

Report on Corporate Governance
(Pursuant to Clause 49 of the Listing Agreement)

1 Company Philosophy:

We continue to believe that good corporate Governance is essential to achieve long-term corporate goals and to enhance stockholders value. Company is a listed company on the Ahmedabad Stock Exchange Limited. The Company has complied with in all material respect with the features of corporate governance as specified in the Listing Agreement.

2 Board of Directors:

Category	No. of directors
Non-Executive & Independent Directors	6
Other Non-Executive Directors	Nil
Executive Director (Including Managing Director and Chairman)	5
Total	11

The Chairman of the Board is an Executive Non Independent Director.

As required under Section 149(3) of the Companies Act, 2013, & Clause 49 of Listing Agreement, Mrs. Sweetyben Ravikumar Patel, a woman Director, has been appointed as an Independent Director on the Board.

Other Relevant details of Directors:

Name of Director	Date of Appointment	Category	No. of Directorship(s) held in Indian public & private Limited Companies	Committee(s) position	
				Member	Chairman
Mr. Prashant Kantilal Khimani	24/08/1996	Chairman	Nil	Nil	Nil
Mr. Hiteshkumar Gaurishankar Patel	24/02/2015	Director	1	Nil	Nil
Mr. Ravikumar Gaurishankar Patel	24/02/2015	Director	1	Nil	Nil
Mr. Bhaveshkumar Vasantbhai Patel	09/03/2015	Director	Nil	Nil	Nil

Mr. Bharatbhai Jethabhai Patel	09/03/2015	Director	1	Nil	Nil
Mr. Devalkumar Bharatbhai Patel	09/03/2015	Director	Nil	Nil	Nil
Mr. Ravikumar Ramanbhai Patel	09/03/2015	Director	Nil	Nil	Nil
Mr. Sureshkumar Ramji Bahi Patel	09/03/2015	Director	Nil	Nil	Nil
Mrs. Sweetyben Ravikumar Patel	09/03/2015	Director	Nil	Nil	Nil
Mr. Jatinkumar Ramanbhai Patel	10/03/2015	Director	1	Nil	Nil
Mr. Navinchandra Dahyalal Patel	10/03/2015	Director	1	Nil	Nil
Mr. Ketan Khimani*	15/12/1997	Director	Nil	Nil	Nil
Mr. Kantilal Khimani*	14/10/1994	Director	Nil	Nil	Nil

* Resigned on 10/03/2015

Board Meetings held during the year:

12/04/2014	13/04/2014	29/05/2014	12/07/2014
14/07/2014	10/10/2014	13/10/2014	25/10/2014
06/01/2015	07/01/2015	09/01/2015	12/01/2015
15/01/2015	13/02/2015	18/02/2015	24/02/2015
27/02/2015	28/02/2015	09/03/2015	10/03/2015

Name of the Director	Designation	Category	No. of Board meetings attended	Attendance at last AGM
Mr. Prashant Kantilal Khimani	Director	Executive Non Independent	20	Yes
Mr. Hiteshkumar Patel**	Managing Director	Executive Non Independent	5	No

Mr. Ravikumar Patel**	Director	Executive Non Independent	5	No
Mr. Bhaveshkumar Patel#	Director	Non Executive Independent	2	No
Mr. Bharatbhai Patel#	Director	Non Executive Independent	2	No
Mr. Devalkumar Patel#	Director	Non Executive Independent	2	No
Mr. Ravikumar R. Patel#	Director	Non Executive Independent	2	No
Mr. Sureshkumar Patel#	Director	Non Executive Independent	2	No
Mrs. Sweetyben Patel#	Director	Non Executive Independent	2	No
Mr. Jatinkumar Patel\$	Director	Executive Non Independent	1	No
Mr. Navinchandra Patel\$	Director	Executive Non Independent	1	No
Mr. Ketan Khimani*	Director	Executive Non Independent	19	Yes
Mr. Kantilal Khimani*	Director	Executive Non Independent	19	Yes

* Resigned on 10/03/2015

** Appointed as on 24/02/2015

\$ Appointed as on 10/03/2015

Appointed as on 09/03/2015

RESPONSIBILITIES OF THE BOARD:

The responsibility such as policy formulation, performance review and analysis and control, direction and management of the affairs of the company is vested in the Board of Directors presided over by the Chairman. The Board has delegated some of its powers to the executives of the company. The Board reviews from time to time such delegated powers and their utilization for effective functioning of the Company.

INDEPENDENT DIRECTORS' MEETING

During the year under review, the Independent Directors met on March 31, 2015, inter alia, to discuss:

- Evaluation of the performance of Non Independent Directors and the Board of Directors as a whole;

- Evaluation of the performance of Chairman of the Company, taking into account the views of the Executive and Non Executive Directors.
- Evaluation of the quality, content and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

All the Independent Directors were present at the Meeting.

FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS:

On appointment of an individual as Independent Director, the Company issues a formal Letter of Appointment to the concerned director, setting out in detail, the terms of appointment, duties and responsibilities. Each newly appointed Independent Director is taken through a formal familiarisation program. The programme also provides awareness of the Independent Directors on their roles, rights, responsibilities towards the Company. Further, the Familiarisation Programme also provides information relating to the financial performance of the Company and budget and control process of the Company.

EVALUATION OF THE BOARD'S PERFORMANCE

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

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

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

CODE OF CONDUCT FOR DIRECTORS AND SENIOR MANAGEMENT PERSONNEL

In terms of Clause 49 of the Listing Agreement, the Board of Directors of the Company has laid down a Code of Conduct for all Board Members and Senior Management Personnel of the Company. The said Code of Conduct has been posted on the website of the Company. The Board Members and Senior Management Personnel of the Company have affirmed compliance with the Code. The Chairman & Managing Director of the Company has given a declaration to the Company that all the Board Members and Senior Management Personnel of the Company have affirmed compliance with the Code.

PREVENTION OF INSIDER TRADING

In accordance with SEBI (Prohibition of Insider Trading) Regulations, 1992, the Board has adopted the said codes and same has been placed at website of the company i.e. www.mishtann.com

3 COMMITTEES OF THE BOARD.

The Company had Three Board Committees. These are

1. Audit Committee
2. Remuneration Committee
3. Share Transfer & Shareholders/Investor Grievance Committee

Moving with various committees formed and reported in the previous Annual Report and in line with the requirements of SEBI and Stock Exchanges, the Board has formally constituted the following committees of Directors.

3.1 AUDIT COMMITTEE:

The Audit committee constituted by the Board of directors as per the provisions of Clause 49 of the listing Agreements as well as in Section 177 of the Companies Act, 2013, comprises of two members viz. Mr. Bhaveshkumar Vasantbhai Patel, Director (Non Executive) who is appointed as Chairman, Mr. Devalkumar Bharatbhai Patel, (Non Executive) and Mr. Bharatbhai Jethabhai Patel (Non Executive) who are aware with finance, accounts, management and corporate affairs. Two independent members constitute the quorum of the said Audit Committee Meeting.

Mr. Bhaveshkumar Vasantbhai Patel was appointed as chairman of the committee in place of Mr. Kantilal Jagjivan Khimani w.e.f. 09/03/2015. Mr. Devalkumar Bharatbhai Patel, (Non Executive) and Mr. Bharatbhai Jethabhai Patel (Non Executive) were appointed as members of the committee in place of Mr. Ketan Khimani and Mr. Prashant Khimani w.e.f. 09/03/2015

The Audit Committee of the Board of Directors of the Company, Inter-aila, provides assurance to the Board on the adequacy of the internal control systems and financial disclosures.

BRIEF DESCRIPTION OF TERMS OF REFERENCE:

A. Overseeing the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.

B. Recommending the appointment and removal of external auditor, fixation of audit fees and also approval for payment of any other Consultancy services provided by the statutory auditor.

C. Reviewing with management the annual financial statements before submission to the Board, focusing primarily on:

- ✳ Review the financial reporting process and disclosure of its financial information
- ✳ Review with the management, Annual financial statements before submission to the Board
- ✳ Review with the management, statutory Auditors and Internal Auditors and adequacy of internal control systems
- ✳ Review the company's accounting and risk management policies
- ✳ Review the company's accounting and management reporting systems and updates the same from time to time recommend the appointment and removal of statutory and Internal Auditors and fixation of fees for the same.
- ✳ Review quarterly financial statement.
- ✳ Review internal investigations made statutory/ Internal Auditors.

- ✿ Scope of Statutory/ Internal Audit
- ✿ Review fixed deposits/repayment systems etc.
- ✿ Any other applicable functions as described in Corporate Governance.
- ✿ Review related party transactions.

Executive summary of the Audit Committee Meetings are placed before the immediate next Board Meetings held after the Audit Committee for deliberations and the full minutes of the same are placed before the following Board Meeting for recode. The Board of Directors, regularly appraised on the recommendations for the Audit Committee, further, at the beginning of the financial year, the Committee discuss the plan for the internal audit and statutory audit.

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

As required under Clause 49(III)(E) of the Listing Agreement, the Audit Committee had reviewed the following information:

- Management Discussion and analysis of financial condition and results of operations.
- Statement of significant related party transactions submitted by management
- Management letters/letters of internal controls, weaknesses issued by the Statutory Auditors.
- Internal Auditors Reports relating to internal control weaknesses.
- Appointment, removal and terms of remuneration of the internal auditors.

During the year under review, the 4 Audit Committees were held during Financial Year 2014-2015. The dates on which the said meetings were held as follows:

29/05/2014	12/07/2014	25/10/2014	12/01/2015
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3.2 REMUNERATION COMMITTEE:

The Remuneration Committee reviewing the overall compensation policy, service agreements and other employments and other employment conditions of Managing / Whole time Directors and Managing Director:

The company has paid remuneration to Mr. Hiteshkumar Patel, Director of the company of Rs. 15000/- p.m. and not paid remuneration to any director during the year under review.

Non- Executive Director

The Company has not paid any sitting fees to any of the Directors of the Company.

Remuneration Policy

Payment of remuneration to the Managing/Whole Time Director is governed by the respective Agreements executed between them and the company. These agreements

were approved by the Board and the Shareholders. Their Remuneration structure comprises salary, perquisites and allowances.

Terms of reference of the Committee inter alia, include the following:

Nomination of Directors / Key Managerial Personnel / Senior Management*

1. To evaluate and recommend the composition of the Board of Directors;
2. To identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down by the Committee;
3. Consider and recommend to the Board appointment and removal of directors, other persons in senior management and key managerial personnel (KMP);
4. Determining processes for evaluating the effectiveness of individual directors and the Board as a whole and evaluating the performance of individual Directors;
5. To administer and supervise Employee Stock Options Schemes (ESOS) including framing of policies related to ESOS and reviewing grant of ESOS;
6. Formulate the criteria for determining qualifications, positive attributes and independence of a Director;
7. To review HR Policies and Initiatives.

Remuneration of Directors / Key Managerial Personnel / Senior Management*/ other Employees

1. Evolve the principles, criteria and basis of Remuneration policy and recommend to the Board a policy relating to the remuneration for all the Directors, KMP, Senior Management and other employees of the Company and to review the same from time to time.
2. The Committee shall, while formulating the policy, ensure the following :
 - (a) The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully;
 - (b) Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
 - (c) Remuneration to Directors, KMP and Senior Management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.

* Senior Management for the above purpose shall mean personnel of the Company who are members of its core management team excluding Board of Directors comprising all members of management one level below the executive directors, including the functional heads.

NOMINATION & REMUNERATION POLICY:

Purpose of this Policy:

The company has adopted this Policy on appointment and remuneration of the Directors, Key Managerial Personnel and Senior Management (the "Policy") as required by the provisions of Section 178 of the Companies Act, 2013 (the "Act") and the provisions of Clause 49.

The purpose of this Policy is to establish and govern the procedure applicable:

- a) To evaluate the performance of the members of the Board.
- b) To ensure that remuneration to Directors, KMP and Senior Management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.
- c) To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.

The Committee should ensure that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully and the relationship of remuneration to performance is clear and meets appropriate performance benchmarks.

Definitions:

Independent Director means a director referred to in Section 149(6) of the Act and the Clause 49, as amended from time to time.

Key Managerial Personnel (the “KMP”) shall mean “Key Managerial Personnel” as defined in Section 2(51) of the Act.

Nomination and Remuneration Committee, by whatever name called, shall mean a Committee of Board of Directors of the Company, constituted in accordance with the provisions of Section 178 of the Act and the Clause 49.

Remuneration means any money or its equivalent given or passed to any person for services rendered by him and includes perquisites as defined under the Income-tax Act, 1961.

Senior Management means personnel of the Company who are members of its core management team excluding Board of Directors. This would include all members of management one level below the Executive Directors, including all functional heads.

Words and expressions used and not defined in this Policy, but defined in the Act or any rules framed under the Act or the Securities and Exchange Board of India Act, 1992 and Rules and Regulations framed thereunder or in the Clause 49 or the Accounting Standards shall have the meanings assigned to them in these regulations.

Composition of the Committee:

The composition of the Committee is / shall be in compliance with the Act, Rules made there under and the Clause 49, as amended from time to time.

Bhaveshkumar Vasantbhai Patel	-	Chairman Non Executive Director
Devalkumar Bharatbhai Patel	-	Member Non Executive Director
Bharatbhai Jethabhai Patel	-	Member Non Executive Director

Mr. Bhaveshkumar Vasantbhai Patel was appointed as chairman of the committee in place of Mr. Kantilal Jagjivan Khimani w.e.f. 09/03/2015. Mr. Devalkumar Bharatbhai Patel, (Non Executive) and Mr. Bharatbhai Jethabhai Patel (Non Executive) were appointed as members of the committee in place of Mr. Ketan Khimani and Mr. Prashant Khimani w.e.f. 09/03/2015.

Role of the Committee:

The Committee shall:

- a) Formulate the criteria for determining qualifications, positive attributes and independence of a Director;
- b) Identify persons who are qualified to become Director and persons who may be appointed in Key Managerial and Senior Management positions in accordance with the criteria laid down in this Policy;
- c) Lay down the evaluation criteria for performance evaluation of Independent Director and the Board;
- d) Recommend to the Board, appointment, remuneration and removal of Director, KMP and Senior Management;
- e) To devise a Policy on Board diversity.

Criteria for Determining the followings:-**1 Qualifications for appointment of Directors (including Independent Directors)**

- a) Persons of eminence, standing and knowledge with significant achievements in business, professions and/or public service;
- b) Their financial or business literacy/skills;
- c) Their textile industry experience;
- d) Other appropriate qualification/experience to meet the objectives of the Company;
- e) As per the applicable provisions of Companies Act, 2013, Rules made thereunder and Clause 49 of Listing Agreement.

The Nomination and Remuneration Committee shall have discretion to consider and fix any other criteria or norms for selection of the most suitable candidate/s.

2 Positive attributes of Directors (including Independent Directors):

- Directors are to demonstrate integrity, credibility, trustworthiness, ability to handle conflict constructively and the willingness to address issues proactively;
- Actively update their knowledge and skills with the latest developments in the railway/heavy engineering/infrastructure industry, market conditions and applicable legal provisions;
- Willingness to devote sufficient time and attention to the Company's business and discharge their responsibilities;
- To assist in bringing independent judgment to bear on the Board's deliberations especially on issues of strategy, performance, risk management, resources, key appointments and standards of conduct;
- Ability to develop a good working relationship with other Board members and contribute to the Board's working relationship with the senior management of the Company;
- To act within their authority, assist in protecting the legitimate interests of the Company, its shareholders and employees;

- Independent Directors to meet the requirements of the Companies Act, 2013 read with the Rules made there under and Clause 49 of the Listing Agreement as amended from time to time.

3 Independence Standards

The following would be the independence review procedure and criteria to assist the Committee to evaluate the independence of Directors for recommending to the Board for appointment. A Director is independent if the Board affirmatively determines that the Director does not have a direct or indirect material relationship with the Company, including its affiliates or any member of senior management. "Affiliate" shall mean any company or other entity that controls, is controlled by, or is under common control with the Company.

Also, the candidate shall be evaluated based on the criteria provided under the applicable laws including Companies Act, 2013 read with Rules thereon and the Listing Agreement with the Stock Exchanges. In addition to applying these guidelines, the Board will consider all relevant facts and circumstances in making its determination relating to a director's independence.

Independence Review Procedures

1. Annual Review

The director's independence for the independent director will be determined by the Board on an annual basis upon the declaration made by such Director as per the provisions of the Companies Act, 2013 read with Rules thereon and the Listing Agreement.

2. Individual Director's Independence Determinations

If a director nominee is considered for appointment to the Board between Annual General Meetings, a determination of independence, upon the recommendation of the Committee, shall be made by the Board prior to such appointment.

All determinations of independence shall be made on a case-by-case basis for each director after consideration of all the relevant facts and circumstances and the standards set forth herein. The Board reserves the right to determine that any director is not independent even if he or she satisfies the criteria set forth by the provisions of the Companies Act, 2013 read with Rules thereon and the Listing Agreement.

3. Notice of Change of Independent Status

Each director has an affirmative obligation to inform the Board of any change in circumstances that may put his or her independence at issue.

5.4 Criteria for appointment of KMP/Senior Management

- To possess the required qualifications, experience, skills & expertise to effectively discharge their duties and responsibilities;
- To practice and encourage professionalism and transparent working environment;
- To build teams and carry the team members along for achieving the goals/objectives and corporate mission;
- To adhere strictly to code of conduct

5.5 Term

The Term of the Directors including Managing / Wholetime Director / Independent Director shall be governed as per the provisions of the Act and Rules made thereunder and the Clause 49, as amended from time to time.

Whereas the term of the KMP (other than the Managing / Wholetime Director) and Senior Management shall be governed by the prevailing HR policies of the Company.

5.6 Evaluation

The Committee shall carry out evaluation of performance of every Director.

The Committee shall identify evaluation criteria which will evaluate Directors based on knowledge to perform the role, time and level of participation, performance of duties, level of oversight, professional conduct and independence. The appointment / re-appointment / continuation of Directors on the Board shall be subject to the outcome of the yearly evaluation process.

5.7 Removal

Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, Rules and Regulations thereunder and / or for any disciplinary reasons and subject to such applicable Acts, Rules and Regulations and the Company's prevailing HR policies, the Committee may recommend, to the Board, with reasons recorded in writing, removal of a Director, KMP or Senior Management.

6. Remuneration of Managing / Whole-time Director, KMP and Senior Management

The remuneration / compensation / commission, etc., as the case may be, to the Managing / Whole time Director will be governed by the relevant provisions of the Companies Act, 2013 and applicable Rules and Regulations and will be determined by the Committee and recommended to the Board for approval. The remuneration / compensation / commission, etc., as the case may be, shall be subject to the prior / post approval of the shareholders of the Company and Central Government, wherever required. Further, the Chairman & Managing Director of the Company is authorised to decide the remuneration of KMP (other than Managing / Whole time Director) and Senior Management based on the standard market practice and prevailing HR policies of the Company.

7. Remuneration to Non-executive / Independent Director

The remuneration / commission / sitting fees, as the case may be, to the Non-Executive / Independent Director, shall be in accordance with the provisions of the Act and the Rules made thereunder for the time being in force or as may be decided by the Committee / Board / shareholders.

An Independent Director shall not be entitled to any stock option of the Company unless otherwise permitted in terms of the Act and the Clause 49, as amended from time to time.

3.3 Share Transfer & Shareholders'/Investor Grievance Committee:

The Share Transfer & Shareholders'/Investor Grievance committee comprises as under:

- 1 Mr. Bhaveshkumar Vasantbhai Patel – Chairman Independent Director
- 2 Mr. Devalkumar Bharatbhai Patel – Member Independent Director
- 3 Mr. Bharatbhai Jethabhai Patel – Member Independent Director
- 4 Ms. Shivangi Bipinchandra Gajjar – Compliance Officer

Mr. Bhaveshkumar Vasantbhai Patel was appointed as chairman of the committee in place of Mr. Kantilal Jagjivan Khimani w.e.f. 09/03/2015. Mr. Devalkumar Bharatbhai Patel, (Non Executive) and Mr. Bharatbhai Jethabhai Patel (Non Executive) were appointed as members of the committee in place of Mr. Ketan Khimani and Mr. Prashant Khimani w.e.f. 09/03/2015.

The committee is responsible for approving and monitoring transfers, transmission, splitting and consolidation of shares issued by the Company. In addition to that, the committee also monitors redressal of complaints from shareholders relating to transfer of shares, non-receipt of balance sheet etc., No sitting fees is paid to the committee members. The Committee reviewed redressal of investors Grievances pertaining to share transfer, dematerialization of shares, replacement of lost, mutilated and old share certificates, change of address etc. The committee has also taken steps to strengthening investors relations.

The status of shareholders' complaints received so far/number not solved to the satisfaction of shareholders/number of pending share transfer transactions (as on 31st March, 2014 is given below:-

Complaints Status: 01.04.2014 to 31.03.2015

- Number of complaints received so far : 0
- Number of complaints solved : 0
- Number of pending complaints : 0

Statement showing Shareholding of more than 1% of the Capital as on March 31, 2015

Sr. No.	Name of the shareholders	No. of Shares	Percentage of Capital
1	Becharbhai Vitthalbhai Patel	295400	2.95
2	Bharatbhai Bhikhabhai Patel	294900	2.94
3	Bharatbhai Parshottambhai Patel	111000	1.11
4	Chandubhai Pashabhai Patel	160600	1.60
5	Devubhai Nathabhai Prajapati	176100	1.76
6	Dineshkumar Manibhai Prajapati	294800	2.94
7	Hareshbhai Ramjibhai Patel	251000	2.51
8	Hiteshbhai Chimanbhai Patel	201000	2.01
9	Jayantibhai Murchandbhai Prajapati	118500	1.18
10	Jayantibhai Valjibhai Patel	293700	2.93
11	Jitendra Amrutbhai Prajapati	295700	2.95
12	Nareshbhai Parshottambhai Patel	201200	2.01
13	Nileshbhai Bharatbhai Patel	294100	2.94
14	Parichyakumar Maganbhai Prajapati	295200	2.95
15	Rohitbhai Chimanbhai Patel	100600	1.00
16	Sureshbhai Ramjibhai Patel	292800	2.92
17	Vasantbhai Bhikhabhai Patel	292500	2.92
	Total	3969100	39.63

General Body Meetings

Particulars of last three Annual general meetings

Year of AGM	Date of the AGM	Time	Place of AGM Held	Special Resolutions Passed
2012	28/09/2012	11.30	Shah Commercial Centre, Station	No

		A.M	Road, Bhuj-370001 Gujarat	
2013	28/09/2013	11.30 A.M	Shah Commercial Centre, Station Road, Bhuj-370001 Gujarat	No
2014	30/09/2014	11.30 A.M	Shah Commercial Centre, Station Road, Bhuj-370001 Gujarat	No

Extraordinary General Meeting (EGM)

One Extra Ordinary General Meeting was held on 24th March, 2015 for appointment of M/s Rahul Kakani & Associates, Chartered Accountant, Ahmedabad to fill up the casual vacancy caused due to resignation of M/s Mayur Shah and Associates, Chartered Accountant, Ahmedabad during the financial year under review.

During the year under review, following resolution has been passed through the exercise of postal ballot on 03/01/2015.

1. Change in main object of the Company from manufacturing of cements to trading of food items
2. Change of name of the company from Hics Cements Limited to Mishtann Foods Limited

5. DISCLOSURES:

- a. Materially significant related party transactions:

There were no significant or material related party transactions that have taken place during the year which have any potential conflict with the interest of the company at large. The detailed related party information and transactions have been provided in Notes to Accounts.

- b. During the last three Years, there were no penalties, strictures imposed by either SEBI or stock Exchange or any statutory authority for non- Compliance of any matter related to the capital market.

6. CEO/CFO CERTIFICATION:

(Under Clause 49(V) of Listing Agreement)

We Certify that --

- a. We have reviewed the financial statements and the cash flow statement for the year 2014-15 and that to the best of our knowledge and belief:

- These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
- These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations;

- a. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year 2014-15 which are fraudulent, illegal or violative of the Company's code of conduct;

b. We accept responsibility for establishing and maintaining internal controls and that we have evaluated the effectiveness of the internal control systems of the Company and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of the internal control, if any, of which we are aware of and the steps we have taken or propose to take to rectify these deficiencies.

c. We have indicated to the Auditors and the Audit Committee -

- Significant changes in internal control over the financial reporting during the year 2014-15;

- Significant changes in accounting policies during the year 2014-15 and that the same have been disclosed in the notes to the financial statements; and

- Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over the financial reporting.

7. MEANS OF COMMUNICATIONS:

The Quarterly Unaudited Financial Results and other presentation as to the Company's Performance etc., are made available to the institutional investors/Financial Analysts as and when felt expedient.

The Management discussion and analysis forms part of the Annual Report.

WHISTLE BLOWER POLICY:

Recently, the Security & Exchange Board of India has also prescribed the adoption by all listed companies, of a Whistle Blower Policy as a non-mandatory requirement. The company has adopted a Whistle Blower Policy, which affords protection and confidentiality to Whistle blowers.

The Audit Committee Chairman is authorized to receive Protected Disclosures under this Policy. The Audit Committee is also authorized to supervise the conduct of investigations of any disclosures made whistle blowers in accordance with policy.

No personnel have been denied access to the Audit Committee. As of March 31, 2015, no Protected Disclosures have been received under this policy.

8. GENERAL SHAREHOLDER INFORMATION:

a. Annual General Meeting: Date, Time and venue: 30th September, 2015, at 11.00 a.m. at the Registered Office of the Company.

b. Financial Year: 1st April 2014 to 31st March, 2015.

c. Financial Calendar:

- 1st quarterly results - Last week of May, 2015.
- 2nd quarterly results - Last week of July, 2015.
- 3rd quarter results - Second week of November, 2015.
- 4th quarter results - Second week of February, 2016.

- d. Date of Book Closure: 21st September, 2015 to 30th September, 2015
- e. Dividend Payment Date: N.A.

- f. Listing of Equity Shares on Stock Exchanges:

The Company has paid Annual Listing Fees to the Stock Exchanges where the Company's shares are listed for the financial Year up to 31-03-2015

- g. Stock Code: **MISHTANN**

- h. Demat ISIN number: **INE094S01017**

- I. High / Low of Monthly Market Price of the Companies Equity Shares traded on Stock Exchange during the financial year 2014-15:

The Company has no data to report in this segment.

- j. Performance of the Company's shares in comparison with broad-based indices as SE's Sensex:

The Company has no data to report in this segment.

- k. Registrar & Share Transfer Agent:

Name	:	Purva Sharegistry (India) Pvt. Ltd.
Address	:	9 Shiv Shakti Indl Estate, J R Boricha Mrg, Opp Kasturba Hospital, Lower Parel (E), Mumbai- 400011
Tel	:	91-22-2301 6761 / 8261
Fax	:	91-22-2301 2517
Email	:	<u>busicomp@vsnl.com</u>

- l. Share Transfer System: Valid Share transfer in physical form and complete in all respects were approved and registered within the stipulated period.

- m. Distribution of Shareholding as on Dated 31.03.2015

SHARE HOLDING OF NOMINAL VALUE OF		SHARE HOLDERS		SHARE AMOUNT	
Rs.	Rs.	Number	% to Total	In Rs.	% to Total
(1)		(2)	(3)	(4)	(5)
Upto	- 5,000	91	17.50	424000	0.42
5,001	- 10,000	176	33.85	1616000	1.61
10,001	- 20,000	80	15.38	1340000	1.34
20,001	- 30,000	40	7.69	1010000	1.01
30,001	- 40,000	31	5.96	1082000	1.08
40,001	- 50,000	11	2.12	519000	0.52
50,001	- 1,00,000	21	4.04	1647000	1.64
1,00,001	and above	70	13.46	92523000	92.37

TOTAL	520	100	100161000	100
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n. Shareholding pattern as on 31.03.2015

Category	No of Shares held	% of Shareholding
a. Promoters and persons who may be deemed to be acting in concert including promoter/directors group Companies	3939500	39.33
b. Mutual Fund/Trust	0	0.00
c. Financial Institution/Banks	0	0.00
d. Bodies Corporate	0	0.00
e. Indian public	6076600	60.67
f. other (HUF)	0	0.00
TOTAL	10016100	100.00

o. Dematerialization of shares: As on 31-03-2015 Demat shares accounted for NIL Equity Shares (0.00%) of total equity.

p. Outstanding GDR / ADR / Warrants: Not Applicable

q. **Address for communication:**

Mishtann Foods Limited
Shah Commercial Centre,
Station Road, Bhuj - 370001

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

Purva Sharegistry (India) Pvt. Ltd.
9 Shiv Shakti Indl Estate, J R Boricha Mrg,
Opp Kasturba Hospital,
Lower Parel (E), Mumbai- 400011

Declaration of compliance with the code of conduct

All the Directors and senior management personal have, respectively, affirmed compliance with the code of conduct as approved and adopted by the Board of Directors.

**For & on behalf of the Board of Director
Mishtann Foods Limited
(Formerly known as Hics Cements Limited)**

Date: 30/05/2015

Place: Bhuj

Sd/-
Hiteshkumar Patel
Director
DIN: 05340865

Sd/-
Navinchandra Patel
Director
DIN: 05340874

Sd/-
Ravikumar Patel
Director
DIN: 05340869

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

1) INDUSTRY STRUCTURE AND DEVELOPMENTS

The all India food production during the period April 2014 to March 2015 registered a cumulative growth as against the corresponding period of last year. The cumulative growth for the eight core industries (coal, crude oil, natural gas, refinery products, fertilizers, steel cement & electricity) remained same as previous year. With the entry of new players in the already fragmented markets, high price volatility and variations in prices is experienced in different regions and different periods of time..

2) OPPORTUNITIES AND THREATS

Opportunities

- Increase in income levels will aid greater penetration of financial products.
- Positive regulatory reforms.
- Increase in corporate growth & risk appetite.
- Greater efficiency in debt market operations which will also help greater penetration.
- Increased securitization.
- Focus on selling new product/services.

Threats

- Inflation could trigger increase in consumer price inflation, which would dampen growth.
- Increased competition in both local & overseas markets.
- Unfavorable economic development.
- Market risk arising from changes in the value of financial instruments as a result of changes in market variables like interest rate and exchange rates.

3) SEGMENT-WISE PERFORMANCE

The Company has identified its activities as single segment. Hence, the Company's performance is to be viewed as a single segment company operating in Cement industry.

4) RECENT TREND AND FUTURE OUTLOOK:

Notwithstanding global uncertainties, regulatory tightening and cyclical economic downtrend, financial services industry in India on the whole, will continue to march ahead at a healthy pace in the long term. We expect interest rates to remain stable or move southward and liquidity to ease in the coming quarters. This should augur well for demand growth in financing and lending business. However your company is making all possible efforts will improve its position.

5) RISK AND CONCERNS

Like any other industry, this industry is also exposed to risk of competition, government policies, natural factor etc. As the Company is proposed to export raw materials/ finished product, the Company has risk on account of Exchange Rate fluctuations. The Company has taken necessary measures to safeguard its assets/interests etc.

6) INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

The Company has proper and adequate system of Internal Controls to ensure that all the assets are safeguarded, protected as against loss from un authorised use or disposition and that transactions are authorised, recorded and reported correctly. The Company conducted the audit of various departments through an independent internal auditor. The views of the statutory auditors are also considered to ascertain the adequacy of the internal control system.

7) FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

The financial performance of the Company for the year 2014-15 is described in the Directors' Report under the head 'Operations of the Company'.

8) MATERIAL DEVELOPMENTS IN HUMAN RESOURCES AND INDUSTRIAL RELATIONS FRONT

Your Company has undertaken certain employees' development initiatives which have very positive impact on the morale and team spirit of the employees. The Company has continued to give special attention to Human Resources/Industrial Relations development. Industrial relations remained cordial throughout the year and there was no incidence of strike, lock-out etc.

9) CAUTIONARY STATEMENT:

Statement in this Management Discussion and Analysis Report, describing the Company's objectives, estimates and expectations may constitute 'Forward Looking Statements' within the meaning of applicable laws or regulations. Actual results might differ materially from those either expressed or implied.

**For & on behalf of the Board of Director
Mishtann Foods Limited
(Formerly known as Hics Cements Limited)**

Date: 30/05/2015

Place: Bhuj

Sd/- Hiteshkumar Patel Director DIN: 05340865	Sd/- Navinchandra Patel Director DIN: 05340874	Sd/- Ravikumar Patel Director DIN: 05340869
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