for payment: NIL

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. REMUNERATION TO MANAGING DIRECTOR, WHOLE-TIME DIRECTORS AND/OR MANAGER-NIL

B. REMUNERATION TO OTHER DIRECTORS-

SN.	Particulars of Remuneration	Name of Directors			Total Amount
1	Independent Directors	Mr. Achal Kumar Khaneja	Mrs. Moutushi Sengupta	Mr. Deepak Bansal	
	Fee for attending board and committee meetings	NIL			
	Commission	NIL			
	Others, please specify	NIL			
	Total (1)				
2	Other Non-Executive Directors	Mrs. Saloni Goyal			
	Fee for attending board and committee meetings	NIL			
	Commission	NIL			

SN.	Particulars of Remuneration	Name of Directors	Total Amount
	Others, please specify	NIL	
	Total (2)	NIL	
	Total Managerial Remuneration Total (B)=(1+2)		
	Overall Ceiling as per the Act		

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

S N	Particulars of Remuneration	Key Managerial Personnel		Total
		Mr. Vijay Gupta (CS)	Mr. Jitender Bisht (CFO)	
1	Gross salary	6,00,805	6,56,003	12,56,808
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	0	0	0
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0	0	0
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	0	0	0
2	Stock Option	0	0	0
3	Sweat Equity	0	0	0
4	Commission	0	0	0
	- as % of profit	0	0	0
	Others, specify...	0	0	0
5	Others, please specify	0	0	0
	Total			

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: Nil

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2018

[Pursuant to section 204(1) of the Companies Act, 2013 and rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The Members

M/s Mahaan Foods Limited

Highwinds, National Highway-22,

Village Datyar, Parwanoo,

Himanchal Pradesh-173220

IWe have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Mahaan Foods Limited (CIN:L1549HP1987PLC007356)** (hereinafter called "the Company"). The 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 the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on **31st March, 2018** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on **31st March, 2018** according to the provisions of:

- i) The Companies Act, 2013 (the Act) and the Rules made thereunder;
- ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
- iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv) The Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; and
- 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 (Not Applicable to the Company during the Audit period);
 - d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (Not Applicable to the Company during the audit period);
 - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not Applicable to the Company during the Audit period);
 - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not Applicable to the Company during the Audit period); and
 - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (Not Applicable to the Company during the Audit period).
 - i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
- vi) We further report that having regard to compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with the following laws applicable specifically to the Company:
 - (a) Food Safety and Standards Act, 2006(FSSA) and Rules, 2011 and Regulations, 2011;
 - (b) Food Safety and Standards (Licensing & Registration of food business) Regulations, 2011
 - (c) Food Safety and Standards (Packaging and Labeling) Regulations, 2011

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

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

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

- i) Secretarial Standards (SS) with regard to Meeting of Board of Directors (SS-1) and General Meetings (SS-2) issued by the Institute of Company Secretaries of India.
- ii) The Listing Agreement entered into by the Company with BSE Limited.

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

We further report that the Board of Directors of the Company is duly constituted with 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 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, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

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

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

We further report that during the audit period that the Company's operations continued to be affected, as explained, on account of inordinate delay in implementation of Company Law Board Order dated 3rd September, 2010 relating to family settlement amongst the promoters of the company.

Date: 14th August, 2018
Place: New Delhi

For Shakshi Mittal & Associates
Company Secretaries
Sd/-
(Shakshi Mittal)
Proprietor
ACS: 32114 CP 12649

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

To,
The Members,
M/s Mahaan Foods Limited
Highwinds, National Highway-22,
Village Datyar, Parwanoo,
Himanchal Pradesh-173220

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. My responsibility is to express an opinion on these secretarial records based on our audit.
2. I 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. I believe that the processes and practices, I followed provide a reasonable basis for our opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, I 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. My 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.

Date: 14th August, 2018
Place: New Delhi

For Shakshi Mittal & Associates
Company Secretaries
Sd/-
(Shakshi Mittal)
Proprietor
ACS: 32114 CP 12649

ANNEXURE-C

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

- i) The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year cannot be ascertained as no remuneration was paid to any of the Directors of the company.
- ii) There was only 8.70% increase in the remuneration of Company Secretary and 8.91% increase in the remuneration of CFO in the financial year.
- iii) There was 7.06% increase in the median remuneration of employees in the financial year.
- iv) There were only 2(two) permanent employees on the rolls of the Company.
- v) The average percentile increase already made in the salaries of employees' others than the managerial personnel in the last financial year is Nil. No comparison could be given with respect to increase in managerial remuneration as no remuneration was paid to any Managerial Personnel during the year.
- vi) It is hereby affirmed that the remuneration during the year ended 31st March, 2018 is paid as per the Remuneration Policy of the Company.

Management Discussion and Analysis

Industry Structure and development

Over the years, India has emerged as one of the world's biggest producers of milk, with the total milk production rising from 122 Million Metric Tons in 2010 to 171 Million Metric Tons in 2017.

India has been the leading producer and consumer of dairy products worldwide since 1998 with a sustained growth in the availability of milk and milk products. Dairy activities form an essential part of the rural Indian economy, serving as an important source of employment and income. India also has the largest bovine population in the world. However, the milk production per animal is significantly low as compared to the other major dairy producers. Moreover, nearly all of the dairy produce in India is consumed domestically, with the majority of it being sold as fluid milk. On account of this, the Indian dairy industry holds tremendous potential for value-addition and overall development. According to the latest report by IMARC Group, titled "**Dairy Industry in India 2018 Edition: Market Size, Growth, Prices, Segments, Cooperatives, Private Dairies, Procurement and Distribution**", the dairy market in India reached a value of INR 7,916 Billion in 2017.

Along with offering profitable business opportunities, the dairy industry in India serves as a tool of socio-economic development. Keeping this in view, the Government of India has introduced various schemes and initiatives aimed at the development of the dairy sector in the country. For instance, the "National Dairy Programme (Phase-I)" aims to improve cattle productivity and increase the production of milk expanding and strengthening the rural milk procurement infrastructure and provide greater market access to the farmers. On the other hand, the private participation in the Indian dairy sector has also increased over the past few years. Both national and international players are entering the dairy industry, attracted by the size and potential of the Indian market. The focus is being given to value-added products such as cheese, yogurt, probiotic drinks, etc. They are also introducing innovative products keeping in mind the specific requirements of the Indian consumers. These players are also improving their milk procurement network which is further facilitating the development of the dairy industry in India. Looking forward, the market is expected to reach a value of INR 18,599 Billion by 2023, exhibiting a CAGR of around 15% during 2018-2023.

Opportunities and Threats

The future for the Indian dairy industry looks promising, buoyed by strong domestic consumption. The Company's operations continue to be largely affected on account of inordinate delay in the settlement of disputes amongst its promoters. The matter is pending for adjudication before the mediator under the supervision of Hon'ble High Court of Delhi. Your company is trying to explore available business avenues.

Segment wise or product wise performance

The company does not have the segment or product wise performance.

Outlook for the Industry

With an increase in average household income, the demand in dairy products continues to increase specially bearing in mind the large percentage of vegetarians in the country. Also, the demand for milk and milk products is likely to see continued growth.

Future Prospects

More and more emphasis is being laid on liquid milk and fresh products such as lassi, pro-biotic milk, ice creams, Skimmed Milk Powder etc. There's an increase in demand for the said products.

The Company is trying to reposition itself in the changing business scenario.

Risk and Concerns

The huge surge in costs in terms of raw material inputs, services, power and fuel is also affecting the industry. Impact of monsoons on the milk availability is a matter of concern. Governmental policies on exports/ imports are also detrimental to the business.

Your company is facing legal imbroglio which has severely affected its expansion and diversification plans.

Internal Control Systems and their adequacy

The Company has internal control system commensurate with the size and nature of the business which is monitored for its effectiveness on continuous basis.

Financial and Operational Performance

The Company achieved gross turnover including other income of Rs. 120.53 Lakh and posted net Profit of Rs 145.30 Lakh for the financial year ended on 31st March, 2018 as against gross turnover including other income of Rs. 218.89 Lakh and net loss of Rs. 219.88 Lakh in the previous financial year.

Human Resource and Industrial Relations

The Company continues to emphasize on optimization of the human resources.

Disclosure of Accounting Treatment

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

D D NAGPAL & COMPANY
CHARTERED ACCOUNTANTS
6H GOPALA RAJENDRA PLACE DELHI-110008
PHONES: 25821021, 25821040
Email.id : ddnagpal@gmail.com

Independent Auditor's Report**To the Members of Mahaan Foods Limited****Report on the Standalone Financial Statements**

We have audited the accompanying standalone financial statements of Mahaan Foods Limited ('the Company'), which comprise the Balance sheet as at 31 March 2018, the statement of profit and loss and the cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation 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 the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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 and the order under section 143(11) of the Act.

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we have given in the Annexure 'A', a statement on the matters specified in the 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 sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The balance sheet, the statement of profit and loss and the cash flow statement dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid standalone financial statements comply with the 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 March 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2017 from being appointed as a director in terms of Section 164 (2) of the Act; and
- (f) With respect to adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our report in "Annexure B", which is based on the Auditors' Report of the Company. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal financial controls over financial reporting of the Company.
- (g) Attention is invited to Note No.26 stating that some of balance of debtors, creditors, and loan and advances are subject to confirmation from respective parties. We have relied on the representation of the management that no significant impact is expected on the working results of the company on this account.
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations 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 in financial statements; and
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
 - iv. The disclosures in the standalone Ind AS financial statement regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made since they do not pertain to the financial year ended 31 March 2018. However amounts as appearing in the audited Standalone Ind AS financial statements for the period ended 31 March 2017 have been disclosed. Refer Note 14 to the Standalone Ind AS Financial Statement.

For D.D.Nagpal & Co
Chartered Accountants
 Firm's registration number: 006413N

Dev Dhar Nagpal
Partner
Membership number: 085366

New Delhi
29th May, 2018

Annexure - A to the Independent Auditors' Report

The Annexure referred to in our Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31 March 2018, we report that:

- (i)
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) The Company has a regular program of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years. In accordance with this program, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification.
 - (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- (ii)
 - (a) The inventories have been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
 - (b) The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business
 - (c) The Company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material.
- (iii) The Company has not granted loans to any company covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act').
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.
- (v) The Company has not accepted any deposits from the public covered under Section 73 to 76 of the Companies Act, 2013.
- (vi) We have broadly reviewed the Cost Records maintained by the company as prescribed by the Central Government under sub section (1) of the Companies Act 2013 and are of the opinion that prima facie, the prescribed accounts and records have been maintained. We have, however not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii)
 - (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, income tax, sales tax, wealth tax, service tax, duty of customs, value added tax, cess and other material statutory dues have been regularly deposited during the year. However there are certain delay observed in deposition of dues by the Company with the appropriate authorities in India. The Arrear as on 31st march 2018 on the aforesaid dues were as below.

1	Sales Tax	NIL
2	Service tax	NIL
3	TDS	Rs 47625/-
4	CST Payable	NIL

According to information and explanation given to us following undisputed amounts payable in respect of statutory dues were outstanding as at 31st March, 2018 for a period of more than six months from the date they become payable

Name of Statute	Nature of the Dues	Amount (Rs. In Lacs)	Period to which the amount relates
Himachal Pradesh Value Added Tax Act 2005	Value Added Tax	48.22	01.01.2007 to 30.11.2008
Income tax Act 1961	Fringe Benefit Tax	3.88	01.04.2008 to 31.03.2009
Income tax Act 1961	Fringe Benefit Tax	1.04	01.04.2006 to 31.03.2007

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

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

- (viii) The Company has not defaulted in repayment of dues to financial institutions, banks or debenture holders during the year.
- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable. Based on the information & explanation given to us by the management term loans were applied for the purpose for which the loans were obtained.
- (x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) Company has not made preferential allotment during the year. Paragraph 3(ix) of the order is not applicable.
- (xv) According to the information and explanations given to us and based on our examination of therecords of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For **D.D. Nagpal & Co**
Chartered Accountants
Firm's registration number: 006413N

New Delhi
29th May, 2018

Dev Dhar Nagpal
Partner
Membership number: 085366

Annexure - B to the Auditors' Report**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of Mahaan Foods Limited ('the Company'), as of 31 March 2018 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

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

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **D.D.Nagpal & Co**
Chartered Accountants
Firm's Registration Number: 006413N

Dev Dhar Nagpal
Partner
Membership Number: 085366

New Delhi
29th May, 2018

MAHAAN FOODS LIMITED
Balance Sheet as at 31.03.2018

Particulars	Note No	As at 31.03.2018	As at 31.03.2017	As at 31.03.2016
Assets				
(1) Non-current assets				
(a) Property, plant and equipment	3	4,775,884	5,906,841	7,198,006
(b) Capital work-in-progress		0	0	0
(c) Intangible Assets		0	0	0
(d) Financial Assets				
i. Investments	4	71,600,000	71,600,000	93,100,000
ii. Loans & Advances				
iii. Trade Receivables				
iv. Others				
(e) Deferred tax assets (net)	5	2,585,179	3,855,715	3,926,779
(f) Other non-current assets				
Total non current assets		78,961,063	81,362,556	104,224,785
(2) Current Assets				
(a) Inventories	6	2,364,621	2,024,493	2,024,493
(b) Financial Assets				
i. Investments	7	6,560	6,560	6,560
ii. Trade Receivables	8	5,154,908	3,758,822	5,725,593
iii. Cash and cash equivalents	9	74,631,230	73,407,638	4,756,342
iv. Loans & Advances	10	42,952,668	42,756,481	102,167,587
iv. Others				
(c) Other current assets	11	820,600	820,601	820,601
Total Current assets		125,930,587	122,774,595	115,501,176
Total Assets		204,891,650	204,137,151	219,725,961
EQUITY AND LIABILITIES				
(1) Equity				
(a) Equity share capital	12	35,007,000	35,007,000	35,007,000
(b) other equity	13	102,321,972	87,791,883	109,780,333
Total Equity		137,328,972	122,798,883	144,787,333
(2) Liabilities				
(I) Non-Current Liabilities				
(a) Financial Liabilities				
i. Borrowings				
ii. Others				
(b) Provisions				
(c) Deferred Tax Liabilities (Net)				
(d) Other non-current liabilities				
Total Non Current Liabilities		0	0	0
(II) Current Liabilities				
(a) Financial Liabilities				
i. Borrowings	14	0	0	0
ii. Trade Payables	15	55,896,410	71,956,034	66,923,085
iii. Others				
(b) Other Current liabilities	16	7,245,449	5,006,809	4,851,886
(c) Provisions	17	4,420,819	4,375,425	3,163,658
Total Current Liabilities		67,562,678	81,338,268	74,938,629
Total Liabilities		67,562,678	81,338,268	74,938,629
Total Equity and Liabilities		204,891,650	204,137,151	219,725,961

Significant Accounting Policies
Accompanying notes form Part of the Financial

1 & 2
3 to 36

Statements As per our report of even date

For D.D. Nagpal & Co.
Chartered Accountants

For Mahaan Foods Limited

Sd/-
D D Nagpal
FCA
Membership No. 85366
Firm's Registration No.006413N

Sd/-
(Jitender Singh Bisht)
CFO
PAN : BDRPB0631F

Sd/-
(Vijay Gupta)
Company Secretary
Mem. No. A29731

Sd/-
(Saloni Goyal)
Director
DIN : 00400832

Sd/-
Sanjeev Goyal
Managing Director
DIN : 00221099

Date: 29.05.2018
Place: New Delhi

MAHAAN FOODS LIMITED
Statement of Profit & Loss Account For Period ended on 31.03.2018

Particulars	Note No	For the period ended 31.03.2018	For the period ended 31.03.2017
Revenue from operations	18	7,159,359	17,019,903
Other Income	19	4,893,502	4,869,681
Total Revenue		12,052,861	21,889,584
Expenses:			
Cost of material consumed	20	6,387,387	10,586,862
Excise Duty and service Tax			
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	21	(340,128)	-
Employee benefit expense	22	1,297,815	2,340,268
Financial costs	23	119,390	134,608
Depreciation and amortization expense	3	1,145,882	1,145,882
Other expenses	24	1,979,824	1,843,323
Total Expenses		10,590,170	16,050,943
Profit before exceptional items and tax		1,462,691	5,838,641
Exceptional Items		(14,598,382)	26,251,296
Profit before tax		16,061,073	(20,412,655)
Tax expense:		1,545,908	1,575,795
(1) Current tax		275,372	1,504,731
(2) Deferred tax	5	1,270,536	(71,064)
Profit after tax		14,515,165	(21,988,450)
Other Comprehensive Income		14,924	-
Profit/(Loss) for the period		14,530,089	(21,988,450)
Earning per equity share:			
(1) Basic		4.15	-6.27
(2) Diluted		4.15	-6.27

Significant Accounting Policies
Accompanying notes form Part of the Financial
Statements As per our report of even date

1 & 2
3 to 36

For D.D. Nagpal & Co.
Chartered Accountants

For Mahaan Foods Limited

Sd/-
D D Nagpal
FCA
Membership No. 85366
Firm's Registration No.006413N

Sd/-
(Jitender Singh Bisht)
CFO
PAN : BDRPB0631F

Sd/-
(Vijay Gupta)
Company Secretary
Mem. No. A29731

Sd/-
(Saloni Goyal)
Director
DIN : 00400832

Sd/-
Sanjeev Goyal
Managing Director
DIN : 00221099

Date: 29.05.2018
Place: New Delhi

MAHAAN FOODS LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31ST MARCH, 2018

Particulars	2017-18 (Rs.)	2016-17 (Rs.)
CASH FLOW FROM OPERATING ACTIVITIES :		
NET PROFIT BEFORE TAX & EXTRAORDINARY ITEMS :	16,061,073	5,838,641
ADJUSTMENTS FOR:-		
Depreciation	1,145,882	1,145,882
Other Income		
Interest Income	(4,323,246)	(4,866,920)
Dividend Income		
Loss on sale of fixed assets	-	70,283
Interest Charges	119,390	134,608
Operating profits before working capital changes :	13,003,099	2,322,494
ADJUSTMENTS FOR:-		
Inventories	(340,128)	
Sundry debtors	(1,396,086)	1,966,771
Trade & other receivables	(196,187)	59,411,106
Trade payables & other liabilities	(13,820,983)	5,187,872
short term provision	45,394	1,211,768
Cash generated from (used) in operation	(2,704,891)	70,100,011
Direct taxes paid	275,372	1,504,731
Net Cash flow from operating activities (A)	(2,980,263)	68,595,280
CASH FLOW FROM INVESTMENT ACTIVITIES :		
capital Subsidy received		
Sale of fixed assets	-	75,000
Transfer of fixed assets		
Interest received	4,323,246	4,866,920
Investment In MMFI	-	21,500,000
Dividend from non trade long term investments	-	0
Net Cash flow used in investment activities (B)	4,323,246	26,441,920
CASH FLOW FROM FINANCING ACTIVITIES :		
Loan paid/recovered		
Interest paid	(119,390)	(134,608)
Increase / decrease in term loans (net)		
Increase / decrease in cash credits from banks	-	-
Net Cash flow used in financing activities (C)	(119,390)	(134,608)
Cash Flow from Extraordinary items (D)	-	26,251,296
Increase in cash flow from extraordinary Items	(26,251,296)	26,251,296
Net decrease in cash and cash equivalents : (A+B+C+D)	1,223,593	68,651,296
Cash & cash equivalents at opening	73,315,384	4,664,090
Cash & cash equivalents at closing	74,538,976	73,315,384

Auditors' Report

As per our Report of even date attached.

For D.D. Nagpal & Co.
Chartered Accountants

For Mahaan Foods Limited

Sd/-
D D Nagpal
FCA
Membership No. 85366
Firm's Registration No.006413N

Sd/-
(Jitender Singh Bisht)
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PAN : BDRPB0631F

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Company Secretary
Mem. No. A29731

Sd/-
(Saloni Goyal)
Director
DIN : 00400832

Sd/-
Sanjeev Goyal
Managing Director
DIN : 00221099

Date: 29.05.2018
Place: New Delhi

NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED ON 31ST MARCH 2018
1. Overview

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

2. Significant Accounting Policies:

- a) The financial statements are prepared under the historical cost convention and have been prepared in accordance with applicable mandatory Accounting Standards and relevant presentational requirements of the Companies Act, 2013.
- b) The Company follows the mercantile system of accounting and recognizes income and expenditure on accrual basis. Accounting policies not specifically referred to otherwise are consistent and in consonance with generally accepted accounting principle in India. Accounting policies are consistently applied and consistent with those used in previous year.
- c) The preparation of financial statement in conformity with generally accepted accounting principle requires management to make estimates and assumption that affect the reported amount of assets and liabilities and disclosure of contingent liabilities and commitments at the end of the reporting period and results of operations during the reporting period. Although these estimates are based upon the management's best knowledge of current events and actions, actual results could differ from those estimates. Difference between the actual result and estimates are recognized in the period which the results are known/ materialized.
- d) Fixed Assets are stated at cost less depreciation. The cost of fixed assets includes interest on specific borrowings obtained for the purpose or acquiring fixed assets up to the date of commissioning of the assets and other incidental expenses incurred up to that date.
- e) Plant and machinery includes expenses incurred on erection and commissioning, foundation, laboratory equipment, air and water pollution devices, electric installations, technical know-how fees, tools, and miscellaneous fixed assets other than land, building, furniture & fixture, vehicles, office equipments, computer equipments and air conditioning equipments. Technical know-how fee is inseparable and hence treated as part of plant & machinery. No adjustment is required to be made as per accounting standard 26 on intangible assets, issued by the Institute of Chartered Accountants of India.
- f) Expenditure related to and incurred during implementation of new /expansion-cum- modernization projects is included under capital work in progress and the same is allocated to the respective tangible assets on completion of its construction/erection.
- g) Long term investments are valued at cost. Where investments are reclassified from current to long term, transfers are made at the lower of cost and fair value at the date of transfer.
- h) Inventories of raw materials, stock-in-process, semi-finished products, stores, packing materials, spares and loose tools, finished products are valued at lower of cost or net realizable value. In determining the cost, first in first out method is used.
- i) Prior year expenses / income, if any are adjusted in the respective head of expenses/ income. This has no effect on the working result of the Company.
- j) Depreciation on Fixed Assets is provided to the extent of depreciable amount on the Straight Line Method (SLM) on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013.
- k) Provision for employee benefits charged on accrual basis is determined based on Accounting standard (AS) 15 (Revised) "Employees Benefits" issued by the Institute of Chartered Accountants of India as under:
 - l) Contribution to provident fund scheme is charged to revenue.
 - ll) Liability for gratuity and privilege leave is determined on actuarial basis..
 - l) The Government grants are recognized only on the assurance that the same will be received. The Government grants in respect of capital investment have been shown as capital reserve.
- m) Contingent liabilities are not provided for and are disclosed by way of notes. This has no effect on the working result of the Company.
- n) Taxes are accounted for in accordance with Accounting Standard -22 on Accounting for Taxes on Income. Income Tax Comprise of both current and deferred Tax.

Current Tax is measured at the amount expected to be paid to / recovered from the revenue authorities, using applicable tax rates and laws.

The tax effect of the timing differences that result between taxable income and accounting income and are capable of reversal in one or more subsequent periods are recorded as Deferred Tax Asset or Deferred Tax Liability. Deferred Tax Assets and Liabilities are recognized for future tax consequences attributable to timing differences. They are measured using substantively enacted tax rates and tax regulations.
- o) Foreign currency transactions denominated in foreign currencies are normally recorded at the exchange rate prevailing at the time of the transaction.
- p) Borrowing costs are directly attributable to the acquisition, construction or production of qualifying assets is capitalized till the month in which the assets is ready to use as part of the cost of that asset. Other interest and borrowing costs are charged to revenue.
- q) In case of the new industrial unit, all the operating expenditure (including borrowing costs) specifically for the project, incurred upto the date of installation, is capitalized and added pro-rata to the cost of fixed assets.
- r) Revenue from sale of goods is recognized on transfer of significant risks and rewards of ownership to the buyer. Gross revenue from operations comprises of sale of products and others operating incomes. Excise duty is not applicable on the finished goods manufactured

by the company.

- s) The earning considered in ascertaining the company's Earning per share (E.P.S.) comprise of the net profit after tax attributable to equity shareholders.
- t) In the opinion of the company's Management, there is no impairment to the assets to which Accounting Standard 28 "Impairment of Assets" applied requiring any revenue recognition.
- u) The cash flow statement has been prepared under the "Indirect Method" as set out in Accounting Standard-3 "Cash Flow Statement".

Note- 3 Fixed Assets

S.NO	PARTICULARS	GROSS BLOCK			DEPRECIATION			NETBLOCK	
		AS AT 01/04/2017	ADDITION	DEDUCTION	AS AT 01/04/2017	FOR THE YEAR	ADJUST- MENT	AS AT 31/03/2018	AS AT 31/03/2017
1	PLANT & MACHINERY	16920835		16920835	12116865	840582		12957447	4803970
2	OFFICEEQUIPMENTS	210522		210522	199997	0		199997	10525
3	FURNITURE & FIXTURE	311700		311700	183167	35411		218578	128532
4	VEHICLES	2036342		2036342	1107210	269043		1376254	929131
5	COMPUTEREQUIPMENTS	824826		824826	798509	0	14924	783585	26317
6	A.C.EQUIPMENTS	15000		15000	6634	846		7481	8366
	Total Property plant & equipment (A)	20319225	0	20319225	14412384	1145882	14924	15543341	59066841
7	Intangible assets		0	0	0	0	0	0	0
8	Total Intangible Assets (B)	0	0	0	0	0	0	0	0
	Capital work-in-progress		0	0	0	0	0	0	0
	Total Capital work-in-progress (C)	0	0	0	0	0	0	0	0
	Total(A+B+C)	20319225	0	20319225	14412384	1145882	14924	15543341	59066841
	PREVIOUS YEAR	20736739	0	417514	13538733	1145882	272231	14412384	7198006

Note- 4 Non-Current Investments

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Unquoted			
Zeon Lifesciences Limited (formerly known Mahaan Dairies Limited) 400000 (Previous year 400000) equity shares of Rs. 10/- each	6,000,000	6,000,000	6,000,000
Mahaan Proteins Limited 2150000 (Previous year 2150000) equity shares of Rs.10/- each	-	-	21,500,000
Mahaan Milk Foods Limited 400000 Preference shares of Rs. 10/- each	65,600,000	65,600,000	65,600,000
Total	71,600,000	71,600,000	93,100,000

Note- 5 Deferred Tax Assets

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
At the start of the year	3,855,715	3,926,779	3,192,846
Change/(debit) to statement of Profit & Loss	1,270,536	(71,064)	733,933
At the end of year	2,585,179	3,855,715	3,926,779

Note- 6 Inventories

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
a.Raw Materials and components	-	-	-
b. Work-in-progress	-	-	-
c. Finished goods	340,128	-	-
d. Stock-in-trade	-	-	-
e. Stores and spares	2,024,493	2,024,493	2,024,493
f. Material at Site	-	-	-
f. Others (Stationary)	-	-	-
Total	2,364,621	2,024,493	2,024,493

Note- 7 Current Investments

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
QUOTED			
Industrial Development Bank of India 320 (Previous year:320) Equity shares of Rs.10/- each (market price as on 31.03.2018 is Rs.75.10)	6,560	6,560	6,650
Total	6,560	6,560	6,650

Note- 8 Trade Receivable

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Sundry Debtors (Unsecured considered good, unless otherwise stated)			
(I) Outstanding for more than 6 months - Considered Doubtful	-	-	-
(II) Other Debts Considered Good	5,154,908	3,758,822	5,725,593
Total	5,154,908	3,758,822	5,725,593

Note- 9 Cash and cash equivalents

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
a. Balances with banks			
Current A/c	13,160,740	16,915,518	4,304,045
Fixed Deposit Accounts:	61,260,090	56,260,090	260,090
i. Against Members Security Deposits			
ii. Public Issue Deposits			
iii. Others			
b. Accrued Interest	92,253	92,253	92,253
c. Cash on hand	118,147	139,777	99,954
d. Others (specify nature)	-	-	-
Total	74,631,230	73,407,638	4,756,342

Note- 10 Short Term Loans & Advances

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
a. Loans and advances to related parties	-	-	-
Secured, considered good	Nil	Nil	Nil
Unsecured, considered good	-	-	-
Doubtful	-	-	55,850,000
Less:Provision for doubtful loans and advances	-	-	-
Intra Company Transcation	-	-	55,850,000
b. Others	-	-	-
Secured, considered good	-	-	-
Unsecured, considered good			
Share Application Money Refundable	30,100,000	30,100,000	30,100,000
Advances recoverable in cash or in kind or for value to be received	2,383,522	2,743,560	7,076,749
Considered good	-	-	213,300
Rent receivable	-	-	213,300
Deposit with Government Departments	10,469,146	9,912,921	8,927,538
Total	42,952,668	42,756,481	102,167,587

Note- 11 Other Current Assets

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Security Deposit	820,600	820,601	820,601
Interest Receivable on FD	-	-	-
Total	820,600	820,601	820,601

Notes forming part of Balance Sheet and Profit & Loss A/c
Note- 12 Share Capital

Particulars	As at 31 March 2018		As at 31 March 2017	
	No. of Shares	Amount (Rs.)	No. of Shares	Amount (Rs.)
a) AUTHORIZED CAPITAL				
Equity Shares of Rs. 10/- each.	20,000,000	200,000,000	20,000,000	200,000,000
b) ISSUED,SUBSCRIBED & PAID UP CAPITAL				
Equity Shares of Rs. 10/- each,each Fully Paid up includes 8,40,000 equity shares issued as bonus shares on 01.08.94 by capitalization of General Reserve)	3,500,700	35,007,000	3,500,700	35,007,000
	3,500,700	35,007,000	3,500,700	35,007,000
c) RECONCILIATION OF NUMBER OF SHARES OUTSTANDING				
At the beginning of the period	3,500,700	35,007,000	3,500,700	35,007,000
At the end of the period	3,500,700	35,007,000	3,500,700	35,007,000
d) Rights, preferences and restrictions attached to Shares				
Equity Shares:				
The Company has only one class of equity shares having a par value of Rs.10 per share. Each Shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company				
e) Details of Shareholders holding more than 5% shares in the Company:				
	As at 31 March 2018		As at 31 March 2017	
	No of Shares	% Held	No of Shares	% Held
Name of Shareholder				
Sita Devi	840,159	24.00	840,159	24.00
Saloni Goyal	516,715	14.76	516,715	14.76
Sanya Goyal	239,750	6.85	239,750	6.85
Total	1,596,624		1,596,624	
Note:				
As per records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.				

Note- 13 Other Equity

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
a) Capital Investment Subsidy	7,320,000	7,320,000	7,320,000
b) Capital Redemption Reserve	-	-	-
b) Securities Premium reserve	12,253,500	12,253,500	12,253,500
d) Customer protection Fund	-	-	-
e) Investor Service Fund	-	-	-
f) Other Reserve (General Reserve)	-	-	-
a. Surplus			
Opening balance	68,218,383	90,206,833	88,753,319
(+) Net Profit/(Net Loss) For the current year	14,530,089	(21,988,450)	1,453,514
(+) Transfer from Reserves	-	-	-
(-) Proposed Dividends	-	-	-
(-) Interim Dividends	-	-	-
(-) Transfer to Reserves:			
i).Customer Protection Fund	-	-	-
ii). Investor Service Fund	-	-	-
Closing Balance	82,748,472	68,218,383	90,206,833
Total	102,321,972	87,791,883	109,780,333

Note- 14 Short Term Borrowings

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Secured Loans	Nil	Nil	Nil
Unsecured, considered good	Nil	Nil	Nil
Total	-	-	-

Note- 15 Trade Payables

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Sundry Creditors (Other Than Micro & Small Enterprises)	55,023,308	71,956,034	64,995,118
Advance received from customer	873,102	-	1,927,967
Total	55,896,410	71,956,034	66,923,085

Note- 16 Other Current Liabilities

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Other Liabilities	7,245,449	5,006,809	4,851,886
Total	7,245,449	5,006,809	4,851,886

Note- 17 Short Term Provisions

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Contribution to PF	-	-	-
Gratuity (Funded)	-	-	-
Leave Encashment (funded)	-	-	-
Superannuation (funded)	-	-	-
ESOP/ESOS	-	-	-
Short Term Provisions	484,871	449,049	742,013
Other Liabilities	-	-	-
Provision For Income Tax	3,935,948	3,926,376	2,421,645
Total	4,420,819	4,375,425	3,163,658

Note- 18 Revenue From Operations

Particulars	As at 31st March, 2018	As at 31st March, 2017
Sales	7,159,359	17,019,903
Total	7,159,359	17,019,903

Note- 19 Other Income

Particulars	As at 31st March, 2018	As at 31st March, 2017
SAD Refund	570,256	-
Interest Income	4,323,246	4,869,681
Total	4,893,502	4,869,681

Note- 20 Cost of material consumed

Particulars	As at 31st March, 2018	As at 31st March, 2017
Opening Stock		
Purchase Import	6,387,387	10,586,862
Closing Stock		
Total	6,387,387	10,586,862

Note- 21 Change in Inventories

Particulars	As at 31st March, 2018	As at 31st March, 2017
Opening stock:		
Finished goods		
Semi finished goods	-	-
Stock in process	-	-
Less : Closing Stock		
Finished goods	340,128	
Semi finished goods		
Stock in process	(340,128)	-
Total	(340,128)	Nil

Note-22 Employee Benefits Expense

Particulars	As at 31st March, 2018	As at 31st March, 2017
(a) Salaries and incentives		
i. Directors	-	-
ii. Employees	1,297,301	2,340,268
(b) Contributions to -		
i. EPF	-	-
ii. FPF	-	-
iii. ESI	-	-
(c) Gratuity fund contributions	-	-
(d) Social security and other benefit plans for overseas employees	-	-
(e) expense on Employee Stock Option Scheme (ESOP) and Employee Stock Purchase Plan (ESPP), Staff welfare expenses	514	-
(e) Others		
Total	1,297,815	2,340,268

Note- 23 Finance Cost

Particulars	As at 31st March, 2018	As at 31st March, 2017
Interest paid	119,390	134,608
Total	119,390	134,608

Note- 24 Other Expenses

Particulars	As at 31st March, 2018	As at 31st March, 2017
Commission to selling agents	-	-
Interest Expenses	-	-
Insurance	60,235	26,110
Miscellaneous expenses	1,402,265	962,030
Rates & taxes		
Rent	459,000	473,558
Sales/turnover/entry tax/Service tax	11,952	233,551
Sitting fees	-	30,000
Telephone expenses	24,113	20,958
Traveling expenses	22,259	22,416
Vehicle maintenance	-	74,700
Total	1,979,824	1,843,323

Note 25 Contingent Liabilities:

Particulars	As at 31st March, 2018	As at 31st March, 2017
Sales Tax	4,468,428	5,317,872
TDS	-	-
CST Payable	-	-
Service Tax	-	-
Entry tax	531,614	531,614
Gurantee against loan taken by Zeon Life Sciences Limited (Approx.)	70,000,000	70,000,000

Note 26

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

Note- 27 Deferred Tax Liability

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

Particulars	Current year (Rupees)	Previous year (Rupees)
a) Deferred Tax Liability Difference between book depreciation and depreciation under the Income Tax Act, 1961	690,313	1,066,008
b) Deferred Tax assets Disallowances of expenses under Income Tax Act, 1961	3,275,492	4,921,723
Net Deferred Tax Liabilities	(2,585,179)	(3,855,715)
Credited to Profit & Loss Account	1,270,536	71,064

Note- 28 Auditor Remuneration

Particulars	Current year (Rupees)	Previous year (Rupees)
- As Auditors	50,000	50,000
- As Tax Auditors	-	-
- for other matters	-	-
	50,000	50,000

Note- 29 Managerial Remuneration:

Particulars	Current year (Rupees)	Previous year (Rupees)
- Salaries	-	-
- Contribution to P.F.	-	-
- Other perquisites & benefits	-	-
- Director's sitting fees	-	30000

Note- 30 Employee Benifites :

a) Defined Contribution Plans :

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

b) Defined Benefit Plans :

- i Liability for Gratuity and Privilege leaves is determined on actuarial basis.
- ii Gratuity Scheme provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment. Vesting occurs upon completion of five years of service, except death while in employment.
- iii The basis for determination of liability is as under :

Particulars	Gratuity Scheme	
	As at 31 March 2018 (Rs)	As at 31 March 2017 (Rs)
Change In present value of obligation		
1. Present value of obligation as at the beginning of the year	16,936	139860
2. Current service cost	17,109	10546
3. Interest cost	1,313	10490
4. Actuarial (gain)/loss	(92)	29117
5. Benefits paid	-	-
6. Present value of obligation as at the end of the year	35,266	16,936
Cost for the year		
1. Current service cost	17,109	10546
2. Interest cost	1,313	10490
3. Actuarial (gain) / loss	(92)	29117
4. Net cost	18,330	50153
Main actuarial assumptions		
Discount rate (per annum)	7.75%	7.50%
Rate of increase in compensation levels (per annum)	6.00%	6.00%

Particulars	Privilege Leaves	
	As at 31 March 2018 (Rs)	As at 31 March 2017 (Rs)
Change In present value of obligation		
1. Present value of obligation as at the beginning of the year	7,113	177,152
2. Current service cost	13,909	5,069
3. Interest cost	551	13,286
4. Actuarial (gain)/loss	3,032	71,586
5. Benefits paid	0	(259,980)
6. Present value of obligation as at the end of the year	24,605	7,113
Cost for the year		
1. Current service cost	13,909	5,069
2. Interest cost	551	13,286
3. Actuarial (gain) / loss	3,032	71,586
4. Net cost	17,492	89,941
Main actuarial assumptions		
Discount rate (per annum)	7.75%	7.50%
Rate of increase in compensation levels (per annum)	6.00%	6.00%

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

Note- 31 Related Party Disclosures as per Accounting Standard 18.

Names of related party and nature of related party relationship: Associates

Zeon Lifesciences Ltd (Previously known as Mahaan Dairies Ltd)., Mahaan Proteins Ltd., Lactomalt Foods Pvt. Ltd., Ace International. Healthy India Nutritional Products Pvt. Ltd. Best Milk Foods Pvt. Ltd.

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

Key Management Personnel's relatives: M/s Rajiv Goyal HUF (HUF of Mr. Rajiv Goyal), Mr. Amar

Nath Goyal (Father of Mr. Sanjeev Goyal), M/s A N Goyal HUF(HUF of father of Mr. Sanjeev Goyal),

Mr.Rajiv Goyal (Brother of Mr. Sanjeev Goyal), Mrs. Shashi Goyal (Mother of Mr. Sanjeev Goyal),

Mr.Suresh Garg, Mr.Dalip Chand Garg (Father of Mr. Suresh Garg), Mr.Dalip Chand Garg HUF

(HUF of Mr. Suresh Garg's Father),Rani Garg (wife of Mr. Suresh Garg)

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

Nature of transaction	2017-18	2016-17
	Rs.	Rs.
Rent Paid Mrs. Saloni Goyal	300,000	-
Interest Received Mahaan Milk Foods Ltd.	-	1,619,185
Unsecured Loan Zeon Lifesciences Limited	50,926,060	50,926,060
Loan Paid Mahaan Milk Foods Ltd.	-	-
Creditors Mahaan Proteins Limited	-	-
Mr. A.N. Goyal	296,346	296,346
Mrs. Shashi Rani Goel	67,500	67,500
Mr. A. N. Goyal (HUF)	189,068	189,068
Advance received Mr. Dalip Chand Garg	1,101,784	1,101,784
Dalip Chand Garg (HUF)	1,108,518	1,108,518
Advance Recoverable Mr. Suresh Garg	1,537,304	1,537,304
Mr. Rajiv Goyal	-	-
Healthy India Nutritional Products Pvt. Ltd.	1,418,450	1,418,450
Share Application money paid Zeon Lifesciences Limited	30,100,000	30,100,000
Mahaan Milk Foods Ltd.	65,600,000	65,600,000
Investment made in shares Mahaan Proteins Limited	-	-
Zeon Lifesciences Limited	6,000,000	6,000,000

Note 32 Earning per Share:

Particulars	Current year	Previous year
Weighted average number of shares at the beginning and at the end of the year	3,500,700	3,500,700
Face Value Per Share (in Rs.)	10	10
Net profit (Loss) after tax available for Equity shareholders (Rs.)	14,530,089	(21,988,450)
Basic and diluted Earning per share (Rs)	4.15	-6.27

Note 33 Exceptional Item (Transfer of Assets & Liabilities under family settlement)

Mahaan group company initially started the bussiness in the year 1987 with equal contribution and participation of Mr. A.N. Goyal and Mr. Suresh Garg.Mr. Rajeev Goyal(son of Mr. A.N. Goyal), Mr. Sanjeev Goyal (son of Mr. A.N. Goyal) and the member of the family thereafter jointly established and promoted the Mahaan Group constituting the various companies referred to as

- Mahaan Proteins Ltd.
- Zeon Lifescience Ltd.
- Mahaan food Ltd. (Consisting further 2 unites Mahaan Bioysis and Mahaan Nutritions)
- Ace International

And the promoters grouos are reffered to as

- Mr. A N Goyal as ANG Group
- Mr. Suresh Garg as Garg Group
- Mr. Saneev Goyal as SG Group
- Mr. Rajeev Goyal as RG Group

Unitwise ownership of promoters is as under :-

	MPL	ZLL	MFL	ACE INT.
ANG GROUP	29	13	7	25
GARG GROUP	3	26	23	25
SG GROUP	12	42	11	25
RG GROUP	31	19	11	25
OTHERS	25	0	48	0
Total	100	100	100	100

All the parties enjoyed good relationship and jointly carried on the business of the Mahaan group for more than 2 decades. However with the passage of time, certain disputed and differences arose between the parties and in order to resolve these disputes and differences, The parties decided to re- arrange the ownership of the companies and to divide the assets and liabilities of the Mahaan Group In order to give effect to the family settlement they entered in to the Memorandum of Family Settlement (MOFS) dated 31.08.2010

Broad settlement amongst the groups is as under:-

- The Ownership, Management and control of Zeon Lifescience Ltd. and Mahaan Biosys & Mahaan Nutrition both unit of MFL has been decided to be accorded to Mr. Suresh Garg(Garg Group)
- The Ownership, Management and control of Mahaan Proteins Ltd has been decided to be accorded to Mr. Rajeev Goyal (RG Group)
- The Ownership, Management and control of ACE International and Dairy division of MFL has been decided to be accorded to Mr, Sanjeev Goyal (SG Group)
- Payment of 6.8 Crore by Mr. Suresh Garg to other promoters group.
- Mr. A.N. Goyal Expressed his disire to retire from active business.
- Transfer of Loan liabilities (All secured liabilities towards loans and interests outstanding) of Mahaan Food Ltd. by Garg Group
- Transfer of 1/4th share of property at Greater Kailash by Garg Group in favour of SG Group
- Exchange of Shareholding inter se.

Till November 2011 nothing could be executed amongst the groups due to disagreements on various issues in the settlement. Finally application under Section 9 of Arbitration and Conciliation Act 1996 was moved by SG Group before the Hon'ble Delhi High Court for expeditious execution of MOFS.

Obligation completed during Financial Year 2012-13

In terms of court order dated 30-5-2012 following compliances were made

- Garg Group made a part payment of Rs 145 lacs to RG Group
- Garg Group made payment of Rs. 200 lacs to ANG Group
- Garg Group , RG Group & ANG Group exchange their respective shareholdings.

Obligation completed during Financial Year 2013-14

In terms of court order dated 10-5-2013 one compliance was made i.e.

- Garg Group acquired two unils of Mahaan Foods Limited namely MB and MN along with assets and liabilities

Obligation completed during Financial Year 2016-17

During the year RG Group and SG Group exchanged their respective shareholding under each group. The balance of assets and liabilities transferred under family settlement have been shown as exceptional item.

Pending obligations as on 31.03.2018

Obligation mentioned at serial no. (d), (g), (h) above are pending as on date

Few book balances are yet to be squared up in view of obligations\transactions which are pending under MOFS as on the date of Balance Sheet.

Note - 34 Additional information pursuant to the provision of part-II of Schedule III to the Companies Act, 2013 (Figures in brackets are in respect of previous year.)
A. Capacities, Production, Stocks and Sales:

Class of goods	Opening stock As on 01.04.17		Purchase	Sales		Closing stock As on 31.03.18		Shortage
	Qty. Kgs.	Amount Rs.		Qty. Kgs.	Amount Rs.	Qty. Kgs.	Amount Rs.	
1. Milk Permeate Powder	0	0	100000	94675	7159359	5325	340128	-
Total	0	0	100000	94675	7159359	5325	340128	-

Note: Goods manufactured for others:

B. Licensed Capacity:

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

C. Installed Capacity:

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

D. Raw Material Consumed:

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

E. Value of Imported and Indigenous Raw Materials and Stores & spares consumed and percentage of each to the total consumption.

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

F. EXPENDITURE IN FOREIGN CURRENCY

Particulars	Current year	Previous year
	Rs.	Rs.
- Travelling	NIL	NIL
- Purchases of Finished goods	4,263,980	6,748,588

Note 35 FIRST TIME IND AS ADOPTION RECONCILIATION

- The effect of IND AS adoption on stand alone Balance Sheet as on 31st March, 2017 and 1st April, 2016 is NIL
- The effect of IND AS adoption on Statement of Profit & Loss for the year ended 31st March, 2017 is NIL

Note 36 General

- Figures have been rounded off to nearest rupee.
- Previous year's figures have been regrouped and/or rearranged wherever considered necessary.

AUDITORS' REPORT

As per our report of even date attached.

For D.D. Nagpal & Co.
Chartered Accountants

For Mahaan Foods Limited

Sd/-

D D Nagpal

FCA

Membership No. 85366

Firm's Registration No.006413N

Sd/-
(Jitender Singh Bisht)
CFO
PAN : BDRPB0631F

Sd/-
(Vijay Gupta)
Company Secretary
Mem. No. A29731

Sd/-
(Saloni Goyal)
Director
DIN : 00400832

Sd/-
Sanjeev Goyal
Managing Director
DIN : 00221099

Date: 29.05.2018

Place: New Delhi



FORM NO.: MGT - 11: PROXY FORM

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

31st ANNUAL GENERAL MEETING

Friday, 28th September, 2018

CIN: L15419HP1987PLC007356

Name: Mahaan Foods Limited

Registered Office: Highwinds, National Highway 22, Village Datyar, Parwanoo, Himachal Pradesh-173220

Website: www.mahaanfoods.com

Name of the member(s):	_____
Registered Address:	_____
E-mail ID:	_____
Folio No. / Client ID No.:	_____
DP ID:	_____

I/We, being the member(s) of Shares of the above named company, hereby appoint:

1. Name:.....

Address:.....

E-mail ID:

Signature:.....or failing him / her

2. Name:.....

Address:.....

E-mail ID:.....

Signature:.....or failing him / her

3. Name:.....

Address:.....

.....

E-mail ID:.....

Signature:.....or failing him / her

As my / our proxy to attend and vote (on a poll) for me/ us and on my/ our behalf at the 31st Annual General Meeting of the company to be held on Friday, 28th September, 2018 at 2:00P.M. at RVCC, Sector-5, Parwanoo, Himachal Pradesh-173220 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Description of Resolutions
1.	Adoption of the Financial Statements of the Company for the year ended 31st March, 2018 together with the reports of the Directors' and Auditors thereon.
2.	Re-appointment of Mrs. Saloni Goyal as a Director.
3.	Appointment of Mrs. Manisha Goyal as Director
4.	Appointment of Mrs. Manisha Goyal as Independent Director

Resolution No.	Description of Resolutions
5.	Appointment of Mrs. Rupali Chawla as Director
6.	Appointment of Mrs. Rupali Chawla as Independent Director
7.	Shifting of Registered Office of the Company
8.	Adoption of new set of Memorandum of Association
9.	Adoption of new set of Articles of Association

Signed thisday of 20.....

Signature of shareholder(s)Signature of Proxy holder(s)

Notes:

- 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 Annual General Meeting.**
- The Proxy Form should be signed across the Revenue Stamp as per specimen signature(s) registered with the Company/ Depository Participant.**
- A Proxy need not be a Member.**

**Affix
Revenue Stamp**

Mahaan Foods Limited

CIN: L15419HP1987PLC007356

Reg. Office: Highwinds, National Highway 22, Village Datyar, Parwanoo, Himachal Pradesh-173220

Attendance Slip

31st Annual General Meeting

Friday, 28th September, 2018

DP ID- Client ID No./ Folio No.....

No. of Share(s) held:.....

Name of the Member / Proxy:.....

Address of the Member:.....

I/ We hereby record my/our presence at the 31st Annual General Meeting of Mahaan Foods Limited held on Friday 28th September, 2018 at 2:00 P.M. at RVCC, Sector -5, Parwanoo, Himachal Pradesh-173220

.....
Signature of Member/ Proxy

Notes:

- Please complete this attendance slip and hand it over at the entrance of the meeting hall.
- Members are informed that no duplicate slips will be issued at the venue of the meeting and are requested to bring this slip for the Meeting.

COURIER

If undelivered, please return to:

Mahaan Foods Limited

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