



TDSL/CS/BSE/09/2019-20

September 06, 2019

**Corporate Relationship Department,**  
Bombay Stock Exchange Limited  
Phiroze Jeejeebhoy Towers  
Dalal Street,  
Mumbai- 400001

Ref - Symbol: TDSL ; Scrip Code- 540955,

ISIN: INE773Y01014

**Subject: Submission of Annual Report for the Financial Year 31<sup>st</sup> March,2019 and  
Notice convening the 27<sup>th</sup> Annual General Meeting**

Dear Sir/ Madam,

**Pursuant to Regulation 30 and 34 of SEBI (Listing Obligations and Disclosures Requirement) Regulation, 2015.**

Please find enclosed herewith copy of Annual Report for the Financial Year ended on 31st March,2019 and Notice convening the 27th Annual General Meeting of the company, Tasty Dairy Specialities Limited (TDSL), to be held on 30<sup>th</sup> September,2019 at 11.30am at the Administrative office "TDSL House" of the company situated at 117/H-1/365, Pandu Nagar, Kanpur (U.P.)- 208005. Annual Report along with Notice are also available at website of the company at [www.tastydairy.com](http://www.tastydairy.com) under investor desk (Annual Report Section).

This is for your information and record.

Thanking you,

**Yours faithfully,  
For Tasty Dairy Specialities Limited**



*Nishi*  
06/09/19  
**NISHI**  
Company Secretary & Compliance Officer  
ACS-50043

**Date : 06<sup>th</sup> September, 2019  
Place : Kanpur**



**Tasty Dairy**  
SPECIALITIES LTD.



**Annual Report 2018-19**



# OUR VISION

To promote an abundance of health and wealth in our country & contribute towards its development.

To endeavour and be a part of the process to make our country the developed, an industrialized, happy and respected nation of the world.



# OUR MISSION

To provide safe, healthy and nutritious food at competitive rates.

To promote the economic well-being of all constituents & associates.

To consistently perform with excellence and set benchmarks in quality, satisfaction, ethics and relationships.

Taste that reflects  
goodness

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## **BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

<b>CHAIRMAN &amp; WHOLE TIME DIRECTOR</b>	:	Mr. Atul Mehra
<b>DIRECTORS</b>	:	Mr. Atul Mehra, Chairman & WTD Mr. Prem Nandan Mehra, Director Mr. Mahendra Kumar Singh, Director Mr. Narendra S. Sathe, Independent Director Mr. Neeraj Kanodia, Independent Director Mrs. Vimi Sinha, Independent Director Dr. Ashok Kumar Tripathi, Additional Director
<b>CHIEF FINANCIAL OFFICER (CFO)</b>	:	Mr. Rakesh Kumar Yadav
<b>COMPANY SECRETARY &amp; COMPLIANCE OFFICER</b>	:	Ms. Nishi Sheikh
<b>INTERNAL AUDITOR</b>	:	Mr. Ved Prakash Agnihotri

## **AUDITORS**

### **1. STATUTORY AUDITORS:**

#### **ATUL GARG & ASSOCIATES**

Chartered Accounts

24/147, Birhana Road, Naughara Patkapur

Kanpur (UP) - 208001

### **2. SECRETARIAL AUDITORS:**

#### **GSK & ASSOCIATES**

Company Secretaries

14-Ratan Mahal, Civil Lines,

Kanpur (UP) - 208001

### **3. COST AUDITORS:**

#### **RAKESH MISRA & COMPANY**

Cost Accountants

122/314 Shastri Nagar,

Kanpur (UP) - 208005



**OUR COMPANY LISTED AT**

**: BOMBAY STOCK EXCHANGE LIMITED  
(SME PLATFORM)**

Phiroze Jeejeebhoy Towers  
Dalal Street,  
Mumbai- 400 001  
Email id: corp.relation@bseindia.com

**REGISTRAR AND SHARE TRANSFER AGENTS (RTA) : BIGSHARE SERVICES PRIVATE LIMITED**

1st Floor, Bharat Tin Works  
Building, Opp. Vasant Oasis,  
Makwana Road, Marol,  
Andheri East, Mumbai -400059  
Tel. : 022-62638200 ; Fax. : 022-62638299  
E-mail: [investor@bigshareonline.com](mailto:investor@bigshareonline.com)  
Website: [www.bigshareonline.com](http://www.bigshareonline.com)

**INVESTORS' CONTACT DETAILS**

**: NISHI SHEIKH**  
**Company Secretary & Compliance Officer**  
117/H-1/365, Pandu Nagar, Near Gurudwara,  
Kanpur (UP) – 208005  
Tele No: 0512- 4003999 Fax no. 0512 -2551643  
Email id: [cs@tastydairy.com](mailto:cs@tastydairy.com)  
**Website: [www.tastydairy.com](http://www.tastydairy.com)**

REGISTERED OFFICE	ADMINISTRATIVE OFFICE
D-3, UPSIDC Industrial Area Jainpur, Kanpur Dehat (UP) – 209311 Website: <a href="http://www.tastydairy.com">www.tastydairy.com</a> Email Id: info@tastydairy.com Tele No: 0512- 4003999, Fax no. 0512-2551643 CIN: L15202UP1992PLC014593	TASTY DAIRY SPECIALITIES LIMITED “TDSL HOUSE” 117/H-1/365, Pandu Nagar, Near Gurudwara, Kanpur Uttar Pradesh (U.P.) 208005 Tele No: 0512- 4003999 Fax no. 0512 -2551643

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**COMMITTEES MEMBERS: (AS ON 31.03.2019)**

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- 1. AUDIT COMMITTEE** :Mr. Neeraj Kanodia  
(Chairman & Independent Director)
- Mr. Narendra Shankar Sathe  
(Independent Director)
- Mr. Prem Nandan Mehra  
(Executive Director)
- 2. NOMINATION AND REMUNERATION COMMITTEE** :Mr. Narendra Shankar Sathe  
(Chairman & Independent Director)
- Mr. Neeraj Kanodia  
(Non-Executive & Independent Director)
- Mrs. Vimi Sinha  
(Non-Executive & Independent Director)
- 3. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE** : Mr. Atul Mehra  
(Chairman & Whole Time Director)
- Mr. Neeraj Kanodia  
(Independent Director)
- Mr. Narendra Shankar Sathe  
(Independent Director)
- 4. STAKEHOLDERS RELATIONSHIP COMMITTEE** :Mr. Narendra Shankar Sathe  
(Chairman & Independent Director)
- Mr. Neeraj Kanodia  
(Independent Director)
- Mr. Atul Mehra  
(Member)
- Mr. Mahendra Kumar Singh  
(Member)
- Mrs. Vimi Sinha  
(Member)

Ms. Nishi Sheikh, Company Secretary & Compliance Officer is Secretary to the Committees.

**\*Constitution of Executive Committee of the Company, comprising of Executive Directors, namely Mr. Atul Mehra, Mr. Mahendra Kumar Singh, Mr. Prem Nandan Mehra and Mr. Ramesh Jasuja. (Date of constitution- 22/02/2019)**

## “Our Prestigious Clientele”

The primary element of our success, we believe in working together to meet customer’s need which is the basis of all we do which means to establish, foresee or even create consumer wishes and requirements and correspondingly adapt our sales portfolio.

*Our proud customer list boasts of big Indian Food Products manufacturing companies, Government Organizations, Co-operative Societies, Defence Sector etc., the name of some of which are given below:*



PARLE PRODUCTS PVT. LTD.



MOTHER DAIRY



ITC LIMITED (FOOD DIVISION)



PERFETTI VAN MELLE



HEINZ INDIA PRIVATE LTD.



NUTRINE CONFECTIONERY LTD.



PRADESHIK COOPERATIVE DAIRY  
FEDERATION, UTTAR PRADESH



MILITARY FARM



UTTAR PRADESH EMPLOYEE  
WELFARE ASSOCIATION



## Awards & Recognition

# **“Awards and Recognition Analysis of the Financial Year 2018-19”**



# Proud Moments For Us

**THE NEXT  
500**  
THE LISTS  
SME 100

## THE SMALL WONDERS

The top 100 firms on the small- and medium-sized enterprise platforms of the BSE and National Stock Exchange.

RANK		COMPANY	CITY	REVENUE		NET OPERATING INCOME		PROFIT			ASSETS		
2019	2018			₹ crore	YoY chg (%)	₹ crore	YoY chg (%)	₹ crore	Rank	YoY chg (%)	₹ crore	Rank	YoY chg (%)
1	1	NARAYANI STEELS	Kolkata	742.09	-6.49	777.49	0.39	2.26	81	0.44	160.31	9	9.44
2	NEW	SKY GOLD	Mumbai	554.79	204.01	548.86	233.84	2.63	76	179.79	65.49	64	79.72
3	NEW	ADITYA VISION	Patna	545.66	43.80	536.31	48.26	2.78	75	62.57	69.02	56	29.71
4	2	SARVESHWAR FOODS	Jammu	495.74	1.13	481.27	15.18	16.53	5	29.04	318.37	1	24.60
5	NEW	MARINE ELECTRICALS (INDIA)	Mumbai	391.66	42.53	380.38	40.07	15.27	8	49.41	147.10	11	21.16
6	11	ORISSA BENGAL CARRIER	Raipur	386.70	80.73	384.39	80.59	6.38	35	62.34	68.18	59	20.46
7	5	PASHUPATI COTSPIN	Mehsana	367.49	26.94	334.42	21.18	-0.64	99	PL	211.64	2	46.57
8	NEW	D.P. ABHUSHAN	Ratlam	362.21	814.67	323.02	898.21	8.15	21	66.33	166.34	8	41.39
9	NEW	SUPERSHAKTI METALIKS	Kolkata	356.85	22.19	356.16	33.25	12.38	11	2,034.48	77.89	47	-18.76
10	4	DYNAMIC CABLES	Jaipur	353.59	14.76	356.91	18.97	7.43	28	-7.13	199.43	4	55.36
11	NEW	FOURTH DIMENSION SOLUTIONS	Delhi-NCR	340.57	-77.79	527.96	-64.60	38.71	1	76.11	115.67	21	-66.93
12	NEW	ACCURACY SHIPPING	Anjar	333.36	66.26	331.92	66.41	10.37	13	635.46	75.32	50	99.73
13	8	TASTY DAIRY SPECIALITIES	Jainpur	332.02	37.97	331.86	38.98	5.34	43	18.14	100.64	31	21.19

**Tastydairy ranked 13th in Top SME listed companies in FORTUNE 500 Magazine, March 2019 edition.**

### 1. RANKED 13TH IN SME LISTED COMPANIES IN FORTUNE 500 MAGAZINE, AS SMALL WONDERS

**MARCH 2019 EDITION**

We would like to take this opportunity to acknowledge the overwhelming support of all our Dear Stakeholders. For all the things we do big or small, it is all because of the support of our Stakeholders. They have helped us & have shown faith in the Company to grow and keep moving on the path of success. Over the past years the Company has gradually seen the growth. In the last year it got listed on the SME platform in Bombay Stock Exchange. This year 2019 the Company turned to 27 since incorporation and we hope to achieve many more milestones in coming years with the support of all the Stakeholders.



## 2. AWARD FOR EXEMPLARY CONTRIBUTION TOWARDS DEVELOPMENT OF FOOD PROCESSING SECTOR IN UTTAR PRADESH, AT THE WORKSHOP ON PRADHAN MANTRI KISAN SAMPADA YOJNA.

The Awards felicitation was held on 5th October, 2018 in Lucknow, Uttar Pradesh, India.

Mr. Arpit Mehra, Sr. Vice President of the Company, attended the Workshop on Pradhan Mantri Kisan Sampada Yojna and received the “Award for Exemplary Contribution” on behalf of the Tasty Dairy Specialities Limited. Presented by Mr. Nitin Puri, Senior President & Country Head – ‘Food and Agribusiness Strategic Advisory and Research’ (FASAR) and Mr. Manoj Ralhan, President at YES Bank.





# “BUSINESS UPDATES”

## (DURING 2018-19)

Further to announcement(s) and updates, the company Management is please to update the progress to all the valued stakeholders of the company.

### **1. BUSINESS OPERATION – NEW PROJECT OF VALUE ADDED PRODUCTS**

- Firstly, the implementation of setting up of a new facility at D-5, UPSIDC, Industrial Area, Jainpur, Kanpur Dehat is in full swing.

Ground Breaking Ceremony is to be held at Kanpur in the presence of Hon'ble Prime Minister, Sh. Narendra Modi on Wednesday, the 27<sup>th</sup> day of February,2019 (tentatively) during which indicative Stone laying ceremony of our new Project at D-5 UPSIDC, Industrial Area, Jainpur, Kanpur will be done.

- Under the new Project of Value Added Products under SAMPADA Scheme of the Ministry of Food Processing Industry (MOFPI). The company has applied and received IEM (Industrial Entrepreneur Memorandum) Acknowledgement – Part- A dated 07<sup>th</sup> February, 2019 issued by Ministry of Commerce & Industry (IEM Section) for Manufacturing of following Proposed items:

Proposed Item/ Code	Proposed Capacity (Per annum)
<b>Paneer</b>	1825.00 MT/PA
<b>Yoghurt</b>	3650.00 MT/PA
<b>Butter</b>	3395.00 MT/PA
<b>Curd</b>	3650.00 MT/PA
<b>Lassi</b>	3650.00 MT/PA
<b>Ice- cream</b>	1095.00 MT/PA
<b>Demineralized Whey</b>	2190.00 MT/PA
<b>Pasteurized Skimmed Milk</b>	47450.00KL/PA

### **BENEFITS FROM STATE GOVERNMENT**

- The company, being an Eligible Industrial Undertaking, as per the Rules for Implementation of Industrial Investment and Employment Promotion Policy-2017, has applied and will get below mentioned financial incentive.

S.no.	Particulars
01.	Interest Subsidy@ 5% p.a. on term loan amount.
02.	Stamp duty exemption.
03.	Exemption from Electricity Duty to all new industrial undertakings set up in the State for 10 years.
04	The industries will be eligible for reimbursement of that amount of GST paid on purchase of plant and machinery, building material and other Capital Goods during construction and commissioning period and raw materials and other inputs.
05	SGST Reimbursement

## 2. AGREEMENTS AND MOU

- Clearance of the board to fully explore the proposal of **M/s A.K. Food International, “Netherlands based organisation”** for expanding the marketing of our products in Global Market. with the objective of:
  - Identifying and facilitating the appointment of third party/ Private label dairy manufacturers in Europe for range of Ethnic Indian Dairy Products;
  - Assisting in Market research and analysis
  - Assisting in finding distributor in European/ World market.
- Tasty Dairy Specialties Ltd. through its Joint Initiative body, “INDUCED” (Indo Dutch Centre Of Excellence On Dairying) has entered into a Memorandum Of Understanding (MoU) with Foundation **Dutch Greenhouse Delta, the Netherlands** based organization referred as **DGD** on 03rd Day of December,2018 at “The Premier Agri and Food Technology Fair” at **Chandigarh, India**.

The MOU is aimed to establish a Centre of Excellence on Horticulture on the lines of World Horti Centre of Netherlands and work for the growth of horticulture in India resulting in increased income for the farmers. The purpose is to help in achieving the doubling of farmer’s income in India with world renowned Dutch technologies and bringing the best Agri and Dairying Inputs from Dutch companies.

The second and equal important aim of the cooperation is to bring India’s expertise on data, IoT and ICT in the field of horticulture to the Netherlands for a mutual benefit in regards to a sustainable cooperation between countries, companies and educational systems.



### 3. FINANCIAL ASPECTS

On financial aspects, the overall performance of the Company for the Nine month ended December 2018 was encouraging and standalone financial highlights (estimated and unaudited) are as follows:-

(Amount in Cr.)

Particulars	Nine months ended 31 <sup>st</sup> December,2018 (Provisional unaudited)	Financial year 2017-18 ended 31 <sup>st</sup> March,2018 (Audited)
<b>Revenue from Operation</b>	260.86	331.86
<b>Profit before Interest, Depreciation and Tax (EBITDA)</b>	10.23	14.25
<b>*FINANCE COST</b>	2.98	4.90
<b>DEPRECIATION</b>	1.43	2.30
<b>PROFIT BEFORE TAX (PBT)</b>	5.82	7.04
<b>TOTAL TAX</b>	1.13	1.70
<b>PROFIT AFTER TAX (PAT)</b>	4.69	5.34

\*Finance cost has decreased as

1. Closure of the **Agri Business Loan** from HDFC Bank 5.5 Cores.
2. Closure of **ADV Limit against Warehouse** from Indusind Bank 10 Crores.

#### **Disclaimer**

The aforesaid standalone financial highlights (Provisional unaudited) of the Company for the nine months ended 31st December 2018 are based on prudent estimates of the Company Management and provided on voluntary basis. The Company, being a SME Listed Company, is not mandatorily required to provide the statement of financial results for the third quarter (Q-3) and nine months ended 31st December 2018 in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended).

As such, the Members and Investors are advised to take note of it before any decision of investments in the equity shares of the Company.





#### 4. APPOINTMENTS AND FORMATION OF EXECUTIVE COMMITTEE

- **Appointment of Dr. Ashok Kumar Tripathi (DIN:08363248) as an Independent, Non-Executive and Additional Director of the Company.** Dr. Ashok Kumar Tripathi joins the Board of Tasty Dairy (TDSL) after successful innings at Mother Dairy Fruit & Vegetable Pvt Ltd., a wholly owned subsidiary of NDDB. He carries with him an experience of more than 35 years. He has retired from 'Mother Dairy' as General Manager of Milk Procurement. During his working period since 2004 to 2018 in Mother Dairy, the company drastically improved its Procurement Network and robust distribution network. Previously, he was recruited by NDDB in 1983 and has undergone in-house trainings in Dairy Cooperative Management and thereafter he lent his services to Pradeshik Cooperative Dairy Federation(PCDF) as Manager till the year ended 2004. He has experience of Institutional bulk sales also. Therefore, the board thinks fit to appoint him as Additional Independent Director as he fulfils the criteria of good expertise and knowledge in the field of work and also fulfils the criteria of independency.
  
- **Appointment of Mr. Ramesh Jasuja, as New Project Head, B.Tech (Dairy Technologist) having experience in the field of Dairy of more than 33 years.** He has worked as Head- Manufacturing in GSK Consumer Healthcare Ltd. and as Head Production at Schreiber Dyanamix Dairies Ltd. Therefore, the board thinks fit to appoint him as New Project- Head to operate and manage activities of our New Project of Value Added Dairy Product under SAMPADA Scheme of MOFPI.
  
- The members of Nomination & Remuneration committee of the Company at its Committee meeting has recommended the appointment of Dr. Ashok Kumar Tripathi as Additional Independent Director on the Board and further has recommended the appointment of Mr. Ramesh Jasuja, as New Project Head on such terms and conditions as the board may decide.
  
- Constitution of Executive Committee of the Company, comprising of Executive Directors, namely Mr. Atul Mehra, Mr. Mahendra Kumar Singh, Mr. Prem Nandan Mehra and Mr. Ramesh Jasuja.

## 5. EVENTS

Your company, Tasty Dairy Specialities Limited has participated as exhibitor in the **Indus Food Trade Fair 2019 Event**, which was held on **14th & 15th January 2019**, at India Exposition Mart, Greater Noida, Uttar Pradesh. Mr. Atul Mehra, Chairman and Whole Time Director of the company with his team were present during the exhibition to meet investors and consumers to explore future business opportunities for the company.





➤ **DAIRY FEST 2018 (International Milk and Milk Product Exhibition)** was held on 24 - 26 October, 2018 at Lucknow (India).





**6. SALES AND PROMOTION / MEETS**

- Your Company had conducted an “Annual Dealers meet of UP & Bihar” on 5<sup>th</sup> January, 2019, with the objective of Last year’s Review & Plans for next Financial Year in the presence of Mr. Mahendra Kumar Singh, Director & Procurement Head and Mr. Vinod Kumar Mishra, National Sales Head.





- Tasty Dairy Specialities Limited has setup **Milk Booths at Prayagraj Kumbh Mela, 2019**. Lakhs of visitors are visiting per day and the company is getting good response at its stall and products and good orders are expected to be received during Kumbh Mela, which will be till Monday, 04th March, 2019. The most significant dates for the company would be the Bathing dates on which crores of pilgrims including foreigners are expected and the company stands to benefit from this additional influx through additional sales of its products.



- During the financial year 2018-19, Under bulk institutional Sales, Company has received bulk order of Butter (manufactured by Tasty Dairy and supplied under the Brand name of “**Verifresh**”) from **ITC Limited**.
- Further Company has received bulk order of Ghee (manufactured by Tasty Dairy and supplied under the Brand name of “**Ujjwal**” Pure Desi Ghee from **Perfetti Van Melle**,



# “Tasty Dairy’s Team & Family”



**ATUL MEHRA**

Chairman & Whole Time Director



**SONIA MEHRA**

Promoter



**ARPIT MEHRA**

Sr. Vice President



**Dr. ASHOK TRIPATHI**

Independent Director  
Head - Milk Procurement (VLC)



**MAHENDRA KUMAR SINGH**

Executive Director  
Head - Milk Procurement (Bulk)



**RAMESH JASUJA**

COO



**ANUJ MAHTO**

VP - Sales & Marketing (New Products)



**ANAND SAXENA**

VP - Finance & Accounts



**VINOD MISHRA**  
DGM - Sales (Commodity)



**AMIT BHARGAVA**  
Vice President - HR



**RAKESH YADAV**  
AGM - Accounts



**NISHI SHEIKH**  
Company Secretary & Compliance Officer



**ASHOK KUMAR**  
AGM - Quality Control





**PREM NANDAN MEHRA**  
Director



**NARENDRA SHANKAR SATHE**  
Independent Director



**VIMI SINHA**  
Independent Director



**NEERAJ KANODIA**  
Independent Director



**Dr. ASHOK KUMAR TRIPATHI**  
Independent director



**TASTY DAIRY SPECIALITIES LIMITED**

CIN: L15202UP1992PLC014593

**Registered Office:** D-3, UPSIDC Industrial Area, Jainpur, Kanpur Dehat-209 311, Uttar Pradesh

**Administrative Office (TDSL House):** 117/H-1/365, Pandu Nagar, Kanpur-208 005, U. P.

**Tele No.:** +91 0512 4003999, Fax no. 0512 2551643 Website: www.tastydairy.com

**E-Mail ID:** info@tastydairy.com

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**NOTICE OF 27<sup>th</sup> ANNUAL GENERAL MEETING**

Dear Members,

NOTICE IS HEREBY GIVEN THAT THE 27<sup>TH</sup> ANNUAL GENERAL MEETING OF **TASTY DAIRY SPECIALITIES LIMITED** will be held on Monday, September 30, 2019 at 11.30 A.M. at the Administrative Office of the company & **“TDSL House”** situated at 117/H-1/365, Pandu Nagar, near Gurudwara, Kanpur, Uttar Pradesh- 208005, to transact the following business:

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**ORDINARY BUSINESS**

**1. Adoption of Audited Financial Statements and Reports of the Directors and the Auditors thereon:**

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

**2. To Re-appoint Mr. Atul Mehra (DIN: 00811607) who retires by rotation.**

To re-appoint a director Mr. Atul Mehra (DIN: 00811607) who retires by rotation at this Annual General Meeting and being eligible offers himself for re-appointment.

**3. To ratify the appointment of Statutory Auditors and fix their remuneration and to consider and if thought fit to pass, with or without modification(s), the following resolution as an Ordinary Resolution:**

**“RESOLVED THAT** pursuant to Section 139, 141 & 142 and other applicable provisions if any, of the Companies Act, 2013 (including any statutory modifications or amendment thereto or re-enactments thereof for the time being in force) read with Companies (Audit and Auditors) Rules, 2014, the appointment of M/s Atul Garg and Associates, Chartered Accountants (Firm Registration No. 001544C) as Statutory Auditor of the Company to hold the office till the conclusion of 29<sup>th</sup> Annual General Meeting of the Company for the Financial Year 2020-2021, be and is hereby ratified and confirmed for the **Financial Year 2019-20** on such terms and condition as may be fixed/ determined by the Board of Directors of the Company in consultation with them from time to time.”



## SPECIAL BUSINESS

### 4. RATIFICATION OF REMUNERATION OF COST AUDITORS FOR THE YEAR 2019-20.

To consider and if thought fit, to pass with or without modification the following resolution as an **Ordinary Resolution:**

**“RESOLVED THAT** pursuant to the provision of Section 148 and other applicable provision of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the remuneration payable to **Rakesh Misra & Co**, Cost Accountants having *Firm Registration No. 000249*, appointed by the Board of Directors of the Company as Cost Auditor to conduct the audit of the cost records of the Company for the Financial Year 2019-20, being Rs.40,000/- (Rupees Forty Thousand only) plus applicable taxes and out of pocket expenses incurred by him in connection with the aforesaid audit, be and is hereby ratified and confirmed.”

### 5. REGULARIZATION OF APPOINTMENT OF DR. ASHOK KUMAR TRIPATHI (DIN:08363248) AS A DIRECTOR AND AS AN INDEPENDENT DIRECTOR

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution:**

**“RESOLVED** that Dr. Ashok Kumar Tripathi (DIN:08363248), who was appointed as an Additional Director of the Company with effect from February 22, 2019 by the Board of Directors and who holds office upto the date of this Annual General Meeting of the Company under Section 161(1) of the Companies Act, 2013 ('the Act') and Article 102 of the Articles of Association of the Company, but who is eligible for appointment and in respect of whom the Company has received a notice in writing under Section 160(1) of the Act from a member proposing his candidature for the office of Director, be and is hereby appointed as a Independent Director of the Company.”

**“RESOLVED FURTHER THAT** pursuant to the provisions of **Sections 149, 152** and other applicable provisions, if any, of the Companies Act,2013 read with Schedule IV to the Act [including any statutory modification(s) or re-enactment(s) thereof for the time being in force] and the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended from time to time, Regulation 17 and other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations') the appointment of Dr. Ashok Kumar Tripathi (DIN:08363248), that meets the criteria for independence as provided in Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations and who has submitted a declaration to that effect, and who is eligible for appointment as an Independent Director.



**For and on behalf of the Board  
for Tasty Dairy Specialities Limited**

**Nishi Sheikh**  
Company Secretary &  
Compliance Officer  
ACS-50043

**Date :** August 30, 2019

**Place :** Kanpur

**NOTES:**

**1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (AGM) IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**

A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the company carrying voting rights.

2. A member holding more than 10% 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 proxy for any other person or shareholder.

**3. INSTRUMENT APPOINTING THE PROXY, IN ORDER TO BE EFFECTIVE, SHOULD BE DEPOSITED AT THE ADMINISTRATIVE OFFICE & TDSL HOUSE OF THE COMPANY SITUATED AT 117/H-1/365, PANDU NAGAR, NEAR GURUDWARA, KANPUR, UTTAR PRADESH- 208 005, DULY COMPLETED AND SIGNED NOT LESS THAN 48 HOURS BEFORE THE TIME FIXED FOR COMMENCEMENT OF THE ANNUAL GENERAL MEETING.**

Proxy/ Representation letter submitted on behalf of the Companies, Body Corporates Societies etc. must be supported by an appropriate resolution/ authority, as applicable. A Proxy Form is attached herewith.

4. Corporate members intending to send their authorized representatives to attend the meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the meeting.

5. During the period beginning twenty-four (24) hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, members would

be entitled to inspect the proxies lodged, at any time during the business hour of the company, provided not less than three (3) days' written notice in this respect is given to the company.

6. MEMBERS, PROXIES AND AUTHORISED REPRESENTATIVES ARE REQUESTED TO CARRY TO THE MEETING, THE ATTENDANCE SLIPS ENCLOSED HERewith DULY COMPLETED AND SIGNED MENTIONING THEREIN DETAILS OF THEIR DP ID AND CLIENT ID/ FOLIO NO.

7. In case of Joint-holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.

8. **The related Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("Act") setting out material facts concerning the business under Item no. 4 and 5 of the Notice, is annexed hereto.**

9. The Company's Registrar & Share Transfer Agents (RTA) are :

**BIGSHARE SERVICES PVT. LTD.**

1st Floor, Bharat Tin Works  
Building, Opp. Vasant Oasis,  
Makwana Road, Marol,  
Andheri East, Mumbai -400059  
Tel. : 022-62638200  
Fax. : 022-62638299  
E-mail: investor@bigshareonline.com  
Website: [www.bigshareonline.com](http://www.bigshareonline.com)

All the correspondence with regard to transfer of shares etc. shall be addressed to them directly.

10. The Company has been maintaining, inter alia, the following statutory registers at its Registered Office, which are open for inspection, on all working days except Saturday (i.e. Monday to Friday) during business hours, in terms of the applicable provisions of the Companies Act, 2013 by members and others as specified below:

I. Register of Contracts or arrangements in which directors are interested under section 189 of the Act, the said register shall also be produced at the commencement of the AGM of the Company and shall remain open and assessable during the continuance of the meeting to any person having the right to attend the meeting.

II. Register of Directors and Key Managerial Personnel and their Shareholdings under Section 170 of the Act. The said register shall be kept open for inspection at the AGM of the Company and shall be made assessable to any person attending the meeting.

11. The voting rights of the members shall be in proportion to their shares of the Paid up equity share capital of the company as on the cut-off date of 30.08.2019.

12. Company is exempted from conducting E – Voting vide Rule 20(2) of Companies (Management & Administration) Amendment Rule, 2015. So voting will be conducted by means of Ballot papers at the Annual General Meeting. A person, whose name is recorded in the register of the members or in the register of Beneficial owners maintained by the Depositories as on the cut-off date only shall be entitled to vote at the AGM

13. Pursuant to the provision of Section 72 of the Companies Act, 2013, members can avail facility for nomination in respect of shares held by them. All the members are holding shares in electronic form are, therefore, requested to contact their respective Depository Participant for availing this facility.

14. Members are requested to bring their copy of Annual Report and the Attendance Slip which is duly completed and signed, mentioning therein details of their DP ID and Client ID / Folio No. with them at the Annual General Meeting as a measure of economy as the same will not be supplied again at the meeting.

15. All documents mentioned in the accompanying notice are open for inspection at the registered office of the Company between 10 A.M. to 4 P.M. on all working days except Saturday and Sunday up to and including the date of this Annual General Meeting.

16. To support the 'Green Initiative' in the Corporate Governance taken by the Ministry of the Corporate Affairs, to contribute towards the Greener Environment and to receive all documents, Notices, including Annual Reports and other communications of the Company, investors should register their Email Address with RTA if shares are held in physical mode or with the depository participants if the shares held in electronic mode.

17. Electronic Copy of the Notice of the 27<sup>th</sup> Annual General Meeting (AGM) along with Attendance slip, Proxy Form, and Annual report for F.Y. 2018-19, is being sent to all the members **whose email ids are registered** with the Company/ Depository Participant(s)/ RTA for communication purposes, unless any member has requested for a physical copy of the same. For members who have not registered their email address, physical copy of the Annual Report for F.Y. 2018-19 and Notice of AGM are being sent in the permitted mode. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, free of cost. For any communication, the shareholders may also send request to the Company's investor email id: [cs@tastydairy.com](mailto:cs@tastydairy.com). SHAREHOLDERS ARE REQUESTED TO PLEASE NOTE THAT ALL THE QUERIES SHOULD BE GIVEN IN WRITING TO THE COMPANY AT [cs@tastydairy.com](mailto:cs@tastydairy.com) and [info@tastydairy.com](mailto:info@tastydairy.com) BEFORE 48 HOURS OF THE ANNUAL GENERAL MEETING.

18. Members may also note that the notice of the 27<sup>th</sup> AGM and the Annual Report for the Financial year 2018-19 will also be available on the Company's website [www.tastydairy.com](http://www.tastydairy.com) for download from 5<sup>th</sup> September, 2019 onwards. The physical copy of the aforesaid documents will be available at the Company's registered office in Kanpur Dehat for inspection during normal business hours on all working days except Saturday, upto and including the date of AGM.



19. **Members are requested to notify any change in their postal/ mail or email address :**

- **To their depository participants (DP's) in respect of the shares held in demat form**
- **To the Registrar and Share Transfer Agent (RTA), Mumbai aforesaid mentioned address.**
- **In case the mailing address registered with the company is without the PIN CODE, kindly inform the same to DP or RTA as mentioned above.**

*20. Members may please note that no gifts, gift coupons, or cash in lieu of gifts will be distributed at meeting, in compliance with Section 118(10) of the Companies Act, 2013 and the Secretarial Standards issued by Institute of Company Secretaries of India.*

21. Route Map showing directions to reach the Venue of the 27<sup>th</sup> Annual General meeting is annexed herewith.

## 22. **Voting procedure**

- a) The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting will be able to exercise their right at the meeting through ballot paper. The Cut-off Date for determining the members who are entitled to vote through ballot Paper process is 30<sup>th</sup> August, 2019, only Members as on the cut-off date, would be entitled to vote at the meeting.
- b) Ms. Khusboo Gupta, Company Secretary, Partner of GSK & Associates, Company Secretaries, has been appointed as the Scrutinizer to scrutinize the voting in a fair and transparent manner.
- c) The Scrutinizer shall after the conclusion of voting at the general meeting, will count the votes cast at the meeting in the presence of at least two witnesses not in the employment of the Company and shall make, within a period not exceeding 48 hours from the conclusion of meeting, a Scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- d) The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company [www.tastydairy.com](http://www.tastydairy.com) 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 Stock Exchanges where the shares of the Company are listed.
- e) The Chairman shall, at the end of discussion on the resolutions in AGM 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.

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) AND (2) OF THE COMPANIES ACT, 2013**

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**Item No. 4**

**RATIFICATION OF REMUNERATION OF COST AUDITORS FOR THE YEAR 2019-20.**

The Board of Directors, at its meeting held on 30<sup>th</sup> May,2019, on recommendation of the Audit Committee meeting held on 30<sup>th</sup> May,2019, approved the appointment of M/s **Rakesh Misra & Co, Cost Accountants** (Firm Registration No. 000249) as the Cost Auditors of the Company for the financial year 2019-20 at remuneration of Rs.40,000/- (Rupees Forty Thousand only) plus Service Tax & re-imburement of out-of-pocket expenses for conducting the audit of the cost accounting records of the Company for issuing the compliance report on cost accounting records maintained. Section 148(3) of the Companies Act, 2013 read with Rule 14(a) of the Companies (Audit and Auditors) Rules, 2014 ("the Act"), requires the Board to appoint an individual, who is a cost accountant in practice or a firm of cost accountants in practice, as cost auditor on the recommendations of the Audit committee, which shall also recommend remuneration for such cost auditor and such remuneration shall be considered and approved by the Board of Directors and ratified subsequently by the shareholders.

The resolution contained in Item no. 4 of the accompanying Notice; accordingly, seek members' approval for ratification of remuneration of Cost Auditors of the Company for the financial year 2019-20. The Board recommends this resolution for your approval and to be passed as an Ordinary resolution.

None of the Directors, Key Managerial Personnel and/or their relative is in anyway deemed to be concerned or interested in the proposed resolution.

## **Item No. 5**

Based on recommendation of “Nomination and Remuneration Committee”, the Board of Directors appointed Dr. Ashok Kumar Tripathi (DIN:08363248) as Additional Director of the Company and also Independent Director, not liable to retire by rotation, for a term of five years i.e. from February 22, 2019 up to February 22, 2024 subject to approval of the Members.

Pursuant to the provisions of **Section 161(1)** of the Companies Act, 2013 and **Article 102** of the Articles of Association of the Company, Dr. Ashok Kumar Tripathi shall hold office up to the date of this Annual General Meeting ('AGM') and is eligible to be appointed as a Director. The Company has, in terms of **Section 160(1)** of the Act, received in writing a notice from a Member, proposing his candidature for the office of Director.

The profile and specific areas of expertise of Dr. Ashok Kumar Tripathi are provided as ***Annexure to this Notice.***

Dr. Ashok Kumar Tripathi has given his declaration to the Board that he meets the criteria of independence as provided under **Section 149(6)** of the Act and **Regulation 16(1)(b)** of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations') and is eligible to be appointed as a Director in terms of Section 164 of the Act. He has also given his consent to act as a Director.

In the opinion of the Board, Dr. Ashok Kumar Tripathi is a person of integrity, possesses the relevant expertise / experience and fulfills the conditions specified in the Act and the SEBI Listing Regulations for appointment as an Independent Director and he is independent of the management.

Given his experience and the Company's adherence to policy on Board Diversity, the Board considers it desirable and in the interest of the Company to have Dr. Ashok Kumar Tripathi on the Board of the Company and accordingly the Board recommends the appointment of Dr. Ashok Kumar Tripathi as an Independent Director as proposed in the resolution set out at Item No. 5 for approval by the members.

The terms and conditions of appointment of the Independent Director shall be open for inspection by the members at the Registered Office of the Company on all working days,



between Monday to Friday except Saturday (Non-working days), between 10:00 a.m. (IST) to 4:00 p.m. (IST) up to the date of the meeting and also at the venue during the meeting.

Except for Mr. Narendra Shankar Sathe, and/or his relatives, no other Director, Key Managerial Personnel or their respective relatives are, in any way, concerned or interested, financially or otherwise, in the said resolution.

**For and on behalf of the Board  
for Tasty Dairy Specialities Limited**

**Nishi Sheikh**  
Company Secretary &  
Compliance Officer  
ACS-50043


**Date :** August 30, 2019

**Place :** Kanpur

*Annexure to the Notice*

**DETAILS OF THE DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT IN THE FORTHCOMING ANNUAL GENERAL MEETING**

**[Pursuant to Regulations 26(4) and 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings]**

<b>Brief Resume of the Director</b>	<table border="1"> <tr> <td>Name of Director</td> <td>Dr. Ashok Kumar Tripathi</td> </tr> <tr> <td>Date of Birth</td> <td>20.01.1958</td> </tr> <tr> <td>Date of Appointment</td> <td>February 22, 2019 as Additional and Independent Director for a tenure of 5 years.</td> </tr> </table>	Name of Director	Dr. Ashok Kumar Tripathi	Date of Birth	20.01.1958	Date of Appointment	February 22, 2019 as Additional and Independent Director for a tenure of 5 years.	
	Name of Director	Dr. Ashok Kumar Tripathi						
Date of Birth	20.01.1958							
Date of Appointment	February 22, 2019 as Additional and Independent Director for a tenure of 5 years.							
<p>Dr. Ashok Kumar Tripathi joins the Board of Tasty Dairy (TDSL) after successful innings at Mother Dairy Fruit &amp; Vegetable Pvt Ltd., a wholly owned subsidiary of NDDB. He carries with him an experience of more than 35 years. He has retired from 'Mother Dairy' as a General Manager of Milk Procurement. During his working period since 2004 to 2018 in Mother Dairy, the company drastically improved its Procurement Network and robust distribution network. Previously, he was recruited by NDDB in 1983 and has undergone in-house trainings in Dairy Cooperative Management and thereafter he lent his services to Pradeshik Cooperative Dairy Federation(PCDF) as Manager till the year ended 2004. He has experience of Institutional bulk sales also. Therefore, the board thinks fit to appoint him as Additional Independent Director as he fulfils the criteria of good expertise and knowledge in the field of work and also fulfils the criteria of independency.</p>								
<b>Nature of his expertise in</b>	Milk Procurement & Business Strategy							





<b>specific functional Areas</b>	
<b>Disclosure of relationship between directors inter-se</b>	There is no relationship inter-se between, Dr. Ashok Kumar Tripathi other members of the Board and Key Managerial Personnel of the Company.
<b>Name of listed entities in which the person also hold directorship and the membership of Committees of the Board</b>	NIL
<b>Shareholding of non - executive directors</b>	Nil



**TASTY DAIRY SPECIALITIES LIMITED**

CIN: L15202UP1992PLC014593

**Registered Office:** D-3, UPSIDC Industrial Area, Jainpur, Kanpur Dehat-209 311, Uttar Pradesh

**Administrative Office (TDSL House):** 117/H-1/365, Pandu Nagar, Kanpur-208 005, U. P.

**Tele No.:** +91 0512 4003999, Fax no. 0512 2551643, Website: www.tastydairy.com

**E-Mail ID:** info@tastydairy.com

**FORM MGT-11 PROXY FORM**

**OF 27<sup>TH</sup> ANNUAL GENERAL MEETING**

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

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

I/We, being the member(s), holding equity shares of Rs.10 each of the above named Company, hereby appoint:

1.	Name:	
	Address:	
	E-mail Id:	
	Signature:	
	OR FAILING HIM	
2.	Name:	
	Address:	
	E-mail Id:	
	Signature:	

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 27<sup>th</sup> Annual General Meeting of the Company, to be held on Monday, the 30<sup>th</sup> day of September, 2019 at 11.30 A.m. at the Registered Office of the Company and at any adjournment thereof in respect of such resolutions as are mentioned in the notice of the meeting as indicated below:

Resolution no.	Resolutions	Special/ Ordinary	*Optional For	*Optional Against
<b>ORDINARY BUSINESS</b>				
1.	To receive, consider and adopt the audited financial statements of the Company for the financial year ended 31st day of March 2019, together with the Reports of the Board of Directors and Auditors thereon.	Ordinary		
2.	To re-appoint a director Mr. Atul Mehra (DIN: 00811607) who retires by rotation and being eligible & offers himself for re-appointment.	Ordinary		
3.	To ratify the appointment of Statutory Auditors and fix their remuneration and to consider and if thought fit to pass, with or without modification(s), the following resolution as an Ordinary Resolution.	Ordinary		
<b>SPECIAL BUSINESS</b>				
4.	Ratification of Remuneration of Cost Auditor of the Company for the financial year 2019-20.	Ordinary		
5.	Regularization of appointment of Dr. Ashok Kumar Tripathi (Din:08363248) as a director and as an independent director.	Ordinary		

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

Affix Re.1/-  
Revenue  
Stamp

\_\_\_\_\_  
Signature of Shareholder

\_\_\_\_\_  
Signature of Proxy

**NOTES:**

1. This form of proxy in order to be effective should be duly completed and deposited at the Administrative Office & TDSL House of the Company situated at 117/H-1/365, Pandu Nagar, near Gurudwara, Kanpur, Uttar Pradesh- 208005, not less than 48 hours before the commencement of the 27<sup>th</sup> Annual General Meeting.

2. A proxy need not be a Member of the Company.



3. In case the Member appointing proxy is a body corporate, the proxy form should be signed under its seal or be signed by an officer or an attorney duly authorized by it and an authenticated copy of such authorization should be attached to the Proxy Form.

4. A person can act as proxy on behalf of such number of Members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. Further, 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 proxy for any other person or Member.

5. Appointing a proxy does not prevent a Member from attending the meeting in person if he/she so wishes.

\* It is optional to put a "X" in the appropriate column against the Resolution indicated in the Box. If you leave the 'For' or 'Against' column blank against the Resolutions, your Proxy will be entitled to vote in the manner as He/She thinks appropriate.

6. For the resolutions, explanatory statement and notes, please refer to the Notice of the Twenty Seventh (27<sup>th</sup>) Annual General Meeting.

7. Please complete all details including details of member(s) in above box before submission.



**TASTY DAIRY SPECIALITIES LIMITED**

CIN: L15202UP1992PLC014593

**Registered Office:** D-3, UPSIDC Industrial Area, Jainpur, Kanpur Dehat-209 311, Uttar Pradesh

**Administrative Office (TDSL House):** 117/H-1/365, Pandu Nagar, Kanpur-208 005, U. P.

**Tele No.:** +91 0512 4003999, Fax no. 0512 2551643 Website: www.tastydairy.com

**E-Mail ID:** info@tastydairy.com

**ATTENDANCE SLIP  
OF TWENTY SEVENTH (27<sup>th</sup>) ANNUAL GENERAL MEETING  
(to be handed over at the registration counter)**

<b>Folio No. / DP ID and Client ID :</b>	
<b>Name :</b>	
<b>Address :</b>	
<b>No. of Shares :</b>	

I/We hereby record my/our presence at the Twenty Seventh (27<sup>th</sup>) Annual General Meeting of the Company on Monday the 30<sup>th</sup> day of September, 2019 at 11.30 A.M. at the Administrative Office of the Company, i.e. "TDSL House", situated at 117/H-1/365, Pandu Nagar, near Gurudwara, Kanpur, Uttar Pradesh- 208005.

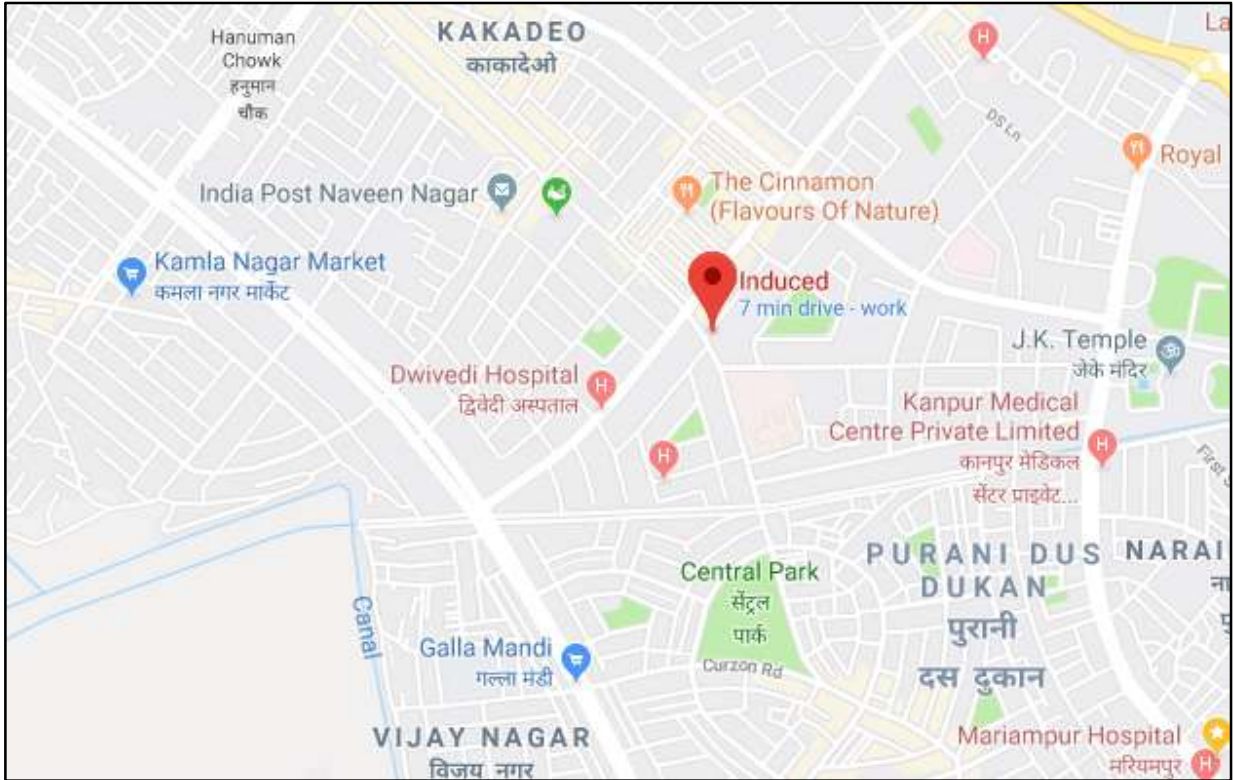
\_\_\_\_\_  
**First/ Sole holder/ Proxy**  
**(Name and Signature)**

\_\_\_\_\_  
**Second holder/ Proxy**  
**(Name and Signature)**



**ROUTE MAP**

**VENUE OF 27<sup>th</sup> ANNUAL GENERAL MEETING**



**Venue:**  
**Administrative Office (TDSL HOUSE/ INDUCED)**  
117/H-1/365, Pandu Nagar,  
near Gurudwara, Kanpur,  
Uttar Pradesh- 208005



## **INDEPENDENT AUDITOR'S REPORT**

To the Members of **Tasty Dairy Specialities Limited**

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

#### **Opinion**

We have audited the accompanying standalone financial statements of Tasty Dairy Specialities Limited ("the Company"), which comprise the Balance Sheet as at 31st March 2019, and the statement of Profit and Loss, and statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act 2003 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 March 31, 2019, and profit, and its cash flows for the year ended on that date.

#### **Basis for Opinion**

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

#### **Key Audit Matters**

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

## Description of Key Audit Matters

The key audit matters	How our audit addressed the Key Audit Matter
<p><b>MAT Credit Entitlement</b></p> <p>The company has recognized MAT credit entitlement. The recoverability of this MAT credit entitlement is dependent upon the generation of sufficient future taxable profit to utilize such entitlement within the stipulated period prescribed under the income tax act, 1961.</p> <p>We identified this as a key audit matter because significant judgment is required in forecasting future taxable profits for recognition of MAT credit entitlement.</p>	<p>We have assessed the management’s judgment relating to the forecasts of future revenue, taxable profit and evaluated the reasonableness of the considerations/assumptions underlying the preparation of these forecasts.</p> <p>Based on the above procedures performed, the recognition and measurement of MAT credit entitlement are considered adequate and reasonable.</p>

## Responsibility of Management for 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 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. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of 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 statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Those Board of Directors are also responsible for overseeing the company’s financial reporting process.

## Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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



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

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

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

### **Report on Other Legal and Regulatory Requirements**

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 Companies Act, 2013, we give in the "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

As required by Section 143(3) of the Act, we report that:

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.

(a) 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.

(b) 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.

(c) 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.

(d) On the basis of the written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.

(e) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**".





(f) 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 does not have any pending litigations which would impact its financial position
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For ATUL GARG & ASSOCIATES  
CHARTERED ACCOUNTANTS  
FIRM REG. NO. 01544C

Place: Kanpur  
Date: 30.05.2019

(ATUL GARG)  
PARTNER  
M.NO. 070757



## **ANNEXURE 'A' TO THE INDEPENDENT AUDITORS' REPORT**

### **Re. TASTY DAIRY SPECIALITIES LIMITED**

1. In respect of its Fixed Assets:
  - (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
  - (b) Major fixed assets have been physically verified by the management at reasonable intervals. In our opinion, the frequency of such verification is reasonable and to the best of our knowledge, no material discrepancies have been noticed on such verification.
  - (c) According to the information and explanation given to us and on the basis of our examination of the records of the Company, the title deeds of the immovable properties are held in the name of the Company.
2. The inventory has been physically verified during the year by the management at reasonable interval during the year. In our opinion, the frequency of verification is reasonable. To the best of our knowledge, no material discrepancies have been noticed on such verification.
3. The company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Therefore, the provisions of clause 3 (iii) (a) to (c) of the Order are not applicable to the Company.
4. In our opinion and according to information and explanation given to us, the Company has, in respect of loans, investments, guarantees, and security, complied with the provisions of section 185 & 186 of The Companies Act, 2013 as applicable.
5. Based on our scrutiny of the company's records and according to the information and explanations provided by the management, in our opinion the company has not accepted any loans or deposits from the public within the meaning of sections 73 to 76 or any other relevant provisions of The Companies Act, 2013 and which are 'deposits' within the meaning of rule 2(b) of the Companies (Acceptance of Deposits) Rules, 2014.
6. According to the information and explanations given to us, we are of the opinion that prima facie, the cost records prescribed by the Central Government under section 148(1) of the Act have been made and maintained.
7. (a) According to the information and explanation given to us and on the basis of our examination of the records of the company, amounts deducted/accrued in the books of accounts in respect of undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, Goods and Service Tax, custom duty, cess and any other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities.

According to the information and explanation given to us, no undisputed demand payable in respect of provident fund, employees' state insurance, income tax, sales tax, Goods and Service Tax custom duty, cess

and any other material statutory dues were in arrear as at 31 March 2019 for a period of more than six months from the date they became payable.

(b) The disputed statutory dues that have not been deposited on account of disputed matters pending before Income Tax authorities are as under:

Sl. No.	Name of Statute	Nature of Dues	Amount (Rs.in Lacs)	Period to which the amount relates	Forum where dispute is Pending
.1	Income Tax Act 1961	Income Tax	0.20	2016-17	Deputy Commissioner of Income Tax
2.	Income Tax Act 1961	Income Tax	0.46	2011-12	Deputy Commissioner of Income Tax
3.	Income Tax Act 1961	Income Tax	1.90	2017-18	Deputy Commissioner of Income Tax

8. Based on our audit procedures and on information and explanations given by the management, we are of the opinion that the company has not defaulted in repayment of loans or borrowings to any financial institution and banks. According to records of the company, the company has not issued debentures; hence the question of reporting on payment of dues to debenture holders does not arise.
9. In our opinion and according to the information and explanation given to us the company has utilized the money raised by way of initial public offer and term loans during the year for the purpose for which they were raised.
10. According to the information and explanations given to us, neither fraud on the company by its officers or employees nor any fraud by the company has been noticed or reported during the course of our audit.
11. 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 Companies Act,2013.
12. In our opinion and according to the information and explanation given to us, the Company is not a Nidhi Company.
13. 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 standard.



14. According to the information and explanation given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment and private placement of shares or fully or partly convertible debentures during the year. Hence, the requirement on reporting under Para 3(xiv) is not applicable.
15. According to the information and explanation given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Hence, the requirement on reporting under Para 3(xv) is not applicable.
16. According to the information and explanation given to us and based on our examination of the records of the Company, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For ATUL GARG & ASSOCIATES  
CHARTERED ACCOUNTANTS  
FIRM REG. No. 01544C

PLACE: KANPUR  
DATED: 30.05.2019

(ATUL GARG)  
PARTNER  
M. No. 70757



## **ANNEXURE 'B' TO THE INDEPENDENT AUDITORS' REPORT**

### **Re. TASTY DAIRY SPECIALITIES LIMITED**

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

We have audited the internal financial controls over financial reporting of **TASTY DAIRY SPECIALITIES LIMITED** ("the Company") as of 31st March, 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

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

The 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 controls stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, 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.

#### **Auditor's 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





judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

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

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

### **Inherent Limitations of 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 March 31, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For ATUL GARG & ASSOCIATES  
CHARTERED ACCOUNTANTS  
FIRM REG. No.01544C

PLACE: KANPUR  
DATED: 30.05.2019

(ATUL GARG)  
PARTNER  
M.No.070757

**TASTY DAIRY SPECIALITIES LIMITED**

(CIN:L15202UP1992PLC014593)

**BALANCE SHEET AS AT 31ST MARCH, 2019**

Particulars	Note No.	AMOUNT	AMOUNT
		31.03.2019	31.03.2018
<b>EQUITY AND LIABILITIES</b>			
<b>(1) Shareholder's Funds</b>			
a. Share Capital	3	204,300,000.00	204,300,000.00
b. Reserves and Surplus	4	480,751,833.90	421,297,986.89
<b>(2) Non-current liabilities</b>			
a. Long-Term Borrowings	5	24,239,213.90	39,537,212.06
b. Deferred Tax Liabilities (Net)	6	-	163,389.00
c. Other Long Term Liabilities	7	17,500,000.00	17,100,000.00
d. Long-Term Provisions	8	1,600,709.00	1,204,097.00
<b>(3) Current Liabilities</b>			
a. Short-Term Borrowings	9	371,413,378.91	297,192,520.53
b. Trade Payables	10	12,343,210.92	15,053,656.55
c. Other Current Liabilities	11	56,967,475.00	47,125,791.92
d. Short-Term Provisions	12	3,568,885.13	1,930,140.13
<b>TOTAL</b>		<b>1,172,684,706.76</b>	<b>1,044,904,794.08</b>
<b>ASSETS</b>			
<b>(1) Non-Current Assets</b>			
a. Property, Plant & Equipment	13		
(i) Tangible Assets		118,801,298.54	135,375,401.50
(ii) Capital Work-in-Progress		4,956,551.50	4,656,551.50
b. Non-Current Investments	14	10,050,500.00	50,500.00
c. Long-Term Loans and Advances	15	56,962,722.63	53,739,126.63
d. Deferred Tax Assets (Net)	16	831,429.00	-
<b>(2) Current Assets</b>			
a. Current Investments	17	-	2,500,000.00
b. Inventories	18	643,598,147.10	487,431,500.45
c. Trade Receivables	19	201,412,109.67	219,109,438.41
d. Cash and Bank Balances	20	10,922,719.16	21,427,066.16
e. Short-Term Loans and Advances	21	123,132,863.00	117,501,251.72
f. Other Current Assets	22	2,016,366.16	3,113,957.71
<b>TOTAL</b>		<b>1,172,684,706.76</b>	<b>1,044,904,794.08</b>

Corporate Information and Significant Accounting Policies **1 to 2**  
The accompanying notes form an integral part of the Financial Statements **3 to 42**

As per our separate report of even date attached herewith.

FOR ATUL GARG & ASSOCIATES  
CHARTERED ACCOUNTANTS  
FIRM REG. NO.01544C

FOR AND ON BEHALF OF THE BOARD

(ATUL GARG)  
PARTNER  
M.NO.070757

(ATUL MEHRA)  
CHAIRMAN &  
WHOLE TIME DIRECTOR  
DIN: 00811607

(MAHENDRA KUMAR SINGH)  
DIRECTOR  
DIN: 02727150

Place: Kanpur  
Dated: 30.05.2019

(RAKESH KUMAR YADAV)  
CHIEF FINANCE OFFICER

(NISHI)  
COMPANY SECRETARY  
M.NO.50043

**TASTY DAIRY SPECIALITIES LIMITED**  
**(CIN:L15202UP1992PLC014593)**

**STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2019**

Particulars	Note No.	AMOUNT	
		31.03.2019	31.03.2018
<b>Revenue:</b>			
Revenue from operations	23	3,652,051,598.20	3,318,644,001.17
Other income	24	10,527,848.26	4,437,180.58
<b>Total Revenue</b>		<b>3,662,579,446.46</b>	<b>3,323,081,181.75</b>
<b>Expenses:</b>			
Cost of Material Consumed	25	3,797,938,937.19	3,079,456,337.96
Changes in Inventories of Finished Goods & Work-in-Progress	26	(389,660,492.12)	2,801,778.11
Employees Benefit Expense	27	31,878,248.00	23,064,664.17
Finance Costs	28	41,011,299.55	48,994,900.48
Depreciation and Amortization Expense	29	19,338,015.31	23,040,344.42
Other Expenses	30	87,519,305.52	75,286,123.02
<b>Total Expenses</b>		<b>3,588,025,313.45</b>	<b>3,252,644,148.16</b>
Profit before Exceptional/Extraordinary Items and Tax		<b>74,554,133.01</b>	<b>70,437,033.59</b>
Exceptional Items		-	-
Profit before Extraordinary Items & Tax		<b>74,554,133.01</b>	<b>70,437,033.59</b>
Extraordinary Items		-	-
Profit before Tax		<b>74,554,133.01</b>	<b>70,437,033.59</b>
<b>Tax Expense:</b>			
Current Tax Expense		15,573,700.00	14,362,600.00
MAT Credit Utilization		521,404.00	3,616,980.00
Tax expense relating to earlier year		-	333,500.00
Net Current Tax		16,095,104.00	18,313,080.00
Deferred Tax		(994,818.00)	(1,314,663.00)
<b>Total Tax Expenses</b>		<b>15,100,286.00</b>	<b>16,998,417.00</b>
<b>Profit/ (Loss) for the Year from Continuing Operations</b>		<b>59,453,847.01</b>	<b>53,438,616.59</b>
Profit/ (Loss) from Discontinuing Operations		-	-
Tax Expense of Discontinuing Operations		-	-
<b>Profit/ (Loss) from Discontinuing Operations (After Tax)</b>		<b>-</b>	<b>-</b>
<b>Profit/ (Loss) for the Year</b>		<b>59,453,847.01</b>	<b>53,438,616.59</b>
<b>Earnings per Equity Share (nominal value of share Rs. 10/- each)</b>			
<b>Basic (Rs. per share)</b>	31	2.91	3.42
<b>Diluted (Rs. per share)</b>		2.91	3.42

Corporate Information and Significant Accounting Policies  
The accompanying notes form an integral part of  
the Financial Statements

1 to 2

3 to 42

As per our separate report of even date attached herewith.

FOR ATUL GARG & ASSOCIATES  
CHARTERED ACCOUNTANTS  
FIRM REG. NO.01544C

FOR AND ON BEHALF OF THE BOARD

(ATUL GARG)  
  
PARTNER  
M.NO.070757

(ATUL MEHRA)  
CHAIRMAN &  
WHOLE TIME DIRECTOR  
DIN: 00811607

(MAHENDRA KUMAR SINGH)  
  
DIRECTOR  
DIN: 02727150

Place: Kanpur  
Dated: 30.05.2019

(RAKESH KUMAR YADAV)  
CHIEF FINANCE OFFICER

(NISHI)  
COMPANY SECRETARY  
M.NO.50043

**TASTY DAIRY SPECIALITIES LIMITED**  
(CIN:L15202UP1992PLC014593)

**CASH FLOW STATEMENT FOR THE PERIOD ENDED 31ST MARCH, 2019**

PARTICULARS	AMOUNT	AMOUNT	AMOUNT	AMOUNT
	31.03.2019	31.03.2019	31.03.2018	31.03.2018
<b>A. Cash Flow from Operating Activities</b>				
Net Profit before tax and extraordinary items		74,554,133.01		70,437,033.59
<u>Adjustment for :</u>				
Depreciation	19,338,015.31		23,040,344.42	
Finance Costs	40,940,237.47		48,933,260.48	
Provisions	1,087,522.00		(535,214.00)	
Interest income	(1,198,978.82)		(975,530.55)	
(Profit)/Loss on Sale of Investment	(308,429.34)		(592,045.82)	
(Profit)/Loss on Sale of Fixed Assets	(309,798.68)	59,548,567.94	(965,132.37)	68,905,682.16
Operating Profit before Working Capital Changes		<b>134,102,700.95</b>		<b>139,342,715.75</b>
<u>Adjustment for :</u>				
(Increase) /Decrease in Trade Receivables	17,697,328.74		(36,823,024.91)	
(Increase) /Decrease in Inventories	(156,166,646.65)		(58,177,348.59)	
(Increase) /Decrease in Loans & Advances	(19,478,473.62)		(41,976,539.37)	
(Increase) /Decrease in Other Current Assets	11,199,453.89		(21,764,577.27)	
Increase / (Decrease) in Trade Payables	(2,710,445.63)		(47,955,758.63)	
Increase/ (Decrease) in Other Current Liabilities	3,898,318.72		(4,280,383.87)	
Increase/ (Decrease) in Other Non-Current Liabilities	400,000.00	(145,160,464.55)	-	(210,977,632.64)
Cash Generated from Operations		(11,057,763.60)		(71,634,916.89)
Direct Taxes (Paid)/ Refund		(14,625,865.00)		(14,259,644.00)
Net Cash (Used in) / Generated from Operations		<b>(25,683,628.60)</b>		<b>(85,894,560.89)</b>
<b>B. Cash Flow From Investing Activities</b>				
Purchase of Fixed Assets	(4,324,113.67)		(7,438,971.15)	
Sale of Fixed Assets	1,570,000.00		3,400,000.00	
Purchase of investments	(10,000,000.00)		-	
Sale of investments	2,808,429.34		22,742,045.82	
Interest income	1,198,978.82		975,530.55	
Net Cash (Used in)/Generated from Investing Activities		<b>(8,746,705.51)</b>		<b>19,678,605.22</b>
<b>C. Cash Flow from Financing Activities</b>				
Issue of equity share including premium	-		244,350,000.00	
Equity share issue expenses	-		(15,610,421.00)	
Proceeds from Long Term Borrowings (Net of Repayments)	(9,354,633.80)		9,887,867.35	
Proceeds from Short Term Borrowings (Net of Repayments)	74,220,858.38		(115,780,619.92)	
Finance Costs	(40,940,237.47)		(48,933,260.48)	
Cash (Used in)/Generated from Financing Activities		<b>23,925,987.11</b>		<b>73,913,565.95</b>
Net Increase/ (Decrease) in Cash and Cash Equivalents		<b>(10,504,347.00)</b>		<b>7,697,610.28</b>
Cash & Cash Equivalents at the beginning of the year/period		21,427,066.16		13,729,455.88
<b>Cash &amp; Cash Equivalents at the end of the year/period</b>		<b>10,922,719.16</b>		<b>21,427,066.16</b>

As per our separate report of even date attached herewith.

FOR ATUL GARG & ASSOCIATES  
CHARTERED ACCOUNTANTS  
FIRM REG. NO.01544C

FOR AND ON BEHALF OF THE BOARD

(ATUL GARG)  
PARTNER  
M.NO.70757

(ATUL MEHRA)  
CHAIRMAN &  
WHOLE TIME DIRECTOR  
DIN: 00811607

(MAHENDRA KUMAR SINGH)  
DIRECTOR  
DIN: 02727150

Place: Kanpur  
Dated: 30.05.2019

(RAKESH KUMAR YADAV)  
CHIEF FINANCE OFFICER

(NISHI)  
COMPANY SECRETARY  
M.NO.50043

**TASTY DAIRY SPECIALITIES LIMITED**

**NOTES ON FINANCIAL STATEMENTS**

**3 Share Capital**

<u>Particulars</u>	<u>As at 31.03.2019</u>	<u>As at 31.03.2018</u>
<b>Authorised</b>		
2,40,00,000 Equity Shares of Rs. 10/- each (Previous year 2,40,00,000 Equity Shares of Rs. 10/- each)	240,000,000.00	240,000,000.00
	<b>240,000,000.00</b>	<b>240,000,000.00</b>
<b>Issued, Subscribed and Paid up</b>		
2,04,30,000 Equity Shares of Rs. 10/- each fully paid up (Previous year 2,04,30,000 Equity Shares of Rs. 10/- each fully paid up)	204,300,000.00	204,300,000.00
<b>Total</b>	<b>204,300,000.00</b>	<b>204,300,000.00</b>

**3.1 Of the above:**

- During the Financial year 2017-18, 600,000 Bonus Shares of Rs 100/- each were issued by capitalisation of General Reserve.
- During the Financial year 2017-18, each equity share of face value of Rs 100/- each was subdivided into 10 equity shares of Rs 10/- each.
- During the Financial year 2017-18,, the company has issued and allotted 54,30,000 equity shares of Rs. 10/- each @ premium of Rs. 35/- per equity share.

**3.2 Reconciliation of the shares outstanding at the beginning and at the end of the reporting period:**

Particulars	As at 31 March, 2019		As at 31 March, 2018	
	No. of Shares	Amount in (Rs.)	No. of Shares	Amount in (Rs.)
Shares outstanding at the beginning of the year	20,430,000	204,300,000.00	900,000	90,000,000.00
Shares Issued during the year-				
-Bonus issue of Equity Shares	-	-	600,000.00	60,000,000.00
-Split of Equity Shares of Rs 100/- to Rs 10/- each	-	-	13,500,000.00	-
-Fresh issue of Equity Shares	-	-	5,430,000.00	54,300,000.00
Shares outstanding at the end of the year	<b>20,430,000</b>	<b>204,300,000.00</b>	<b>20,430,000.00</b>	<b>204,300,000.00</b>

**3.3 Rights, Preferences and Restrictions attached to Equity Shares**

- The company has only one class of equity shares having a par value of ` 10/- per share . Each holder of equity shares is entitled to one vote per share.
- The Company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors, is subject to the approval of the shareholders in the ensuing Annual General Meeting.
- In the event of liquidation of the company, the equity share holders will be entitled to receive remaining assets of the company after distribution of all preferential amounts, in proportion of their shareholding.

**3.4 Details of shares held by each shareholder holding more than 5% of the aggregate shares in the Company :**

Particulars	As at 31 March, 2019		As at 31 March, 2018	
	Number of shares held	% holding of shares	Number of shares held	% holding of shares
<b>Equity Shares of Rs. 10 each fully paid-up</b>				
Sonia Mehra	13,500,000	66.08	13,500,000	66.08
Atul Mehra	1,479,000	7.24	1,479,000	7.24

**3.5 Aggregate number and class of shares allotted as fully paid up pursuant to contract(s) without payment being received in cash, by way of bonus shares and shares bought back for the period of 5 years immediately preceding the Balance Sheet date:**

- The Company has not issued any shares pursuant to contract(s) without payment being received in cash.
- The Company has issued 6,00,000 bonus shares during financial year 2017-18 by capitalisation of profit.
- The Company has not undertaken any buy back of shares.

**TASTY DAIRY SPECIALITIES LIMITED**

**NOTES ON FINANCIAL STATEMENTS**

**4 Reserves and**

**Surplus Particulars**

**(a) Securities Premium Account**

Balance as at the beginning of the year  
Add: Additions on issue of shares pursuant to IPO.  
Less: Amount utilised for share issue expenses.  
**Closing Balance**

**As at 31.03.2019**      **As at 31.03.2018**

174,439,579.00	-
-	190,050,000.00
-	(15,610,421.00)
<b>174,439,579.00</b>	<b>174,439,579.00</b>

**(b) General Reserve**

Balance as at the beginning of the year  
Add: Transferred from surplus in Statement of Profit & Loss  
Less: Appropriation towards Issue of Bonus Shares  
**Closing Balance**

54,817,279.67	94,817,279.67
20,000,000.00	20,000,000.00
-	(60,000,000.00)
<b>74,817,279.67</b>	<b>74,817,279.67</b>

**(c) Surplus in Statement of Profit & Loss**

Balance as at the beginning of the year  
Add: Net Profit for the current year Less:  
Transferred to General Reserve  
**Closing Balance**

192,041,128.22	158,602,511.63
59,453,847.01	53,438,616.59
(20,000,000.00)	(20,000,000.00)
<b>231,494,975.23</b>	<b>192,041,128.22</b>

**5 Long-term Borrowings**

**Particulars**

**Term Loans**

**(1) Secured**

Term loans From Bank  
Term loans From Other Parties

**As at 31.03.2019**      **As at 31.03.2018**

17,663,425.34	26,872,104.04
2,368,814.00	4,988,283.00
<b>20,032,239.34</b>	<b>31,860,387.04</b>

**(2) Unsecured Loan**

Term loans From Bank  
Term loans From Other Parties

1,047,452.00	5,153,005.02
3,159,522.56	2,523,820.00
<b>4,206,974.56</b>	<b>7,676,825.02</b>

**Total (1+2)**

**24,239,213.90**      **39,537,212.06**

5.1 The long term obligation of term loans are shown under long term borrowings and the current maturities of the long term borrowings are shown under the current liabilities as per the disclosure requirements of Schedule III of Companies Act, 2013.

Particulars	Non-Current Obligation		Current Maturities	
	31.03.2019	31.03.2018	31.03.2019	31.03.2018
<b>Secured</b>				
<b>From Banks:</b>				
Punjab National Bank	13,500,000.00	25,500,000.00	12,227,102.96	10,011,282.00
HDFC Bank Ltd.	1,688,384.81	1,372,104.04	1,309,881.63	527,895.96
IDFC First Bank Ltd.	2,475,040.53	-	1,024,959.47	-
<b>From Other Parties:</b>				
Kotak Mahindra Prime Ltd	2,266,154.00	4,988,283.00	4,376,961.00	4,439,341.00
Renault Finance	102,660.00	-	147,233.00	-
<b>Unsecured</b>				
<b>From Banks:</b>				
HDFC Bank Ltd.	-	995,942.02	995,942.02	1,782,411.16
Kotak Mahindra Bank Ltd.	-	2,102,470.00	2,102,471.00	3,728,066.00
Axis Bank Limited	1,047,452.00	2,054,593.00	1,007,141.00	867,661.00
<b>From Other parties:</b>				
Bajaj Finserv Ltd.	-	1,122,156.00	1,111,030.40	1,980,909.00
Tata Capital Financial Services Ltd.	1,768,125.56	1,401,664.00	3,656,424.00	2,451,319.00
United Petro Finance Limited	1,391,397.00	-	3,773,103.00	-
	<b>24,239,213.90</b>	<b>39,537,212.06</b>	<b>31,732,249.48</b>	<b>25,788,885.12</b>



**TASTY DAIRY SPECIALITIES LIMITED**

**NOTES ON FINANCIAL STATEMENTS**

**5.2 Details of Securities and Term of repayment of loan**

**SECURED**

**1) Term Loan From Banks:**

- i) Term Loan from Bank includes loan taken from Punjab National Bank. The loan is secured by way of Hypothecation of Plant, Machinery & Equipments etc. of the Company. The loan is further secured by personal guarantee of Mr Atul Mehra, Mr. P.N. Mehra and Mr. M. K. Singh . Period of maturity of loan is 5 years and 6 months. The loan is repayable in quarterly installments and present rate of interest on loan is Base Rate+1.75%.
- ii) Term Loan from Bank includes loan taken from Punjab National Bank. The loan is secured by equitable mortgage of Land & Building of the company. The loan is further secured by personal guarantee of Mr Atul Mehra, Mr. P.N. Mehra and Mr. M. K. Singh. Period of maturity of loan is 5 years and 6 months. The loan is repayable in quarterly installments and present rate of interest on loan is Base Rate+1.75%.
- iii) Vehicle loans are from HDFC Bank Limited and are secured by hypothecation of Vehicle. Period of maturity for loans is 3 years. The loans are repayable in monthly installments.
- iv) Vehicle loan is from IDFC First Bank Limited and is secured by hypothecation of Vehicle. Period of maturity for loan is 3 years. The loan is repayable in 36 monthly installments and present rate of interest on loan is 12.5%.

The repayment obligation in future of above loans is as under:

(Rs. In Lakhs)

Particulars	F.Y. 2019-20	F.Y. 2020-21	F.Y. 2021-22
Punjab National Bank (Plant & Machinery)	115.29	127.29	0.00
Punjab National Bank (Building)	6.98	7.71	0.00
HDFC Bank Limited	13.10	14.31	2.57
IDFC First Bank Limited	10.25	11.62	13.13
<b>Total Term Loan from Bank</b>	<b>145.62</b>	<b>160.93</b>	<b>15.70</b>

**2) Term Loans From Other Parties:**

- i) Vehicle loans from others parties is from Kotak Mahindra Prime Limited and are secured by hypothecation of Vehicles. Period of maturity for loans varies between 2 years to 3 years and number of repayment installments is ranging between 24 to 36 months.
- ii) Vehicle loan from others parties is from Renault Finance and is secured by hypothecation of Vehicles. Period of maturity for loan is 2 years and repayable in 24 monthly installments.

The repayment obligation in future of above loans is as under:-

(Rs. In Lakhs)

Particulars	F.Y. 2019-20	F.Y. 2020-21
Vehicle Loans from Other Parties	43.77	22.67
Vehicle Loans from Other Parties	1.47	1.03
<b>Total Term Loan from Other Parties</b>	<b>45.24</b>	<b>23.70</b>

**UNSECURED**

**1) Term Loan From Bank:**

- a) Term Loan from Bank includes loan taken from HDFC Bank Limited. Period of maturity of loan is 3 years. The loan is repayable in monthly installments and present rate of interest on loan is 15%.
- b) Term Loan from Bank includes loan taken from Kotak Mahindra Bank. The loan is secured by personal guarantee of Mr. Atul Mehra, Director of the Company and Mrs. Sonia Mehra. Period of maturity of loan is 3 years. The loan is repayable in monthly installments and present rate of interest on loan is 16%.
- c) Term Loan from Bank includes loan taken from Axis Bank Limited. The loan is secured by personal guarantee of Mr. Atul Mehra, Director of the Company. Period of maturity of loan is 3 years. The loan is repayable in monthly installments and present rate of interest on loan is 15%.

The repayment obligation in future of above loans is as under:

(Rs. In Lakhs)

Particulars	F.Y. 2019-20	F.Y. 2020-21
HDFC Bank Limited	9.96	0.00
Kotak Mahindra Bank	21.02	0.00
Axis Bank Limited	10.07	10.47
<b>Total Term Loan from Bank</b>	<b>41.05</b>	<b>10.47</b>

**TASTY DAIRY SPECIALITIES LIMITED**

**NOTES ON FINANCIAL STATEMENTS**

**2) Term Loans From Other Parties:**

- a) Term Loan from Other Parties includes loan taken from Bajaj Finserv Limited. Period of maturity of loan is 2 years. The loan is repayable in monthly installments and present rate of interest on loan is 16%.
- b) Term Loan from Other Parties includes loan taken from Tata Capital Financial Services Limited. Period of maturity of loan is 2 years. The loan is repayable in monthly installments and present rate of interest on loan is 16.25%.
- c) Term Loan from Other Parties includes loan taken from United Petro Finance Limited. Period of maturity of loan is 3 years. The loan is repayable in monthly installments and present rate of interest on loan is 16.00%.

The repayment obligation in future of above loans is as under:

(Rs. In Lakhs)		
Particulars	F.Y. 2019-20	F.Y. 2020-21
Bajaj Finserv Limited	11.11	0.00
Tata Capital Financial Services Limited	36.56	17.68
United Petro Finance Limited	37.73	13.91
<b>Total Term Loan from Other Parties</b>	<b>85.40</b>	<b>31.59</b>

**6 Deferred Tax Liabilities**

**(Net) Particulars**

**As at 31.03.2019**      **As at 31.03.2018**

**Deferred Tax Liability**

- i) On account of differences in written down value of fixed assets

-                      561,500.00

**Deferred Tax Assets**

- i) On account of timing difference of expenses which are allowable under Income Tax Laws in subsequent years

-                      398,111.00

Deferred Tax Liability (Net)

**-                      163,389.00**

**7 Other Long-term**

**Liabilities Particulars**

**As at 31.03.2019**      **As at 31.03.2018**

Advance for Capital Goods

17,500,000.00      17,100,000.00

**Total**

**17,500,000.00      17,100,000.00**

**8 Long-term Provisions**

**Particulars**

**As at 31.03.2019**      **As at 31.03.2018**

**Provision for employee**

**benefits** Provision for Gratuity

1,600,709.00      1,204,097.00

**Total**

**1,600,709.00      1,204,097.00**

**9 Short-term Borrowings**

**Particulars**

**As at 31.03.2019**      **As at 31.03.2018**

**Secured**

Cash Credit from Punjab National

245,758,036.57      192,571,565.66

Bank Cash Credit from Indusind Bank

-                      11,281,020.00

Bill Discounting from Yes Bank

34,576,898              .4446,990,734.08

**Unsecured**

Bill Discounting from Kotak Mahindra

22,324,044.90      28,189,592.76

Bank Cash Credit from Indusind Bank

29,954,399.00              -

Cash Credit from HDFC

-                      18,159,608.03

Bank From Related Parties

38,800,000.00              -

**Total**

**371,413,378.91      297,192,520.53**

**TASTY DAIRY SPECIALITIES LIMITED**

**NOTES ON FINANCIAL STATEMENTS**

**9.1 Cash Credit Limit from Punjab National Bank:**

- i) Secured by hypothecation of stocks, book debts, movable assets, fixed assets of the company and equitable mortgage of land of the company.
- ii) The said limit is further secured by way of personal guarantee of the directors of the Company.
- iii) The cash credit carries interest rate @ 9.80%.

**9.2 Bill Discounting Limit from Yes Bank**

- i) Secured by subservient charge by hypothecation of all current assets and movable fixed assets of the company.
- ii) The said limit is further secured by way of personal guarantee of the director and other.
- iii) The said limit carries interest rate @ 10.70% p.a.

**9.3 From Kotak Mahindra Bank**

Limit from Kotak Mahindra Bank is against Bill Discounted & is guaranteed by Mr. Atul Mehra, Director of the Company.

**9.4 Cash Credit Limit from Indusind Bank:**

- i) The said limit is secured by way of personal guarantee of Director Mr Atul Mehra and relative of director.
- ii) The loan is additionally secured by collateral security of immovable property of others.
- iii) The cash credit carries interest rate @ 9.30%.

**10 Trade Payables**

Particulars	As at 31.03.2019	As at 31.03.2018
Trade Payables		
(a) total outstanding dues of micro enterprises and small enterprises	598,621.00	-
(b) total outstanding dues of creditors other than micro enterprises and small enterprises	11,744,589.92	15,053,656.55
<b>Total</b>	<b>12,343,210.92</b>	<b>15,053,656.55</b>

**10.1** Following are the relevant disclosures as required under the Micro, Small and Medium Enterprises Development Act, 2006:

Description	As at March 31, 2019	As at March 31, 2018
a) The principal amount remaining unpaid to suppliers as at the end of accounting year	598,621.00	-
b) The interest due thereon remaining unpaid to suppliers as at the end of accounting year	-	-
c) The amount of interest paid by the company in terms of Section 16, along with the amount of payments made to the micro and small enterprise beyond the appointed date during the period	Nil	Nil
d) The amount of interest due and payable for the period of delay in making payment which have been paid but beyond the appointed day during the period but without adding the interest specified under this Act.	Nil	Nil
e) The amount of interest accrued during the year and remaining unpaid at the end of the accounting year	Nil	Nil
f) The amount of further interest remaining due and payable even in succeeding years	Nil	Nil

The above mentioned outstanding's are in normal course of business and the information regarding micro and small enterprises have been determined to the extent such parties have been identified on the basis of information available with the Company.

**11 Other Current Liabilities**

Particulars	As at 31.03.2019	As at 31.03.2018
Current Maturities of Long-Term Debt (Refer Note 4 above)	31,732,249.48	25,788,885.12
Creditors for Capital Goods	835,764.32	1,953,339.32
Advance from Customers	5,372,896.82	7,804,958.77
Statutory Dues Payable	6,796,892.66	2,312,358.24
Other Payables	12,229,671.72	9,266,250.47
<b>Total</b>	<b>56,967,475.00</b>	<b>47,125,791.92</b>

**12 Short-Term Provisions**

Particulars	As at 31.03.2019	As at 31.03.2018
Provision for Income Tax (Net of Taxes Paid)	2,475,789.13	1,527,954.13
Provision for employee benefits	1,093,096.00	402,186.00
<b>Total</b>	<b>3,568,885.13</b>	<b>1,930,140.13</b>

**TASTY DAIRY SPECIALITIES LIMITED**

**NOTES ON FINANCIAL STATEMENTS**

**14 Non Current Investments**

Particulars	As at 31.03.2019	As at 31.03.2018
<b>Non-Trade Investments</b>		
Investment in Equity Instruments (Unquoted)	10,050,500.00	50,500.00
<b>Total</b>	<b>10,050,500.00</b>	<b>50,500.00</b>

14.1 Script wise detail is given in Annexure-I

**15 Long Term Loans & Advances**

Particulars	As at 31.03.2019	As at 31.03.2018
<b>Unsecured, Considered Goods</b>		
Security Deposits	12,996,273.00	12,751,273.00
MAT Credit Entitlement	11,106,698.63	8,428,102.63
Capital Advances	32,859,751.00	32,559,751.00
<b>Total</b>	<b>56,962,722.63</b>	<b>53,739,126.63</b>

15.1 Security Deposit includes security deposit of Rs. 120.00 lakhs given to a company in which Director of the Company is member (Previous Year Rs.120 lacs)

**16 Deferred Tax Assets (Net)**

Particulars	As at 31.03.2019	As at 31.03.2018
<b>Deferred Tax Liability</b>		
i) On account of differences in written down value of fixed assets	-	-
<b>Deferred Tax Assets</b>		
i) On account of differences in written down value of fixed assets	297,048.00	-
ii) On account of timing difference of expenses which are allowable under Income Tax Laws in subsequent years	534,381.00	-
<b>Deferred Tax Asset (Net)</b>	<b>831,429.00</b>	<b>-</b>

**17 Current Investments**

Particulars	As at 31.03.2019	As at 31.03.2018
(Valued at cost or market value, whichever is lower)		
Investment in Mutual Funds	-	2,500,000.00
<b>Total</b>	<b>-</b>	<b>2,500,000.00</b>

17.1 Script wise detail is given in Annexure-II

**18 Inventories**

Particulars	As at 31.03.2019	As at 31.03.2018
Raw Materials	110,619,879.31	344,029,124.78
Work-in-Progress	652,367.00	643,340.00
Finished Goods	530,341,100.79	140,689,635.67
Packing Material & Stores	1,984,800.00	2,069,400.00
<b>Total</b>	<b>643,598,147.10</b>	<b>487,431,500.45</b>

**19 Trade Receivables**

Particulars	As at 31.03.2019	As at 31.03.2018
<b>Trade receivables outstanding for a period exceeding six months from the date they were due for payment</b>		
Unsecured, Considered Goods	21,946,484.25	20,626,843.67
<b>Other Trade receivables</b>		
Unsecured, Considered Goods	179,465,625.42	198,482,594.74
<b>Total</b>	<b>201,412,109.67</b>	<b>219,109,438.41</b>

19.1 Trade Receivable includes debt due from Company in which Director is a Member.

19,700,000.00 19,700,000.00

**TASTY DAIRY SPECIALITIES LIMITED**

**NOTES ON FINANCIAL STATEMENTS**

**20 Cash and Bank Balances**

Particulars	As at 31.03.2019	As at 31.03.2018
<b>Cash &amp; Cash Equivalents:</b>		
Cash in Hand	2,142,652.97	2,679,693.21
<b>Balance with Banks:</b>		
(i) In Current Account	3,210,434.23	15,269,550.40
(ii) In Term Deposit	5,569,631.96	3,477,822.55
<b>Total</b>	<b>10,922,719.16</b>	<b>21,427,066.16</b>

20.1 Term Deposit account with more than 12 months maturity Rs. 12,61,163.00/-

20.2 Term Deposit of Rs. 55,69,631.96/- Pledged against margin money/ security.

**21 Short Term Loans and Advances**

Particulars	As at 31.03.2019	As at 31.03.2018
<b>Unsecured, Considered Goods</b>		
Security Deposit	36,047,887.51	38,446,637.51
Advance to Suppliers	72,617,317.62	53,438,844.00
MAT Credit Entitlement	-	3,200,000.00
Other Advances	14,467,657.87	22,415,770.21
<b>Total</b>	<b>123,132,863.00</b>	<b>117,501,251.72</b>

21.1 Security Deposit includes security deposit of Rs. 355.00 lakhs given to Director of the Company (Previous Year 355.00 lacs)

**22 Other Current Assets**

Particulars	As at 31.03.2019	As at 31.03.2018
Prepaid Expenses	2,016,366.16	3,113,957.71
<b>Total</b>	<b>2,016,366.16</b>	<b>3,113,957.71</b>

**TASTY DAIRY SPECIALITIES LIMITED**

**NOTES ON FINANCIAL STATEMENT**

**23 Revenue from operations**

<b>Particulars</b>	<b><u>As at 31.03.2019</u></b>	<b><u>As at 31.03.2018</u></b>
Sale of Products	3,652,051,598.20	3,318,644,001.17
Other Operating Income	-	-
<b>Total</b>	<b><u>3,652,051,598.20</u></b>	<b><u>3,318,644,001.17</u></b>

**23.1 Detail of Products sold:-**

Milk & Milk Products	3,650,761,680.20	3,314,438,301.17
Other Products	1,289,918.00	4,205,700.00
<b>Total</b>	<b><u>3,652,051,598.20</u></b>	<b><u>3,318,644,001.17</u></b>

**24 Other Income**

<b>Particulars</b>	<b><u>As at 31.03.2019</u></b>	<b><u>As at 31.03.2018</u></b>
Interest Income	1,198,978.82	975530.55
Profit on Sale of Fixed Assets	309,798.68	965,132.37
Profit on Sale of Investment	308,429.34	592,045.82
Sundry Liabilities Written Back	8,517,956.50	1,756,190.74
Misc Income	192,684.92	148,281.10
<b>Total</b>	<b><u>10,527,848.26</u></b>	<b><u>4,437,180.58</u></b>

**25 Cost of Material Consumed**

<b>Particulars</b>	<b><u>As at 31.03.2019</u></b>	<b><u>As at 31.03.2018</u></b>
Opening Stock	344,029,124.78	283,235,454.08
Add: Purchases (Includes Freight & Expenses thereon)	3,564,529,691.72	3,140,250,008.66
	3,908,558,816.50	3,423,485,462.74
Less: Closing Stock	110,619,879.31	344,029,124.78
<b>Total</b>	<b><u>3,797,938,937.19</u></b>	<b><u>3,079,456,337.96</u></b>

**25.1 Detail of Material Consumed**

Milk & Milk Products	3,790,288,911.99	3,066,088,326.23
Other Products	7,650,025.20	13,368,011.73
<b>Total</b>	<b><u>3,797,938,937.19</u></b>	<b><u>3,079,456,337.96</u></b>



**TASTY DAIRY SPECIALITIES LIMITED**

**NOTES ON FINANCIAL STATEMENT**

**26 Changes in Inventories of Finished Goods & Work-in-Progress.**

<b>Particulars</b>	<b>As at 31.03.2019</b>	<b>As at 31.03.2018</b>
<b><u>Inventories at the beginning of the year/period</u></b>		
Work-in-Progress	643,340.00	1,800,600.00
Finished Goods	140,689,635.67	142,334,153.78
	<b>141,332,975.67</b>	<b>144,134,753.78</b>
<b><u>Inventories at the end of the year/period</u></b>		
Work-in-Progress	652,367.00	643,340.00
Finished Goods	530,341,100.79	140,689,635.67
	<b>530,993,467.79</b>	<b>141,332,975.67</b>
<b>Net (Increase) /Decrease</b>	<b>(389,660,492.12)</b>	<b>2,801,778.11</b>

**27 Employee Benefit Expenses**

<b>Particulars</b>	<b>As at 31.03.2019</b>	<b>As at 31.03.2018</b>
Salaries and Wages	27,593,485.00	20,518,700.00
Contribution to Provident & Other Funds	708,765.00	412,111.00
Staff Welfare Expenses	2,968,929.00	2,128,528.17
Gratuity	607,069.00	5,325.00
<b>Total</b>	<b>31,878,248.00</b>	<b>23,064,664.17</b>

**28 Finance Cost**

<b>Particulars</b>	<b>As at 31.03.2019</b>	<b>As at 31.03.2018</b>
Interest Expenses		
i) On Borrowings	40,347,582.20	46,652,912.81
ii) Others	71,062.08	61,640.00
Other Borrowing Cost	592,655.27	2,280,347.67
<b>Total</b>	<b>41,011,299.55</b>	<b>48,994,900.48</b>

**29 Depreciation & Amortisation Expense**

<b>Particulars</b>	<b>As at 31.03.2019</b>	<b>As at 31.03.2018</b>
Depreciation	19,338,015.31	23,040,344.42
<b>Total</b>	<b>19,338,015.31</b>	<b>23,040,344.42</b>

**TASTY DAIRY SPECIALITIES LIMITED**

**NOTES ON FINANCIAL STATEMENT**

**30 Other Expenses**

<b>Particulars</b>	<b>As at 31.03.2019</b>	<b>As at 31.03.2018</b>
<b>i) <u>Manufacturing Expenses:</u></b>		
Consumption of Stores & Spare Parts	3,385,086.65	3,279,081.26
Consumption of Packing Materials	9,350,129.47	9,299,709.61
Power & Fuel Consumed	13,659,073.52	18,524,379.48
Other Manufacturing Exp.	376,356.00	524,948.50
	<b>26,770,645.64</b>	<b>31,628,118.85</b>
<b>ii) <u>Administrative Expenses</u></b>		
Communication Expenses	492,027.69	680,984.32
CSR Expenditure (Refer Note No. 32)	637,730.00	1,183,000.00
Rent	4,222,926.00	805,173.61
Rates & Taxes	270,149.84	605,789.35
Insurance	3,089,782.06	3,470,735.50
Legal, Professional & Consultancy Charges	9,695,887.98	2,912,642.44
Payment to Auditors	300,000.00	350,000.00
Printing & Stationery	500,835.00	298,112.00
Travelling & Conveyance	13,056,039.46	10,758,102.74
Donation	771,000.00	5,100.00
Repairs to Machinery	814,469.42	847,572.04
Repairs to Buildings	613,845.81	47,478.00
Repairs & Maintenance (Others)	2,807,514.01	1,139,574.25
Other Administrative Exp.	5,008,598.13	3,130,053.81
	<b>42,280,805.40</b>	<b>26,234,318.06</b>
<b>iii) <u>Selling &amp; Distribution Expenses</u></b>		
Advertisement & Publicity Expenses	2,568,962.48	2,739,764.27
Commission	1,586,779.00	1,846,236.00
Consignment Sales Expenses	-	12,161.00
Freight & Cartage	14,312,113.00	12,825,524.84
	<b>18,467,854.48</b>	<b>17,423,686.11</b>
<b>Total</b>	<b>87,519,305.52</b>	<b>75,286,123.02</b>
<b>30.1 <u>Auditors' remuneration and expenses</u></b>		
As Auditor	250,000.00	250,000.00
For Certification and other charges	50,000.00	100,000.00
<b>Total</b>	<b>300,000.00</b>	<b>350,000.00</b>

**TASTY DAIRY SPECIALITIES LIMITED**

**NOTES ON FINANCIAL STATEMENT**

<b>31 Earnings per Share</b>	<b>As at 31.03.2019</b>	<b>As at 31.03.2018</b>
Net Profit as per Profit & Loss Account (in Rs.)	59,453,847.01	53,438,616.59
Weighted average number of Equity Shares for EPS Calculation. (in No.)	20,430,000	15,639,699
Basic EPS. (in Rs.)	2.91	3.42
Diluted EPS (in Rs.)	2.91	3.42

<b>32 Corporate Social Responsibility (CSR)</b>	<b>As at 31.03.2018</b>	
	<b>As at 31.03.2019</b>	
a) Gross amount required to be spend by the company during the year as per Section 135 of Companies Act,2013 read with Schedule VII thereof	1,272,793.00	1,183,000.00
b) The company has spend Rs. 12,48,390.00 towards Corporate Social Responsibility which includes such expenses incurred out of unspend amount of earlier year.		

**32.2 The various head which the CSR expenditure were incurred in cash is detailed as follows**

<b>PARTICULARS</b>	<b>Relevant clause of schedule vii to the Companies Act,2013</b>	<b>F.Y. 2018-2019</b>	<b>F.Y. 2017-2018</b>
Making Available Safe drinking water	i	341,046.00	674,315.00
Eradicating hunger-Providing Skimmed Milk power,Biscuit & tea	i	137,497.00	82,668.00
Special Education to Progressive Farmer ,NGO's ,Vetenarians and Dairy Farm Owners	ii	389,795.00	296,752.00
Promoting Education by distribution of bags and stationaries	ii	91,580.00	
Protection of flora and fauna ,animals welfare-Cattel Health Check up	iv	278,342.00	78,385.00
Promoting health care including preventive health care	i	10,130.00	51,816.00
		<b>1,248,390.00</b>	<b>1,183,936.00</b>

**33 Contingent Liabilities and Commitments: Not Provided For In Respect of:**

**I Contingent Liabilities**

<b>PARTICULARS</b>	<b>As at 31.03.2019</b>	<b>As at 31.03.2018</b>
Demands being disputed by the Company:		
a) Income Tax Demand	255,730.00	418,930.00
b) Central Sales Tax Demand	519,268.00	519,268.00
Claims against the Company not acknowledged as debts:		
a) Income Tax Demand on processing of TDS Returns	54,184.00	-

The company has initiated steps for revising the TDS forms to remove various defects due to which demands were raised by authorities and is confident that the demand will be substantially reduced after these rectification.

**II Commitments**

- (a) Estimated amount of contracts remaining to be executed on capital account and not provided for Rs. Nil (P.Y. Nil)
- (b) Corporate guarantee given by the Company Rs. Nil (P.Y. Nil)

- III** (a) Long term Loans and Advances includes payments made to Uttar Pradesh State Industrial Development Corporation (UPSIDC) of Rs. 49,26,748/-towards installment of premium, interest and other charges on four lease hold plots of land allotted. UPSIDC has made demand against dues toward installment of premium, interest and other charges against these plots. Company has contested these demands and the matter will be settled with UPSIDC on final execution of lease deed and possession of plots. As per latest notices received from UPSIDC there is total demand of Rs. 1,29,92,799/- against these plots. UPSIDC has further given notice for cancellation of above plots. Necessary action has been taken for restoration of the allotment of the plots by the company.

(b) Long Term Loans & Advances also includes payment made to Uttar Pradesh State Industrial Development Corporation (UPSIDC) Rs.

1,54,29,790.00 towards Installment of Premium and Other Charges against Plot D-5, UPSIDC Industrial Area Jainpur, Kanpur Dehat, UP allotted by UPSIDC. UPSIDC has given notice for cancellation of the plot due to delay in implementation of project, for which plot was allotted. UPSIDC has further made demand of Rs. 42,68,853.00 for restoration levy. Necessary action has been taken by the company for the restoration of the allotment of plot. Company has taken effective steps towards implementation of project for which allotment was made.

- 34 Balance in the accounts of Trade receivables, Advance, Security Deposits and Trade Payables has in some cases not been confirmed by the respective parties and are subject to confirmation by them.
- 35 In the opinion of the board, Current Assets, Loans & Advances have value on realization in the ordinary course of business at least equal to the amount at which they are stated in the Balance Sheet.
- 36 Figures of Previous year have been regrouped whenever found necessary to make them comparable with that of current year.
- 37 The required disclosure in Respect of Defined Benefit Scheme (Based on Actuarial Valuation) of Gratuity of Employee benefits as per Accounting Standard 15 is disclosed as per Annexure-III.
- 38 The Company has only one business segment i.e. Dairy Products; hence segment reporting as defined in Accounting Standard -17 is not applicable.
- 39 On the basis of review carried out by the management, there was no impairment loss on fixed assets during the year.
- 40 As per AS-18, the Company's related parties and transactions with them are disclosed as per Annexure-IV.

	<u>As at 31.03.2019</u>	<u>As at 31.03.2018</u>
41 Expenditure in foreign currency	1,414,786.70	826,435.03
42 Earnings in foreign currency	-	-

As per our separate report of even date attached herewith.

FOR ATUL GARG & ASSOCIATES  
CHARTERED ACCOUNTANTS  
FIRM REG. NO.01544C

FOR AND ON BEHALF OF THE BOARD

(ATUL GARG)  
PARTNER  
M.NO.070757

(ATUL MEHRA)  
CHAIRMAN &  
WHOLE TIME DIRECTOR  
DIN: 00811607

(MAHENDRA KUMAR SINGH)  
DIRECTOR  
DIN: 02727150

PLACE: KANPUR  
Dated: 30.05.2019

(RAKESH KUMAR YADAV)  
CHIEF FINANCE OFFICER

(NISHI)  
COMPANY SECRETARY  
M.NO.50043

## **TASTY DAIRY SPECIALITIES LIMITED**

### **NOTE-1 CORPORATE INFORMATION**

Tasty Dairy Specialities Limited (" the company") having CIN No-L15202UP1992PLC014593 is a public company and incorporated under the provision of Company Act 1956 and has its registered office at Jainpur,Kanpur Dehat, Uttar Pradesh, India.Its shares are listed on BSE-SME Platform in India .The company is engaged in procurement and processing of Milk and Manufacture of various value added products namely Ghee,Butter,Milk Power and other Milk Products.

### **NOTE-2 SIGNIFICANT ACCOUNTING POLICIES**

#### **1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

The financial statements are prepared under historical cost convention, on accrual basis of accounting and in accordance with the provisions of the Companies Act, 2013 and comply with the Generally Accepted Accounting Principles (GAAP) in India and the accounting standard specified in section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014.

#### **2 USE OF ESTIMATES**

The preparation of Financial Statements requires estimates and assumptions to be made that affect the reported amount of the assets and liabilities on the date of the Financial Statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known/ materialized.

#### **3 REVENUE RECOGNITION**

Sale is recognized when the significant risks and reward of ownership of the goods have passed to the customer. Sales are net of sales returns, trade discounts, rebate, Value Added Tax, Sales Tax and Goods & Service Tax.

##### **a) Interest income**

Interest income is recognised on time proportion basis.

##### **b) Dividends**

Dividends income is recognised when the company's right to receive dividend is established by the reporting date.

#### **4 PROPERTY, PLANT & EQUIPMENTS**

Fixed Assets are stated at cost less Accumulated depreciation. Cost Include all expenses incurred to bring the assets to its present location and condition. Expenditure during construction/erection period is included under Capital Work-in-Progress and allocated to the respective fixed assets on completion of construction / erection.

#### **5 DEPRECIATION**

Depreciation on Fixed Assets is provided to the extent of depreciable amount on the Written Down Value (WDV) Method. Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013.

#### **6 INVENTORIES**

Raw material ,Components, Stores & Spares and Packing Material are valued at cost or net realizable value which ever is lower. Cost represents purchase price and other direct cost and is determined on FIFO cost basis.

Finished goods and goods in process are carried at lower of cost or net realisable value. Damaged /Defective stocks are valued at net realizable value.

## **7 INVESTMENTS**

Investments are either classified current or long-term based on Management's intention at the time of acquisition:-Current investments are carried at lower of cost and net realizable value.

Long term investment are stated at cost. Provision for diminution in the value of long term investment is made only if such a decline is other than temporary.

Cost includes acquisition price and directly attributable acquisition charges such as brokerage, fee and duties.

## **8 TAXATION**

a) Tax on income for the current period is determined on the basis of taxable income and tax credit computed in accordance with the provisions of Income Tax Act, 1961.

b)

Deferred Tax is recognized subject to the consideration of prudence, on timing differences, being the difference between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent period. Deferred Tax Assets is recognized and carried forward only to the extent that there is reasonable certainty that the asset will be adjusted in future.

## **9 BORROWING COST**

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to Profit and Loss account.

## **10 CONTINGENCIES AND EVENTS OCCURRING AFTER THE BALANCE SHEET DATE**

All contingencies and events occurring after the balance sheet date which have a material effect on the financial position of the company are considered for preparing the financial statements.

## **11 RETIREMENT & OTHER BENEFITS**

a) Company's contribution to Provident Fund and Employee's State Insurance Fund are charged to Profit & Loss Account.

b) Company's liability towards defined benefit plan is determined using the projected unit credit method which considers each period of service as giving rise to additional unit of benefit entitlement and measure each unit separately to build up the final obligation. Actuarial gain and losses are recognised immediately in the profit and loss account as income or expenses. Obligation measured at the present value of estimated future cash flows using a discounted rate that is determined by reference to market yields at the balance sheet date or government bonds where the currency and terms of the Government are consistent with the currency and estimates of the defined benefit obligation.

## **12 IMPAIRMENT OF ASSETS**

An asset is impaired if there are sufficient indication that the carrying cost would exceed the recoverable amount of cash generating assets. In that event an impairment loss so computed would be recognized in the account in the relevant year.

## **13 EARNING PER SHARE**

The earning considered in ascertaining the Company's Earning Per Share (EPS) comprise the net profit after tax. The number of shares used in computing basic EPS is the weighted number of shares outstanding during the year. The diluted EPS is calculated on the same basis as basic EPS, after adjusting for the effects of potential diluted equity shares

## **14 CASH FLOW STATEMENT**

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferral or accruals of past or future cash receipts or payment. The cash flows from regular operating, investing and financing activities of the Company are segregated.

## **15 PROVISIONS, CONTINGENT LIABILITIES & CONTINGENT ASSETS**

Provisions involving a substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent



Liabilities are not recognized but are disclosed in the notes. Contingent assets are neither recognized nor disclosed in the financial statements.

#### **16 MAT CREDIT ENTITLEMENT**

MAT credit is recognized as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. The Company reviews the same at each Balance Sheet date and writes down the carrying amount of MAT credit entitlement to the extent that there is no longer convincing evidence to the effect that Company will pay normal income tax during the specified period.

#### **17 FOREIGN CURRENCY TRANSACTIONS**

Transactions in foreign currency are recorded at the exchange rate prevailing on the date of the transaction. Net exchange gain or loss resulting in respect of foreign exchange transactions settled during the period is recognized in the profit and loss account.

## TASTY DAIRY SPECIALITIES LIMITED, KANPUR

Note-13

### PROPERTY, PLANT & EQUIPMENTS AS ON 31.03.2019

PARTICULARS	<----- GROSS BLOCK ----->				<----- DEPRECIATION ----->				<----- NET BLOCK ----->	
	BALANCE AS ON 01.04.2018	ADDITIONS	DEDUCTION	TOTAL	UP TO THE	FOR THE	ADJUSTMENT	TOTAL	W.D.V.	W.D.V.
		DURING THE YEAR	DURING THE YEAR	AS ON 31.03.2019	END OF PREV. YEAR	YEAR		AS ON 31.03.2019	AS ON 31.03.2019	AS ON 31.03.2018
Leasehold Land	7,625,769.50	-	-	7,625,769.50	-	-	-	-	7,625,769.50	7,625,769.50
Freehold Land	6,438,825.00	-	-	6,438,825.00	-	-	-	-	6,438,825.00	6,438,825.00
Building	68,534,982.19	-	-	68,534,982.19	35,102,408.09	3,186,395.81	-	38,288,803.90	30,246,178.29	33,432,574.10
Building (Flat)	16,225,501.00	-	-	16,225,501.00	1,502,023.75	716,547.13	-	2,218,570.88	14,006,930.12	14,723,477.25
Plant & Machinery	176,633,141.64	796,423.74	-	177,429,565.38	113,247,208.67	12,044,287.59	-	125,291,496.26	52,138,069.12	63,385,932.97
Furniture & Fixture	1,421,984.52	250,000.00	-	1,671,984.52	983,582.20	166,163.21	-	1,149,745.42	522,239.10	438,402.32
Electric Fitting & Installation	2,502,123.95	-	-	2,502,123.95	2,261,308.81	83,189.06	-	2,344,497.87	157,626.08	240,815.14
Effluent Treatment Plant	78,238.90	-	-	78,238.90	63,119.05	3,051.18	-	66,170.23	12,068.67	15,119.85
Computer	2,606,236.02	81,628.79	-	2,687,864.81	2,417,742.59	74,121.09	-	2,491,863.68	196,001.13	188,493.43
Office Equipment	3,302,146.63	75,032.14	-	3,377,178.77	2,803,879.27	183,475.58	-	2,987,354.84	389,823.93	498,267.36
Lab Equipment	386,507.96	-	-	386,507.96	350,904.83	12,311.77	-	363,216.60	23,291.36	35,603.13
Vehicle	24,756,643.01	2,821,029.00	2,412,206.00	25,165,466.01	16,404,521.57	2,868,472.89	1,152,004.68	18,120,989.77	7,044,476.24	8,352,121.44
<b>TOTAL (RS.)</b>	<b>310,512,100.32</b>	<b>4,024,113.67</b>	<b>2,412,206.00</b>	<b>312,124,007.99</b>	<b>175,136,698.82</b>	<b>19,338,015.31</b>	<b>1,152,004.68</b>	<b>193,322,709.45</b>	<b>118,801,298.54</b>	<b>135,375,401.50</b>
<b>Capital Work in progress</b>										
Plant & Machinery under installation	4,656,551.50	300,000.00	-	4,956,551.50	-	-	-	-	4,956,551.50	4,656,551.50
<b>TOTAL (RS.)</b>	<b>4,656,551.50</b>	<b>300,000.00</b>	<b>-</b>	<b>4,956,551.50</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,956,551.50</b>	<b>4,656,551.50</b>
<b>GRANDTOTAL (RS.)</b>	<b>315,168,651.82</b>	<b>4,324,113.67</b>	<b>2,412,206.00</b>	<b>317,080,559.49</b>	<b>175,136,698.82</b>	<b>19,338,015.31</b>	<b>1,152,004.68</b>	<b>193,322,709.45</b>	<b>123,757,850.04</b>	<b>140,031,953.00</b>
Previous Year (Rs.)	316,291,364.08	7,438,971.15	8,561,683.41	315,168,651.82	158,223,170.18	23,040,344.42	6,126,815.78	175,136,698.82	140,031,953.00	

**TASTY DAIRY SPECIALITIES LIMITED**

**NON- CURRENT INVESTMENT ( AT COST )**

**Annexure - I**

S.NO.	SCRIPT	FACE VALUE	NUMBERS		AMOUNT	
			AS AT 31.03.2019	AS AT 31.03.2018	AS AT 31.03.2019	AS AT 31.03.2018
	<b>Shares (Unquoted)</b>					
1	Kanpur Ind. Dvp. Co.-Operative Estate Ltd.		-	-	500.00	500.00
2	Stock Options Express Private Limited (Equity Shares)	10.00	5000	5000	50,000.00	50,000.00
3	Salvation Developers Limited (Equity Shares)	1.00	10000000	-	10,000,000.00	-
	<b>Total</b>		<b>10,005,000.00</b>	<b>5,000.00</b>	<b>10,050,500.00</b>	<b>50,500.00</b>

**TASTY DAIRY SPECIALITIES LIMITED**

**CURRENT INVESTMENT ( AT COST OR NRV, WHICHEVER IS LOWER )**

**Annexure-II**

S.NO.	Mutual Funds (Quoted)	UNITS		MARKET VALUE		COST	
		AS AT 31.03.2019	AS AT 31.03.2018	AS AT 31.03.2019	AS AT 31.03.2018	AS AT 31.03.2019	AS AT 31.03.2018
1	BSL Corporate Bond Fund	-	211,325.35	-	2,734,676.80	-	2,500,000.00
	<b>Total</b>	-	<b>211,325.35</b>	-	<b>2,734,676.80</b>	-	<b>2,500,000.00</b>

**TASTY DAIRY SPECIALITIES LIMITED**

**FINANCIAL YEAR 2018-19**

**Annexure-III**

**Disclosure of Employee Benefit:**

**(i) In respect of Defined Benefit Scheme (Based on Actuarial Valuation) of Gratuity:**

	<b>2018-19</b>	<b>2017-2018</b>
<b>(A) Change in Obligation over the year ended 31.03.2019</b>		
Present Value of defined obligation at the beginning of the period	1204097	1479608
Interest Cost	93318	114670
Current Service Cost	163747	142266
Benefits Paid (If any)	0	0
Actuarial (Gains)/ Losses	139547	(532447)
Present Value of defined obligation at the end of the period	1600709	1204097
<b>(B) Expenses recognised during the year 31.03.2019</b>		
Current Service cost	163747	142266
Interest Cost	93318	114670
Actuarial (gain)/loss recognised in the period	139547	(532447)
Expenses to be recognised in the statement of P/L	396612	(275511)
<b>(C) Principal Actuarial Assumptions</b>		
Mortality Table	IALM 2006-08 Ultimate	IALM 2006-08 Ultimate
Discount rate (per annum)	7.75%	7.75%
Rate of Escalation in Salary (per annum)	5.00%	5.00%
Withdrawal Rate (per annum)	5.00%	5.00%

**(ii) In respect of Defined Contribution Plan:**

	<b>2018-19</b>	<b>2017-2018</b>
Details of contribution to defined plan recognised as expense during the period are as under:		
Employer Contribution's to Provident Fund	341794.00	294323.00

**TASTY DAIRY SPECIALITIES LIMITED**
**Annexure-IV**
**RELATED PARTY DISCLOSURES:**

As per accounting standard 18, the disclosures of transactions with the related parties are given below:

**i) List of related parties where control exists and related parties with whom transactions have taken place and relationships:**
**a) Individuals owing, directly or indirectly, an interest in voting power that gives them control or significant influence-**

- Mrs. Sonia Mehra

**b) Key Managerial Personnel-**

- Mr. Atul Mehra
- Mr. Mahendra Kumar Singh
- Ms. Nishi Sheikh
- Mr. Rakesh Kumar Yadav

**c) Relatives of Key Managerial Personnel & other related parties.**

- Mr. Prem Nandan Mehra (Father of Mr. Atul Mehra)
- Mrs. Veena Mehra (Mother of Mr. Atul Mehra)
- Mr. Arpit Mehra (Son of Mr. Atul Mehra)
- Mrs. Devika Mehra (Daughter-in-law of Mr. Atul Mehra)
- Ms. Sonalika Mehra (Daughter of Mr. Atul Mehra)

**d) Enterprises commonly controlled or influenced by major shareholders/ directors/key managerial personnel of the Company.**

- Verifresh Dairies Ltd.
- Cima Dairy and Foods Ltd.
- Cima Foods Pvt. Ltd.
- Stock Options Xpress Pvt. Ltd.
- Grow Home Developers Pvt. Ltd.
- Bhiwadi Milk Products Pvt. Ltd.
- Agrim Foods LLP

ii)	Nature of Transactions	Individuals owing, directly or indirectly, an interest in voting power that gives them control or significant influence	Key Managerial Personnel	Relatives of Key Managerial Personnel	Others
1	<b>Sales</b>				
	-Agrim Foods LLP				521.52 (534.74)
2	<b>Purchases</b>				
	-Agrim Foods LLP				201.76 (94.79)
3	<b>Rent paid</b>				
	-Mrs. Sonia Mehra	1.13 (1.08)			
	-Mr. Atul Mehra		2.67 (2.42)		
4	<b>Remuneration paid</b>				
	-Mrs. Sonia Mehra	36.00 (36.00)			
	-Mr. Atul Mehra		60.00 (60.00)		
	-Ms. Nishi Sheikh		2.41 (0.93)		
	-Mr. Mahendra Kumar Singh		3.16 (2.65)		
	-Mr. Kawalpreet Arora		0.00 (0.53)		
	-Mr. Arpit Mehra			30.00 (30.00)	
	-Mrs. Devika Mehra			4.80 (4.80)	
	-Mr. Prem Nandan Mehra			1.44 (1.44)	
	-Mrs. Veena Mehra			1.44 (1.44)	
	-Mr. Rakesh Kumar Yadav		4.20 (3.36)		
5	<b>Interest Income</b>				



	-Verifresh Dairies Ltd.				8.27 (7.01)
6	<b>Rental Income</b>				
	-Agrim Foods LLP				0.20 (0.00)

7	<b>Balances as at 31st March, 2019</b>				
	<b>Receivable</b>				
(i)	Trade Receivables				
	-Bhiwadi Milk Products Private Limited				197.00 (197.00)
	-Agrim Foods LLP				96.98 (30.61)
(ii)	Security Deposits				
	-Mr. Atul Mehra		355.00 (355.00)		
	-Bhiwadi Milk Products Private Limited				120.00 (120.00)
(iii)	Loans & Advances				
	-Verifresh Dairies Ltd.				90.11 (92.13)
	-Grow Homes Developers Pvt. Ltd.				0.50 (0.50)
	<b>Payable</b>				
(i)	Unsecured Loans				
	-Mr. Atul Mehra		388.00 (0.00)		
(ii)	<b>Other Payables</b>				
	-Mrs. Sonia Mehra	3.17 (0.13)			
	-Mr. Atul Mehra		3.67 (0.36)		
	-Mr. Arpit Mehra			0.01 (0.19)	
	-Mrs. Devika Mehra			0.38 (2.28)	

## **DIRECTORS' REPORT**

**To  
The Members of  
Tasty Dairy Specialities Limited**

Your Directors have pleasure in presenting the 27<sup>th</sup> Annual Report on the business and operations of your Company, Tasty Dairy Specialities Limited ('the Company') together with the Audited Financial Statements for the financial year ended 31<sup>st</sup> March, 2019.

### **1. FINANCIAL RESULTS**

Particulars	(Amount in Lakhs)	
	For the Year ended 31 <sup>st</sup> March, 2019	For the Year ended 31 <sup>st</sup> March, 2018
<b>Revenue from Operations</b>	36,520.52	33,186.44
<b>Other Income</b>	105.28	44.37
<b>Total Income</b>	<b>36625.80</b>	<b>33,230.81</b>
Profit before Interest, Depreciation and Taxes	<b>1349.03</b>	<b>1401.92</b>
<b>Less: Depreciation and Amortization expenses</b>	193.38	230.40
<b>Less: Interest on borrowings (Finance cost)</b>	410.11	467.15
Profit before tax (PBT)	<b>745.54</b>	<b>704.37</b>
<b>Tax Expenses:</b>		
<b>Less: Net Current Tax</b>	155.73	183.13
<b>Add: Deferred Tax</b>	5.21	(13.14)
Net Profit/(Loss) after tax (PAT)	<b>594.53</b>	<b>534.38</b>
<b>Earnings per share (Basic &amp; Diluted)</b>	2.91	3.42*
Paid Up Share Capital	<b>Rs.204,300,000</b>	<b>Rs.204,300,000</b>

\* EPS = Net Profit/ Weighted Average number of Equity Share

EPS (Basic & Diluted) = Rs.59,453,847.01/20430000

= Rs.2.91 per shares

### **2. FINANCIAL HIGHLIGHTS AND OPERATION**

The Key highlights pertaining to the business of the Company for the financial year 2018-19 have been given hereunder:

- The Total Revenue from operations of the Company during the financial year 2018-19 was Rs. 36,520.52 (Lakhs) against the revenue from operations of Rs. 33,186.44 (Lakhs) in the previous financial year 2017-18.
- The Net Profit/(Loss) before tax and prior item for the year under review at Rs.745.54 (Lakhs) was likewise higher than the profit in the previous year of Rs. 704.37 (Lakhs).

- The Net Profit/(Loss) after tax for the year under review at Rs. 594.53 (Lakhs) was likewise higher than that of profit in the previous year of Rs. 534.38 (Lakhs). The Earning Per Share (EPS) of the company is Rs.2.91 per share.
- The Directors trust that the shareholders will find the performance of the company for financial year 2018-19 to be satisfactory. The performance of the Company during the current year continues to be encouraging barring unforeseen circumstances, Your Directors are hopeful about the performance of the company to be better in the upcoming financial years.

### **3. DIVIDEND**

With a view to provide a cushion for any financial contingencies in the future and to strengthen the financial position of the Company, your Directors have decided not to recommend any dividend for the period under review. Therefore, the Company's Board of Directors does not recommend a dividend for the year ended March 31, 2019.

### **4. TRANSFER TO RESERVES**

During the financial year under review the Company has transferred its amount to reserve as shown in notes to accounts of the financial statements.

### **5. CHANGE IN SHARE CAPITAL STRUCTURE**

During the year under review, the company has made following changes in the Capital Structure:

#### **A) AUTHORISED SHARE CAPITAL**

During the year under review 2018-19, the Authorised share capital of the company is Rs.24,00,00,000/-(Rupees Twenty Four Crores only) divided into 2,40,00,000 equity shares of Rs.10 each.

#### **B) ISSUED, SUBSCRIBED AND PAID UP SHARE CAPITAL:**

During the under review 2018-19, the issued, subscribed and paid up share capital of the company is Rs.20,43,00,000 (Twenty Crores Forty thousand only) divided into 2,04,30,000 Equity shares of Rs.10 each.

#### **C) ISSUE OF BONUS SHARES:**

During the year under review 2018-19, there was no Bonus issue of equity shares.

#### **D) BUY BACK OF SECURITIES:**

The Company has not bought back any of its securities during the year under review.

As on **31st March, 2019** the following directors hold Equity shares in the Company:

Sl No.	Name of Director	No. of Equity Share of face value of Rs.10 each	Holding in (%)
1	Mr. Atul Mehra	1479000	7.24%
2	Mr. Prem Nandan Mehra	15000	0.07%
3	Mr. Narendra Shankar Sathe	1500	0.01%

**E) ISSUE OF SHARES WITH DIFFERENTIAL VOTING RIGHTS, SWEAT EQUITY SHARES AND EMPLOYEES STOCK OPTIONS:**

During the financial year under review the company has not issued any shares with differential voting rights nor granted stock option, nor Sweat Equity.

**F) PROVISION OF MONEY BY COMPANY FOR PURCHASE OF ITS OWN SHARES BY EMPLOYEES OR BY TRUSTEES FOR THE BENEFIT OF EMPLOYEES: N.A.**

**6. MATERIAL CHANGES DURING THE FINANCIAL YEAR 2018-19**

During the year under review there is no material changes.

**7. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATED AND THE DATE OF THE REPORT**

There were no material changes and commitments affecting the financial position of the company which have occurred between the end of the financial year to which the financial statements relate and the date of this Director report.

**8. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS**

There are no significant, material orders passed by the regulators or Courts or Tribunals, which would impact the going concern status of the company and its future operations.

**9. SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES**

During the year under review no company has become or ceased to be its subsidiaries, joint venture or Associate Company.

## **10. ACCOUNTS, AUDITORS AND AUDIT REPORT**

### **Statutory Auditor**

At the Annual General Meeting held on September 29, 2016, M/s Atul Garg and Associates, Chartered Accountants, (Firm Registration No. 01544C) were appointed as Statutory Auditors of the Company to hold office till the conclusion of the Twenty Ninth (29<sup>th</sup>) Annual General Meeting of the Company to be held in the calendar year 2021. In terms of the first proviso to Section 139 of the Companies Act, 2013, the appointment of the auditors shall be placed for ratification at every Annual General Meeting. Accordingly, the appointment of M/s Atul Garg and Associates, Chartered Accountants, as statutory auditors of the Company, is placed for ratification by the shareholders. In this regard, the Company has received a certificate from the auditors to the effect that if they are reappointed, it would be in accordance with the provisions of Section 141 of the Companies Act, 2013.

Members are requested to consider the ratification of appointment of M/s Atul Garg and Associates, as the Statutory Auditors, for the financial year 2019-20.

### **Accounts:**

Accounts along with their Notes are self-explanatory and do not require any further explanation or clarification.

### **Auditors' Report:**

The notes on financial statement referred to in the auditor's report are self-explanatory. There is no qualification, reservation or adverse remarks or disclaimer made by the auditors in their report and do not call for any further explanation/comment from the board. No frauds are reported by the Auditors which fall under the purview of sub section (12) of Section 143 of the Companies Act 2013.

The Auditor's Report for the financial year 2018-19 does not contain any qualification, reservation or adverse remark.

### **Internal Auditor :**

Mr. Ved Prakash Agnihotri is the internal auditor of the company. The Audit Committee of the Board of Directors in consultation with the Internal Auditor formulates the scope, functioning, periodicity and methodology for conducting the internal audit.

### **Secretarial Auditor**

M/s. GSK & Associates, Practicing Company Secretaries, was appointed to conduct the Secretarial audit of the Company for the financial year 2019-20 in the board meeting held on 30<sup>th</sup> May, 2019, in terms of Section 204 of the Companies Act, 2013 and the rules there under. The Secretarial Audit Report for the financial year 2018-19 forms the part of the Directors' Report as **ANNEXURE-H** to the Board Report, does not contain any Qualification, reservation or adverse remark.

### **Cost Auditor :**

In conformity with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Amendment Rules, 2014, the Board of Directors of the company has, on recommendation of the Audit Committee has appointed M/s Rakesh Misra and Co., Cost Accountant (Firm Registration No. 000249) as the Cost Auditors, for conducting the audit of Cost Records of the Company pertaining to Milk and milk products manufactured by and produced by the company covered under Central Excise Tariff Act, Heading 04022910 and 19059090 respectively in compliance with the Companies (Cost Records and Audit Rules),2014.

The Board of Directors at their meeting held on 30<sup>th</sup> May,2019 have appointed M/s Rakesh Misra and Co., Cost Accountant as Cost Auditor for the financial year 2019-20, at a remuneration as specified in the notice convening the Annual General Meeting. Accordingly, the Board recommends the same for ratification by the shareholders at the ensuing Annual General Meeting.

There is no qualification, reservation or adverse remarks or disclaimer made by the auditors in their report and do not call for any further explanation/comment from the board. No frauds are reported by the Auditors which fall under the purview of sub section (12) of Section 143 of the Companies Act 2013.

*Disclosure as per The Companies (Accounts) Amendment Rules,2018:*

Company has made and maintained its Cost accounts and records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 and the Companies (Cost Records and Audit) Rules,2014

### **11. CHANGE IN NATURE OF BUSINESS, IF ANY**

There was no change in the nature of the main business carried on by the company during the period under review. However, your directors looking forward on the business model which would not be a substitute but a complementary to the current business model.

### **12. DETAILS OF DIRECTORS & KEY MANAGERIAL PERSONNEL**

During the year under review, the changes in the Directors and Key Managerial Personnel are herein below:

- During the year under review, Dr. Ashok Kumar Tripathi has been appointed as Additional and Independent Director of the Company w.e.f. 22<sup>nd</sup> Feb,2019 subject to the regularisation at forthcoming 27<sup>th</sup> AGM of the company.

A brief on the composition of the Board of Directors of the Company is annexed to this report as “ANNEXURE-A”.

### 13. DEPOSITS

During the year under review, your Company has not invited nor accepted any deposits from the public pursuant to the provisions of Section 73 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014 and no amount of principal or interest was outstanding in respect of deposits from the public as on the date of balance sheet.

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

Since the Company owns a Manufacturing facility, the particulars relating to conservation of energy and technology absorption stipulated in the Company (Accounts) Rules, 2014 are applicable, so the following are the details of Conservation of Energy, Technology absorption, foreign exchange earnings and outgo.

#### CONSERVATION OF ENERGY & TECHNOLOGY ABSORPTION

<b>a) Conservation of Energy:</b>	
(i) Steps taken for conservation	<p>During the year under review, your company for the purpose of energy conservation one of the Boiler was worked upon and upgraded to increase the efficiency of Boiler and will result in conservation of energy by efficient use of steam energy.</p> <p>*Further we are using Plate Heat Exchanger, Condenser Recovery system, which further adds the step to Energy Conservation.</p> <p>*Falling Film Chiller is giving best heat transfer and maintaining desired temp all the time hence leading to Conservation of Energy.</p> <p>*Synchronization of process with the utility like running of Ammonia Compressor, boiler chilled water as per planned processing needs in consultation with shift in charge.</p>
(ii) Steps taken for utilizing alternate sources of energy	<p>*LED lights being used as an alternate source of energy.</p> <p>*Boiler Furnace with high temperature bricks, more water re-circulation line, full nozzles with required bed along with recirculation line of fine particles of un burnt particles gathered in multi cyclone dust collector.</p>
(iii) Capital investment on energy conservation equipment	As per Financial Statement
<b>b) Technology Absorption:</b>	



(i) Efforts made for technology absorption	* Milk Homogenizer(MH) is being used.
(i) Benefits derived	*Milk homogenizer breaks the milk & its additions to molecular level hence increasing shelf life and tastes. This is a new technology in the field of liquid milk manufacture.
(i) Expenditure on Research & Development, if any	NIL
(ii) Details of technology imported, if any	NIL
(iii) Year of import	N/A
(iv) Whether imported technology fully Absorbed	N/A
(v) Areas where absorption of imported technology has not taken place, if any	N/A

#### EXPORT ACTIVITIES

During the financial year 2018-19 under review, the foreign exchange earnings is NIL

#### FOREIGN EXCHANGE EARNINGS AND OUTGO

During the financial period under review, following are the Inflow and Outflow of Foreign Exchange:

Particulars	As at 31.03.2019	As at 31.03.2018
<b>Expenditures:</b>		
Travelling and other business expenditure	14.14 Lacs	8.26 Lacs
<b>Total Outflow</b>	<b>14.14 Lacs</b>	<b>8.26 Lacs</b>
<b>Total Inflow</b>	<b>NIL</b>	<b>NIL</b>

## **15. DISCLOSURES**

### **a. EXTRACT OF ANNUAL RETURN**

The extracts of Annual Return pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 is furnished in “**ANNEXURE-B**” hereto.

### **b. NUMBER OF MEETINGS OF BOARD**

5 (Five) meetings of the Board of Directors and 1(one) Passing of resolution by Circulation, And in committee meetings 2(two) meetings of Corporate Social Committee Meeting, 4 (four) Audit Committee meetings, 1(one) Nomination and Remuneration committee meeting were convened and held during the year. 1 (One) Exclusive meeting of Independent directors held during the year. The detail of which is annexed to this report as “**Annexure-C**”.

### **c. DIRECTORS' RESPONSIBILITY STATEMENT**

In accordance with the provisions of Section 134(5) of the Companies Act, 2013 the Board hereby submits its responsibility Statement:

- (i) The applicable accounting standards have been duly followed in the preparation of Accounts for the year and that there have been no material departures there from;
- (ii) The Directors 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 as at the end the financial year and of the profit of the Company for the year ended on that date;
- (iii) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) The Directors had prepared the accounts for the year on a going concern basis;
- (v) the directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- (vi) 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.

### **d. DECLARATION BY INDEPENDENT DIRECTORS**

Mr. Narendra Shankar Sathe, Mr. Neeraj Kanodia, Mrs. Vimi Sinha, Independent Directors of the Company have submitted the declaration of Independence as required pursuant to section 149(7) of the Companies Act, 2013 at the first board meeting held during the financial year, stating that they meet the criteria of Independence as provided in section 149(6) of the

Companies Act, 2013. Dr. Ashok Kumar Tripathi has submitted his declaration before the appointment as Additional and Independent Director.

#### **e. COMMITTEES OF THE BOARD**

During the year under review, the Board has 6 committees: Audit Committee, Nomination & Remuneration Committee, the Corporate Social Responsibility Committee, Stakeholders' Relationship Committee and Executive Committee (Management committee) and Internal Complaint Committee.

#### **AUDIT COMMITTEE**

As per the provisions of Section 177 of the Companies Act, 2013, Audit Committee of the Board of Directors of the company has an optimum composition of Executive, Non-executive and Independent Director as required under the Act and the members of Audit Committee met Four (4) times during the year. ( Annexure-C)

Name of Directors	Date of Audit committee meetings				No. of meeting attended
	11-05-2018	31-08-2018	14-11-2018	10-02-2019	Count
Mr. Narendra Shankar Sathe	P	A	P	P	3
Mr. Neeraj Kanodia	P	P	P	P	4
Mr. Prem Nandan Mehra	P	P	A	A	2

#### **NOMINATION AND REMUNERATION COMMITTEE AND POLICY**

As per the provisions of Section 178 of the Companies Act, 2013, The Nomination and Remuneration Committee of the Board of Directors of the company has an optimum composition of Executive, Non-executive and Independent Director as required under the Act and the members of Nomination and Remuneration Committee met 1 (One) time during the year.

The details of the composition and meetings of its committees is provided:

	Name of Directors	Date of Nomination & Remuneration committee meetings	No. of meeting attended
		29-10-2018	Count
1	Mr. Narendra Shankar Sathe	P	1
2	Mr. Neeraj Kanodia	P	1
3	Mrs. Vimi Sinha	P	1

#### **CORPORATE SOCIAL RESPONSIBILITIES COMMITTEE**

The Board has constituted the Corporate Social Responsibility Committee and based on the recommendation of the Committee approved the CSR Policy of the Company in accordance with

Section 135 of the Act and rules made thereunder and the members of CSR Committee met 2 (Two) times during the year.

The details of the composition and meetings of its committees is provided:

Chairman and Members	Category	Meetings held during the tenure of directors	Meetings attended
Mr. Atul Mehra	Chairman	2	2
Mr. Narendra Shankar Sathe	Member	2	2
Mr. Neeraj Kanodia	Member	2	2

#### **STAKEHOLDER'S RELATIONSHIP COMMITTEE**

During the year under review, the Board has not received any query from any investor and hence no meeting was held to consider and take note the same.

#### **f. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT, 2013**

Particulars of loans, guarantees and investments under Section 186 of the Companies Act, 2013 are provided in the notes to the financial statements for the year ended March 31, 2019.

During the year under review, company has not made any Loans, guarantee, and investment which requires compliance of Section 186(3) of the Companies Act, 2013.

#### **g. BOARD EVALUATION**

Pursuant to the provisions of section 134(3)(p) the Companies Act, 2013, the Board of directors of the company is committed to get its performance evaluated in order to identify its strength and areas in which it may improve its functioning. In this regard, the Nomination and Remuneration Committee has established the process for evaluation of the performance of Directors, including the Independent Directors.

The company has devised a policy naming (Nomination & Remuneration Policy) for performance evaluation of Independent Directors, Board, Committees and other individual directors which includes the criteria and process for the performance evaluation of the Executive/ Non executive directors and Committees and board as a whole. The policy is uploaded on the website of the company i.e [www.tastydairy.com](http://www.tastydairy.com).

During the year under review as per the policy for the performance evaluation, formal annual evaluation of the performance of the Directors, including independent directors, the board and its committees was made by the Nomination & Remuneration Committee in their respective meetings.

#### **h. POLICY ON APPOINTMENT AND REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT OF THE COMPANY**

The Board has, on the recommendation of the Nomination & Remuneration Committee, framed a Nomination and Remuneration policy namely “Nomination & Remuneration Policy” in line with the requirement of Section 178 of the Companies Act, 2013 The policy inter alia provides the procedure for selection, appointment and remuneration of Directors and Key Managerial Personnel, including criteria for determining qualifications, positive attributes, and independence of Directors.

**i. CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES**

All contracts/transactions entered into by the Company during the financial year with related parties were in the ordinary course of business and on an arm’s length basis.

No material Related Party Transactions, i.e. transactions exceeding ten percent of the annual turnover as per the last audited financial statements, were entered during the year by your Company. Accordingly, the disclosure of Related Party Transactions as required under Section 134(3)(h) of the Act in Form AOC-2 is not applicable.

All Related Party Transactions are placed before the Audit Committee for review and approval. Prior omnibus approval is obtained for Related Party Transactions for transactions which are of repetitive nature and entered in the ordinary course of business and are at arm’s length. All Related Party Transactions are subjected to independent review by a reputed accounting firm to establish compliance with the requirements of Related Party Transactions under the Act and SEBI LODR Regulations.

**j. RISK MANAGEMENT POLICY**

The Company has a Risk Management Policy to identify, evaluate business risks and opportunities. This framework seeks to create transparency, minimize adverse impact on the business objectives and enhance the Company’s competitive advantage.

The business risk framework defines the risk management approach across the enterprise at various levels including documentation and reporting.

**k. PARTICULARS OF EMPLOYEES**

- a) The employees of the Company continue to render their full co-operation and support to the Management. The Directors wish to place on records their appreciation to all the employees for their co-operation.
- b) Information as per Section 197(2) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personal) Amendment Rules, 2016 forming part of the Director's Report for the year ended 31st March, 2019 is not required to be furnished as no employees was employed for Rs.1,02,00,000/- or more per year or Rs.8,50,000/- or more per month for any part of the Year.

**I. REPORTING UNDER THE PROVISIONS OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

The company has in place a policy for prevention of sexual harassment in accordance with the requirements of the Sexual Harassment of women at workplace (Prevention, Prohibition & Redressal) Act, 2013.

The Company has framed proper policy to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy. As per Section 22 and 28 of the Sexual harassment of Women at Workplace (prevention, prohibition and redressal) Act, 2013, the Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment.

The following is the summary of sexual harassment complaints received and disposed off during the financial year 2018-19.

No of Complaints Received	NIL
No of Complaints Disposed off	NIL

**m. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY**

The Company has in place adequate internal financial controls with reference to financial statements. The Board has adopted policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the 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 disclosures.

**n. CORPORATE SOCIAL RESPONSIBILITY**

As part of its initiatives under “Corporate Social Responsibility” (“CSR”), the Company has spent on the activities in the areas of Education, health, safe drinking water, eradicating hunger in terms of its “Corporate Social Responsibility Policy” (“CSR Policy”). These activities are largely in accordance with Schedule VII of the Companies Act, 2013. The Annual Report on CSR activities in the prescribed format under the Companies (Corporate Social Responsibility Policy) Rules, 2014 is attached as “ANNEXURE-D”.

**o. MANAGEMENT DISCUSSION AND ANALYSIS REPORT:**

Management’s Discussion and Analysis Report for the year under review, is presented in a separate section forming part of the Annual Report and is annexed herewith as “ANNEXURE -E”.

**p. CEO/ CFO CERTIFICATION:**

In terms of Regulation 17(8) of the Listing Regulations, the CFO has certified to the Board of Directors of the Company with regard to the financial statements and other matters specified in the said regulation for the financial year 2018-19. The certificate received from CFO is attached herewith as per “ANNEXURE – F”.

**q. LISTING FEES:**

The Company affirms that the annual listing fees for the year 2019-20 to The Bombay Stock Exchange Limited (BSE) has been duly paid. As on date no outstanding dues.

#### **r. VIGIL MECHANISM AND WHISTLE BLOWER MECHANISM**

Pursuant to the provisions of Section 177(9) of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014, the company has established a vigil mechanism for Directors and Employees to report their concerns about unethical behavior, genuine concerns, actual or suspected fraud or violation of the company's Code of Conduct.

The mechanism provides for adequate safeguards against victimization of Directors and employees who avail the vigil mechanism. In exceptional cases, Directors and employees have direct access to the Chairman of the Audit Committee. The detailed disclosure of the Vigil Mechanism & Whistle Blower Policy.

However, our Company being listed on SME Exchange – “BSE SME Platform” is exempt under Regulation 22 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

#### **s. COMPANY CODE OF PRACTICES AND PROCEDURES FOR FAIR DISCLOSURE OF UNPUBLISHED PRICE SENSITIVE INFORMATION (UPSI)**

The Board of Directors has code of practices and procedures for fair disclosure of unpublished price sensitive information (UPSI) in accordance with the requirements of the SEBI (Prohibition of Insider Trading) Regulation, 2015. Under this code the company lays down guidelines and procedures and principals to be followed, and disclosures to be made while dealing with shares of the Company, as well as the consequences of violation.

The policy has been formulated to regulate, monitor and ensure reporting of deals by employees and connected persons to maintain the highest ethical standards of dealing in Company securities.

The Revised Insider Trading Code or Policy of the Company covering code of practices and procedures for fair disclosure of unpublished price sensitive information (UPSI), is available on our website i.e [www.tastydairy.com](http://www.tastydairy.com).

#### **u. COMPLIANCE WITH THE CODE OF CONDUCT**

The Board has formulated code of Conduct for the Board Members and Senior Management of the company, which has been posted on the website of the company. It is affirmed that all the directors and senior management have complied with the code of conduct framed by the company and confirmation from all the directors, KMP and senior management has been obtained in respect of the F/y 31st March 2019. “Annexure- G”.

#### **v. CORPORATE GOVERNANCE**

Your company has been complying with the good corporate governance over the years and is committed to the highest standards of compliance. Pursuant to the Regulations 15 (2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the compliance with the corporate governance provisions as specified in the Regulations 17 to 27 and clauses (b) to (i) of Regulations 46(2) and Para C, D, and E of Schedule V shall not apply to the company whose specified securities are listed on the SME Exchange. Therefore, the Corporate Governance Report is not applicable on the company and therefore not provided by the Board.



However, your Company has incorporated the appropriate standards for corporate governance and has complied with the Regulation 17 to 27 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

#### **ACKNOWLEDGEMENTS**

The directors place on record their sincere appreciation for the assistance and co-operation extended by Bank, its employees, its investors and all other associates and look forward to continue fruitful association with all business partners of the company.

**By the order of Board of  
for Tasty Dairy Specialities Limited**

Date : August 30, 2019  
Place : Kanpur

**ATUL MEHRA**  
**Whole time Director**  
DIN : 00811607

**MAHENDRA KUMAR SINGH**  
**Director**  
DIN : 0272750

**Annexure-“A” to the Directors’ Report**

**COMPOSITION OF THE BOARD OF DIRECTORS**

The composition of the Board of as on 31st March 2019 was as follows:

Category	No. of Directors
<b>Executive Directors</b>	3
<b>Non-Executive Directors</b>	
Independent Non-Executive Director	3
Independent Women Director	1
<b>Total</b>	<b>7</b>

During the year under review, Dr. Ashok Kumar Tripathi, has been appointed as Additional and Independent Director of the company at Board meeting held on 22<sup>nd</sup> Feb,2019, subject to the final approval of shareholders at forthcoming Annual General Meeting to be held on 30<sup>th</sup> September,2019.

**By the order of Board of  
for Tasty Dairy Specialities Limited**

	<b>ATUL MEHRA</b>	<b>MAHENDRA KUMAR SINGH</b>
Date : August 30, 2019	<b>Whole time Director</b>	<b>Director</b>
Place : Kanpur	DIN : 00811607	DIN : 0272750

**“ANNEXURE-B” to the Directors’ Report**

**EXTRACT OF ANNUAL RETURN AS ON THE FINANCIAL YEAR ENDED ON 31<sup>ST</sup> MARCH, 2019  
[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies  
(Management and Administration) Rules, 2014]**

**Form no. MGT - 9**

<b>I. REGISTRATION AND OTHER DETAILS</b>	
<b>CIN</b>	L15202UP1992PLC014593
<b>Registration Date</b>	30/07/1992
<b>Name of the Company</b>	Tasty Dairy Specialities Limited
<b>Category / Sub - Category of the Company</b>	<b>Category:</b> Company limited by share <b>Sub-Category:</b> India Non-Government Company
<b>Address of the Registered Office and contact details</b>	D-3, UPSIDC Industrial Area, Jainpur- Kanpur Dehat- 209 311. Tele No.: 0512-2551643, 4003999 Fax no. : 0512-2551643 Email: info@tastydairy.com
<b>PAN of the Company</b>	AAACT6936H
<b>Whether listed company</b>	YES BOMBAY STOCK EXCHANGE LIMITED (BSE SME- Platform)
<b>Name, Address and contact details of Registrar and Transfer Agent, if any.</b>	<b>BIGSHARE SERVICES PVT. LTD.</b> 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri East, Mumbai -400059 Tel. : 022-62638200 Fax. : 022-62638299 E-mail: investor@bigshareonline.com Website: <a href="http://www.bigshareonline.com">www.bigshareonline.com</a>

<b>II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY</b>			
<b>All the business activities contributing 10% or more of the total turnover of the Company shall be stated:</b>			
<b>Sl.</b>	<b>Name and Description of main products / services</b>	<b>NIC Code of the Product / Service***</b>	<b>% to total turnover of the Company</b>
1.	Skimmed Milk Powder (SMP/SMS)	10502	15.95%
2.	Milk Liquid	10501	74.02%
3.	Ghee/ Butter/ Fat	10504	7.53%

\*\*\* As per NIC – 2008 issued by the Ministry of Statistics and Programme Implementation.

<b>III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES</b>
<b>None</b>

<b>IV. SHAREHOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY)</b>									
<b>(i) CATEGORY-WISE SHAREHOLDING</b>									
Category of Shareholder	No of shares held at the beginning of the year				No of shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total shares	Demat	Physical	Total	% of Total shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a. Individual / HUF	14994000	Nil	14994000	73.39 %	14994000	Nil	14994000	73.39%	Nil
b. Central Govt.								-	-
c. State Govt.(s)	-	-	-	-	-	-	-	-	-
d. Bodies Corporate	-	-	-	-	-	-	-	-	-
e. Banks / FIs	-	-	-	-	-	-	-	-	-
f. Any other	-	-	-	-	-	-	-	-	-
<b>Sub-total (A)(1)</b>	<b>14994000</b>	<b>Nil</b>	<b>14994000</b>	<b>73.39 %</b>	<b>14994000</b>	<b>Nil</b>	<b>14994000</b>	<b>73.39 %</b>	<b>Nil</b>
<b>(2) Foreign</b>									
a. NRIs – Individuals	-	-	-	-	-	-	-	-	-
b. Other – Individuals	-	-	-	-	-	-	-	-	-
c. Bodies Corporate	-	-	-	-	-	-	-	-	-
d. Banks/FI	-	-	-	-	-	-	-	-	-
e. Any other	-	-	-	-	-	-	-	-	-
Sub-total (A)(2) Total shareholding of Promoters	14994000	Nil	14994000	73.39 %	14994000	Nil	14994000	73.39%	Nil
<b>Other Promoters Group holding</b>	<b>3000</b>	<b>Nil</b>	<b>3000</b>	<b>0.01%</b>	<b>3000</b>	<b>Nil</b>	<b>3000</b>	<b>0.01%</b>	<b>Nil</b>
<b>Total shareholding of promoters &amp; Promoter Group(A)*</b>	<b>14997000</b>	<b>Nil</b>	<b>14997000</b>	<b>73.41</b>	<b>14997000</b>	<b>Nil</b>	<b>14997000</b>	<b>73.41</b>	<b>Nil</b>
		-							
<b>B. Public shareholding</b>									

<b>1. Institutions</b>									
a. Mutual Funds	-	-	-	-	-	-	-	-	-
b. Banks / FIs	-	-	-	-	-	-	-	-	-
c. Central Govt.	-	-	-	-	-	-	-	-	-
d. State Govt.(s)	-	-	-	-	-	-	-	-	-
e. VCFs**	-	-	-	-	-	-	-	-	-
f. Insurance Companies	-	-	-	-	-	-	-	-	-
g. FIIs	-	-	-	-	-	-	-	-	-
h. FVCFs***	-	-	-	-	-	-	-	-	-
i. Others (Specify)	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(1)</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>
<b>2. Non-institutions</b>									
a. Bodies Corporate	-	-	-	-	-	-	-	-	-
i. Indian	922063	Nil	922063	4.51	597000	Nil	597000	2.92	-1.59
ii. Overseas	-	-	-	-	-	-	-	-	-
iii.ESOP	-	-	-	-	-	-	-	-	-
b. Individuals	-	-	-	-	-	-	-	-	-
i. Individual shareholders holding nominal share capital upto Rs. 2 Lakh	2042503	Nil	2042503	9.99	2153975	Nil	2153975	10.54	0.55
i. Individual shareholders holding nominal share capital in excess of Rs. 2 Lakh	1962000	Nil	1962000	9.60	2415000	Nil	2415000	11.82	2.22
c. Others (specify)		Nil				Nil			
a) CLEARING MEMBER	419434		419434	2.05	168025		168025	0.82	-1.23
b) DIRECTOR RELATIVE	3000	Nil	3000	0.01	3000	Nil	3000	0.01	Nil
c) NON RESIDENT INDIANS (NRI)	84000	Nil	84000	0.41	96000	Nil	96000	0.46	0.05
<b>Sub-total (B)(2)</b>	<b>5433000</b>	<b>Nil</b>	<b>5433000</b>	<b>26.59</b>	<b>5433000</b>	<b>Nil</b>	<b>5433000</b>	<b>26.59</b>	<b>Nil</b>

<b>Total Public shareholding (B)****</b>	<b>5433000</b>	<b>Nil</b>	<b>5433000</b>	<b>26.59</b>	<b>5433000</b>	<b>Nil</b>	<b>5433000</b>	<b>26.59</b>	<b>Nil</b>
<b>C. Shares held by custodian for GDRs and ADRs</b>	-	-	-	-	-	-	-	-	-
<b>Grand Total (A+B+C)</b>	<b>20430000</b>	<b>Nil</b>	<b>20430000</b>	<b>100</b>	<b>20430000</b>	<b>Nil</b>	<b>20430000</b>	<b>100</b>	<b>Nil</b>

\* Total shareholding of promoter & Promoters Group (A) = (A) (1)Promoters + (A) (2) Promoter group (relative)

\*\* Venture Capital Funds

\*\*\* Foreign Venture Capital Funds

\*\*\*\* Total Public shareholding (B) = (B)(1) + (B)(2)

#### IV. SHAREHOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY)

##### (ii) SHAREHOLDING OF PROMOTERS

Sl.	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. Atul Mehra	1479000	7.24%	-	1479000	7.24%	-	Nil
2.	Mr. Prem Nandan Mehra	15000	0.07%	-	15000	0.07%	-	Nil
3.	Mrs. Sonia Mehra	13500000	66.08%	-	13500000	66.08%	-	Nil
	<b>Total</b>	<b>14994000</b>	<b>73.39%</b>	<b>-</b>	<b>14994000</b>	<b>73.39%</b>	<b>-</b>	<b>Nil</b>

#### IV. SHAREHOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY)

##### (iii) CHANGES IN PROMOTERS' SHAREHOLDING

Sl. No.	Particulars	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. Atul Mehra	1479000	7.24	1479000	7.24
2.	Mr. Prem Nandan Mehra	15000	0.07	15000	0.07
3.	Mrs. Sonia Mehra	13500000	66.08	13500000	66.08

**Shareholding Pattern of top ten Shareholders (other than Directors, promoters and holders of GDRs and ADRs):**

S. No.	For each of the Top 10 Shareholders	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.	TANVI JIGNESH MEHTA	285000	1.40	Detail as below mentioned	
2.	INTERNATIONAL FINANCIAL SERVICES LTD.	264000	1.29		
3.	ATUL KANODIA	210000	1.03		
4.	AMAR NATH AGRAWAL HUF .	150000	0.73		
5.	AMBRISH AGRAWAL HUF .	150000	0.73		
6.	NNM SECURITIES PVT LTD	114000	0.56		
7.	ANVESHAN MULTISOLUTIONS LLP	108000	0.53		
8.	LINCOLN P COELHO	102000	0.50		
9.	RITABEN JANAKRAI SONAGARA	75000	0.37		
10.	SHASHI AGGARWAL	75000	0.37		
<b>Total</b>		<b>1533000</b>	<b>7.50%</b>		

S.no	Name	No. of Shares at the begining/End of the year	Date	Increase/ Decrease in share-holding	Reason	Number of Shares	Percentage of total shares of the company
1	NNM SECURITIES PVT LTD	4,53,000	31-Mar-18	0	Transfer	4,53,000	2.22
			6-Apr-18	-3000	Transfer	4,50,000	2.20
			13-Apr-18	-3000	Transfer	4,47,000	2.19
			20-Apr-18	3000	Transfer	4,50,000	2.20
			27-Apr-18	12000	Transfer	4,62,000	2.26
			4-May-18	21000	Transfer	4,83,000	2.36
			11-May-18	15000	Transfer	4,98,000	2.44
			18-May-18	-3000	Transfer	4,95,000	2.42
			25-May-18	18000	Transfer	5,13,000	2.51
			1-Jun-18	-3000	Transfer	5,10,000	2.50
			8-Jun-18	12000	Transfer	5,22,000	2.56
			15-Jun-18	-3000	Transfer	5,19,000	2.54
			22-Jun-18	-108000	Transfer	4,11,000	2.01
			29-Jun-18	3000	Transfer	4,14,000	2.03
			6-Jul-18	3000	Transfer	4,17,000	2.04
			13-Jul-18	-9000	Transfer	4,08,000	2.00
			20-Jul-18	9000	Transfer	4,17,000	2.04



			3-Aug-18	-3000	Transfer	4,14,000	2.03
			10-Aug-18	-3000	Transfer	4,11,000	2.01
			17-Aug-18	6000	Transfer	4,17,000	2.04
			31-Aug-18	3000	Transfer	4,20,000	2.06
			7-Sep-18	-90000	Transfer	3,30,000	1.62
			21-Sep-18	3000	Transfer	3,33,000	1.63
			28-Sep-18	-63000	Transfer	2,70,000	1.32
			5-Oct-18	3000	Transfer	2,73,000	1.34
			12-Oct-18	-39000	Transfer	2,34,000	1.15
			19-Oct-18	-66000	Transfer	1,68,000	0.82
			26-Oct-18	-9000	Transfer	1,59,000	0.78
			2-Nov-18	-9000	Transfer	1,50,000	0.73
			9-Nov-18	-9000	Transfer	1,41,000	0.69
			16-Nov-18	-6000	Transfer	1,35,000	0.66
			23-Nov-18	33000	Transfer	1,68,000	0.82
			30-Nov-18	-9000	Transfer	1,59,000	0.78
			7-Dec-18	-6000	Transfer	1,53,000	0.75
			21-Dec-18	-6000	Transfer	1,47,000	0.72
			31-Dec-18	3000	Transfer	1,50,000	0.73
			4-Jan-19	21000	Transfer	1,71,000	0.84
			11-Jan-19	-15000	Transfer	1,56,000	0.76
			25-Jan-19	-12000	Transfer	1,44,000	0.70
			1-Feb-19	6000	Transfer	1,50,000	0.73
			8-Feb-19	3000	Transfer	1,53,000	0.75
			15-Feb-19	12000	Transfer	1,65,000	0.81
			22-Feb-19	6000	Transfer	1,71,000	0.84
			1-Mar-19	-9000	Transfer	1,62,000	0.79
			15-Mar-19	-6000	Transfer	1,56,000	0.76
			22-Mar-19	-9000	Transfer	1,47,000	0.72
			29-Mar-19	3000	Transfer	1,50,000	0.73
		<b>1,50,000</b>	30-Mar-19	0	Transfer	1,50,000	0.73
<b>2</b>	<b>TANVI JIGNESH MEHTA</b>	<b>1,05,000</b>	<b>31-Mar-18</b>	<b>0</b>	<b>Transfer</b>	<b>1,05,000</b>	<b>0.51</b>
			13-Apr-18	15000	Transfer	1,20,000	0.59
			20-Apr-18	6000	Transfer	1,26,000	0.62
			27-Apr-18	24000	Transfer	1,50,000	0.73
			4-May-18	6000	Transfer	1,56,000	0.76
			11-May-18	3000	Transfer	1,59,000	0.78
			18-May-18	42000	Transfer	2,01,000	0.98
			25-May-18	9000	Transfer	2,10,000	1.03
			1-Jun-18	12000	Transfer	2,22,000	1.09
			8-Jun-18	9000	Transfer	2,31,000	1.13
			15-Jun-18	15000	Transfer	2,46,000	1.20
			22-Jun-18	12000	Transfer	2,58,000	1.26
			29-Jun-18	15000	Transfer	2,73,000	1.34
			13-Jul-18	3000	Transfer	2,76,000	1.35
			27-Jul-18	3000	Transfer	2,79,000	1.37
			28-Sep-18	3000	Transfer	2,82,000	1.38
			12-Oct-18	3000	Transfer	2,85,000	1.40

		2,85,000	30-Mar-19	0	Transfer	2,85,000	1.40
<b>3</b>	<b>INTERNATIONAL FINANCIAL SERVICES LTD.</b>	<b>0</b>	<b>31-Mar-18</b>		<b>Transfer</b>	<b>0</b>	<b>0.00</b>
			21-Sep-18	90000	Transfer	90,000	0.44
			12-Oct-18	144000	Transfer	2,34,000	1.15
			29-Mar-19	30000	Transfer	2,64,000	1.29
		2,64,000	30-Mar-19	0	Transfer	2,64,000	1.29
<b>4</b>	<b>ATUL KANODIA</b>	<b>2,07,000</b>	<b>31-Mar-18</b>	<b>0</b>	<b>Transfer</b>	<b>2,07,000</b>	<b>1.01</b>
			6-Apr-18	-3000	Transfer	2,04,000	1.00
			13-Apr-18	-21000	Transfer	1,83,000	0.90
			20-Apr-18	27000	Transfer	2,10,000	1.03
			18-May-18	-6000	Transfer	2,04,000	1.00
			8-Jun-18	3000	Transfer	2,07,000	1.01
			7-Dec-18	3000	Transfer	2,10,000	1.03
			8-Mar-19	-108000	Transfer	1,02,000	0.50
			15-Mar-19	-102000	Transfer	0	0.00
			29-Mar-19	210000	Transfer	2,10,000	1.03
		2,10,000	30-Mar-19	0	Transfer	2,10,000	1.03
<b>5</b>	<b>AMAR NATH AGRAWAL HUF .</b>	<b>0</b>	<b>31-Mar-18</b>		<b>Transfer</b>	<b>0</b>	<b>0.00</b>
			13-Apr-18	150000	Transfer	1,50,000	0.73
		1,50,000	30-Mar-19	0	Transfer	1,50,000	0.73
<b>6</b>	<b>AMBRISH AGRAWAL HUF .</b>	<b>0</b>	<b>31-Mar-18</b>		<b>Transfer</b>	<b>0</b>	<b>0.00</b>
			20-Apr-18	150000	Transfer	1,50,000	0.73
		1,50,000	30-Mar-19	0	Transfer	1,50,000	0.73
<b>7</b>	<b>ANVESHAN MULTISOLUTIONS LLP</b>	<b>108000</b>	<b>02-Mar-18</b>	<b>0</b>	<b>Transfer</b>	<b>1,08,000</b>	<b>0.53</b>
		108000	31-Mar-19	0	Transfer	1,08,000	0.53
<b>8</b>	<b>LINCOLN P COELHO</b>	<b>1,02,000</b>	<b>31-Mar-18</b>	<b>0</b>	<b>Transfer</b>	<b>1,02,000</b>	<b>0.50</b>
		1,02,000	30-Mar-19	0	Transfer	1,02,000	0.50
<b>9</b>	<b>RITABEN JANAKRAI SONAGARA</b>	<b>75,000</b>	<b>31-Mar-18</b>	<b>0</b>	<b>Transfer</b>	<b>75,000</b>	<b>0.37</b>
		75,000	30-Mar-19	0	Transfer	75,000	0.37
<b>10</b>	<b>SHASHI AGGARWAL</b>	<b>6,000</b>	<b>31-Mar-18</b>	<b>0</b>	<b>Transfer</b>	<b>6,000</b>	<b>0.03</b>
			6-Apr-18	60000	Transfer	66,000	0.32
			13-Apr-18	27000	Transfer	93,000	0.46
		93,000	30-Mar-19	0	Transfer	93,000	0.46

<b>IV. SHAREHOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY)</b>					
<b>(v) SHAREHOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL</b>					
Sl. No.	For each of the Directors or KMP	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. ATUL MEHRA				
	At the beginning of the year	1479000	7.24%	1479000	7.24%
	Changes during the year	NO CHANGES			
	Date Reason				
- -					
At the end of the year	1479000	7.24%	1479000	7.24%	
2.	MR. PREM NANDAN MEHRA				
	At the beginning of the year	15000	0.07%	15000	0.07%
	Changes during the year	NO CHANGES			
	Date Reason				
- -					
At the end of the year	15000	0.07%	15000	0.07%	
3.	MR. NARENDRA SHANKAR SATHE				
	At the beginning of the year	1500	0.01%	1500	0.01%
	Changes during the year	NO CHANGES			
	Date Reason				
- -					
At the end of the year	1500	0.01%	1500	0.01%	
<b>Total Shareholding of Directors</b>		<b>1495500</b>	<b>7.32%</b>	<b>1495500</b>	<b>7.32%</b>

<b>V. INDEBTEDNESS</b>				
<b>INDEBTEDNESS OF THE COMPANY INCLUDING INTEREST OUTSTANDING / ACCRUED BUT NOT DUE FOR PAYMENT (in Rs)</b>				
Particulars	Secured loans excluding deposits	Unsecured loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
(i) Principal amount	28,27,03,706.78	5,40,26,025.81	-	336,729,732.59
(ii) Interest due but not paid	-	-	-	-
(iii) Interest accrued but not due	-	-	-	-
<b>Total (i + ii + iii)</b>	<b>28,27,03,706.78</b>	<b>5,40,26,025.81</b>	<b>-</b>	<b>336,729,732.59</b>
<b>Change in indebtedness during the financial year</b>				
(+) Addition	1,76,63,467.57	4,12,59,392.65	-	5,89,22,860.22
(-) Reduction	-	-	-	-
<b>Net Change</b>				
<b>Indebtedness at the end of the financial year</b>				
(iv) Principal amount	30,03,67,174.35	9,52,85,418.46	-	39,56,52,592.81
(v) Interest due but not paid	-	-	-	-
(vi) Interest accrued but not due	-	-	-	-
<b>Total (iv + v + vi)</b>	<b>30,03,67,174.35</b>	<b>9,52,85,418.46</b>	<b>-</b>	<b>39,56,52,592.81</b>

<b>VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL (in Rs.)</b>					
<b>A. REMUNERATION TO MANAGING DIRECTOR, WHOLE TIME DIRECTOR AND / OR MANAGER</b>					
Sl.	Particulars of remuneration	Name	Name	Name	Total Amount
1.	<b>Gross Salary</b>	<b>Mr. Atul Mehra</b>	<b>Mr. Prem Nandan Mehra</b>	<b>Mr. Mahendra Kumar Singh</b>	
	a. Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	Rs. 60,00,000	Rs. 1,44,000	Rs.315559	Rs. 64,59,559
	b. Value of perquisites under Section 17(2) of the Income Tax Act, 1961	Nil	Nil	Nil	Nil
	c. Profit in lieu of salary under Section 17(3) of the Income Tax Act, 1961				
-	<b>Stock Options</b>				
3.	<b>Sweat Equity</b>				
4.	<b>Commission</b>				
	- as % of profit				
	- others (specify)				
5.	Others (specify)				
	<b>Total (A)</b>	<b>Rs. 60,00,000</b>	<b>Rs. 1,44,000</b>	<b>Rs.315559</b>	<b>Rs. 64,59,559</b>
	<b>Ceiling as per the Act</b>	<b>Rs.8,20,09,554.63</b>			

<b>VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL (in Rs.)</b>						
<b>B. REMUNERATION TO OTHER DIRECTORS</b>						
Sl. No.	Particulars of remuneration	Name of Directors				Total Amount
		MR. NEERAJ KANODIA	MR. NARENDRA S. SATHE	MRS. VIMI SINHA	DR. ASHOK K. TRIPATHI	
<b>1.</b>	<b>Independent Directors</b>					
	Fees for attending board / committee meetings	-	-	-	-	NIL
	Commission	-	-	-	-	NIL
	Others (specify)	-	-	-	-	NIL
	<b>Total (1)</b>	NIL	NIL	NIL	NIL	NIL
<b>2.</b>	<b>Other Non-Executive Directors</b>					
	Fees for attending board / committee meetings	NIL	NIL	NIL		NIL
	Commission	NIL	NIL	NIL		NIL
	Others (specify)	NIL	NIL	NIL		NIL
	<b>Total (2)</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>		<b>NIL</b>

<b>Total (B) = (1 + 2)</b>	<b>NIL</b>	<b>NIL</b>		<b>NIL</b>
<b>Total Managerial Remuneration</b>	<b>NIL</b>	<b>NIL</b>		<b>NIL</b>
<b>Overall ceiling as per the Act</b>	<b>NIL</b>	<b>NIL</b>		<b>NIL</b>

Note : Sitting fees of independent directors has been paid in next financial year 2019-20.

<b>VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL (in Rs.)</b>					
<b>C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD</b>					
<b>Sl. No.</b>	<b>Particulars of remuneration</b>	<b>Key Managerial Personnel</b>			<b>Total Amount (in Rs)</b>
<b>1.</b>	<b>Gross Salary</b>	<b>Mr. Rakesh K. Yadav</b> Chief Financial Officer	CEO	<b>Ms. Nishi Sheikh</b> Company Secretary	
	a. Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	4.20 Lacs	Nil	2.41 Lacs	6.61 Lacs
	b. Value of perquisites under Section 17(2) of the Income Tax Act, 1961	Nil	Nil	Nil	Nil
	c. Profit in lieu of salary under Section 17(3) of the Income Tax Act, 1961	Nil	Nil	Nil	Nil
<b>2.</b>	<b>Stock Options</b>	Nil	Nil	Nil	Nil
<b>3.</b>	<b>Sweat Equity</b>	Nil	Nil	Nil	Nil
<b>4.</b>	<b>Commission</b>	Nil	Nil	Nil	Nil
	- as % of profit	Nil	Nil	Nil	Nil
	- others (specify)	Nil	Nil	Nil	Nil
<b>5.</b>	<b>Others (specify)</b>				
	<b>Total (A)</b>	<b>4.20 Lacs</b>	<b>Nil</b>	<b>2.41 Lacs</b>	<b>6.61 Lacs</b>

<b>VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES</b>					
<b>Type</b>	<b>Section of the Companies Act</b>	<b>Brief Description</b>	<b>Details of Penalty / Punishment / Compounding Fees imposed</b>	<b>Authority [RD / NCLT / Court]</b>	<b>Appeal made, if any (give details)</b>
<b>A. COMPANY</b>					
Penalty			None		
Punishment					
Compounding					
<b>B. DIRECTORS</b>					
Penalty			None		
Punishment					
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty			None		
Punishment					
Compounding					

**By the order of Board of  
for Tasty Dairy Specialities Limited**

Date : August 30, 2019  
Place : Kanpur

**ATUL MEHRA**  
**Whole time Director**  
DIN : 00811607

**MAHENDRA KUMAR SINGH**  
**Director**  
DIN : 0272750

**“Annexure-C” to the Directors’ Report  
BOARD MEETINGS HELD DURING THE 2018-19**

S. No.	Date of Meetings	Total Number of Directors as on the date of meeting	Attendance	
			Number of Director attended	as %age of total Director
1	11-05-2018	6	5	83.33
2	04-08-2018	6	6	100
3	31-08-2018	6	4	66.67
4	14-11-2018	6	5	83.33
5	22-02-2019	6	4	66.67

\*One passing of resolution through circulation dated 30<sup>th</sup> March, 2019.

**EXCLUSIVE MEETING OF INDEPENDENT DIRECTOR**

S. No.	Date of Meetings	Total Number of Directors as on the date of meeting	Attendance	
			Number of Director attended	as %age of total Director
1	22-02-2019	4	3	75

**COMMITTEE MEETINGS HELD DURING THE YEAR 2018-19**

**1. CSR COMMITTEE MEETINGS DURING THE YEAR 2018-19**

S. No.	Date of Meetings	Total Number of Directors as on the date of meeting	Attendance	
			Number of Director attended	as %age of total Director
1	07-05-2018	3	3	100
2	23-03-2019	3	3	100

**2. AUDIT COMMITTEE MEETINGS DURING THE YEAR 2018-19**

S. No.	Date of Meetings	Total Number of Directors as on the date of meeting	Attendance	
			Number of Director attended	as %age of total Director
1	11-05-2018	3	3	100
2	31-08-2018	3	2	66.67
3	14-11-2018	3	2	66.67
4	10-02-2019	3	2	66.67



**3. NOMINATION AND REMUNERATION COMMITTEE MEETING HELD DURING THE YEAR 2018-19**

S. No.	Date of Meetings	Total Number of Directors as on the date of meeting	Attendance	
			Number of Director attended	as %age of total Director
1	29-10-2018	3	3	100

**4. STAKEHOLDERS RELATIONSHIP COMMITTEE MEETING HELD DURING THE YEAR 2018-19**

S. No.	Date of Meetings	Total Number of Directors as on the date of meeting	Attendance	
			Number of Director attended	as %age of total Director
<b>NO MEETING</b>				

**By the order of Board of  
for Tasty Dairy Specialities Limited**

Date : August 30, 2019  
Place : Kanpur

**ATUL MEHRA**  
**Whole time Director**  
DIN : 00811607

**MAHENDRA KUMAR SINGH**  
**Director**  
DIN : 0272750

## “Annexure-D” to the Boards’ Report

### ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES FOR THE FY 2018-19 TO BE INCLUDED IN THE DIRECTORS’ REPORT:

1. A brief outline of the Company’s CSR policy, including overview of projects or program proposed to be undertaken and a reference to the CSR policy and projects or program is shown in website of the company :

Tasty Dairy Specialities Limited (TDSL) has been continuously involved in holistic development of the society. TDSL furthered its deliverables on social responsibility by strengthening and improving lives of under privileged and marginalized communities. The social initiatives encompassing Availability of Safe Drinking Water, Women Empowerment, Farmer Capacity Building Activities/Seminars, Healthcare initiatives viz Eye Testing Camps, Blood Checking Camp, Child Education, Water Sanitation, Rural Development Projects etc. were taken.

#### 2. The Composition of the CSR Committee

The company has constituted a CSR Committee of directors comprising of following director members

- Mr Atul Mehra (Chairman of Committee)
- Mr. Neeraj Kanodia (Independent Director)
- Mr. Narendra Shankar Sathe (Independent Director)

3. Average net profit of the Company for last three financial years: Rs.6,36,39,662/-

4. **Prescribed CSR Expenditure :** Rs.12,72,793/-

**(2% of the amount as in item 3 above)**

5. Details of CSR spent during the financial year:

- a) Total Gross amount to be spent for the financial year 2018-19, as per Sec135 of Companies Act, 2013 read with schedule VII thereof : **Rs.12,72,793/-**
- b) Amount unspent, if any :Rs. 24,403/-

Company has spent Rs.12,48,390.00 towards Corporate Social Responsibility which includes such expenses incurred out of unspent amount of earlier years. The various head under which CSR Expenditure were incurred out of un-spent amount of earlier year.

Particulars	Relevant Clause of Schedule 7 of Companies Act,2013	2018-19	
Making Available Safe drinking water	i	₹	3,41,046.00
Eradicating hunger- Providing Skimmed milk powder, Biscuits & Tea	i	₹	1,37,497.00
Special Education to Progressive Farmers, NGO's, Vetinarians and Dairy Farm Owners	ii	₹	3,89,795.00
Promoting Education by distribution of Bags and stationaries	ii	₹	91,580.00
Protection of flora and fauna, animal welfare - Cattel Health Check up	iv	₹	2,78,342.00
Promoting health care including preventive health care	i	₹	10,130.00
<b>TOTAL</b>		₹	12,48,390.00

c) Manner in which the amount spent during the financial year is as follows :

Sl No.	Program Name	CSR Projects or Activity Identified	Sector in which the Projects is Covered	Area/ Location	Amount Outlay Project (In Rs.)	Amount spent on the project a) Direct expenditure on projects or programs b) Overheads	Cumulative Expenditure upon to the reporting period	Amount spent (Direct or implementin g, agency)
1	Making Available Safe drinking water	Sending water tankers in needy areas	Needy Areas	Bundelkhand , Kanpur dehat Area	3,41,046.00	3,41,046.00	3,41,046.00	Direct
2	Eradicating hunger- Providing Skimmed milk powder, Biscuits & Tea	Support to Swaraj Vridhya Ashram	Swaraj Vridhya Ashram	Kanpur	1,37,497.00	1,37,497.00	1,37,497.00	Direct
3	Special Education to Progressive Farmers, NGO's,	Training to Farmers etc	Workshop and Education	100 Km Around Kanpur	3,89,795.00	3,89,795.00	3,89,795.00	Direct

	Vetenarians and Dairy Farm Owners		for Farmers					
4	Protection of flora and fauna, animal welfare - Cattel Health Check up	Cattle Health Checkup/ Vaccination	Animal welfare	Kanpur	2,78,342.00	2,78,342.00	2,78,342.00	Direct
5	Promoting health care including preventive health care	Blood Group Testing Camp	Medical Assistance	Kanpur	10,130.00	10,130.00	10,130.00	Direct
6	Promoting Education by distribution of Bags and stationaries	Promoting Education	Education	Kanpur	91,580.00	91,580.00	91,580.00	Direct
<b>TOTAL</b>					<b>12,95,348</b>	<b>12,95,348.00</b>	<b>12,95,348.00</b>	

CSR Committee confirms that the implementation and monitoring of CSR Policy, is in compliance with the CSR objectives and Policy of the Company. **Committee has approved the donation of Rs.7 Lakhs to “Kanpur Vidya Mandir Society” for its growth and development of Educational Institution by the Society**

*for TASTY DAIRY SPECIALITIES LIMITED*

Sd/-  
**ATUL MEHRA**  
 Whole time Director  
 (Chairman of Committee)

## **Annexure- E**

### **MANAGEMENTS DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATION**

The following discussion of our financial condition and results of operations should be read in conjunction with our financial statements as of and for the year ended March 31, 2018 and the year ended March 31, 2019, prepared in accordance with Companies Act, 2013 to the extent applicable and Indian GAAP, including the schedules, annexure and notes thereto and the reports thereon, included in 'Financial Statements'.

This discussion contains forward-looking statements and reflects our current views with respect to future events and financial performance.

#### **INDUSTRY STRUCTURE AND DEVELOPMENT**

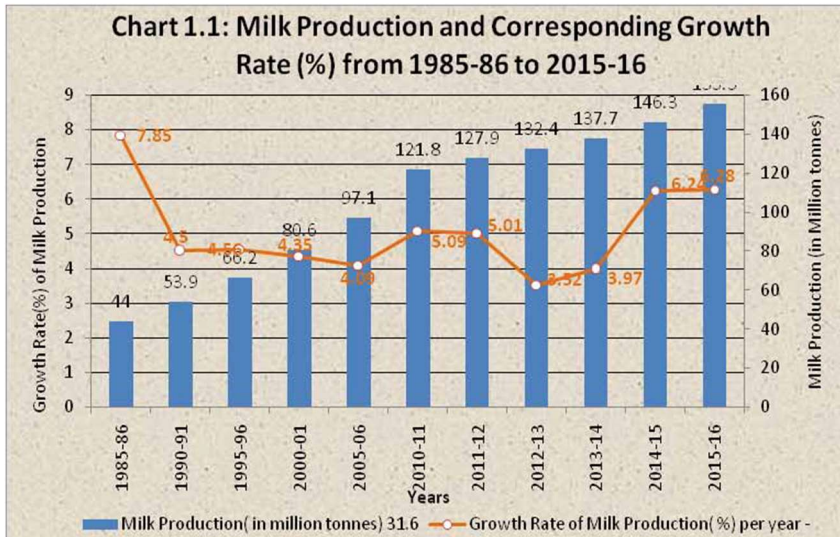
##### **A) Overview of Indian economy**

Dairy activities have traditionally been integral to India's rural economy. The country is one of the largest producer of dairy products in the world and almost entire production is consumed by the nation. Despite being the world's largest producer, the dairy sector is by and large in the primitive stage of development and modernization. On the demand side, the situation is buoyant. With the sustained growth of the Indian economy and a consequent rise in the purchasing power during the last two decades, more and more people today are able to afford milk and value added dairy products. This trend is expected to continue with the sector experiencing a robust growth in demand in the short and medium run. If the impediments in the way of growth and development are left unaddressed, India is likely to face a serious supply - demand mismatch and it may gradually turn into a substantial importer of milk and milk products.

The Indian economy expanded 6.3 percent year-on-year in the third quarter of 2017, above a 5.7 percent in the previous quarter which was the lowest in near three years, but below market expectations of a 6.4 percent. Investment and inventories growth rebounded, offsetting a slowdown in both private and public spending. GDP Annual Growth Rate in India averaged 6.12 percent from 1951 until 2017, reaching an all-time high of 11.40% in the first quarter of 2010 and a record low of -5.20 percent in the fourth quarter of 1979.

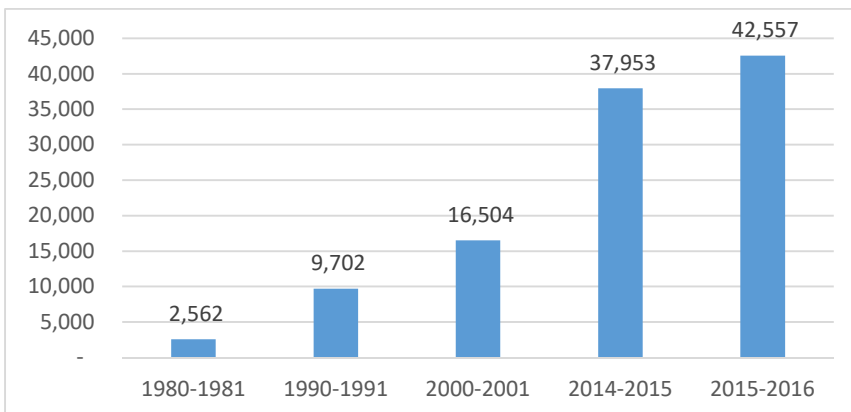
##### **Milk Production**

India continues to be the largest producer of milk in world. Several measures have been initiated by the Government to increase the productivity of livestock, which has resulted in increasing the milk production significantly from the level of 102.6 million tonnes at the end of the Tenth Plan (2006-07) to 127.9 million tonnes at the end of the Eleventh Plan (2011-12). Milk production during 2014-15 and 2015-16 is 146.3 million tonnes and 155.5 million tonnes respectively showing an annual growth of 6.27% per capita availability of milk is around 337 grams per day in 2015-16 production of milk and corresponding growth rate (%) per year from 1985-86 to 2015-16 is shown in chart



Source: <http://dahd.nic.in/sites/default/files/Annual%20Report%202016-17.pdf>

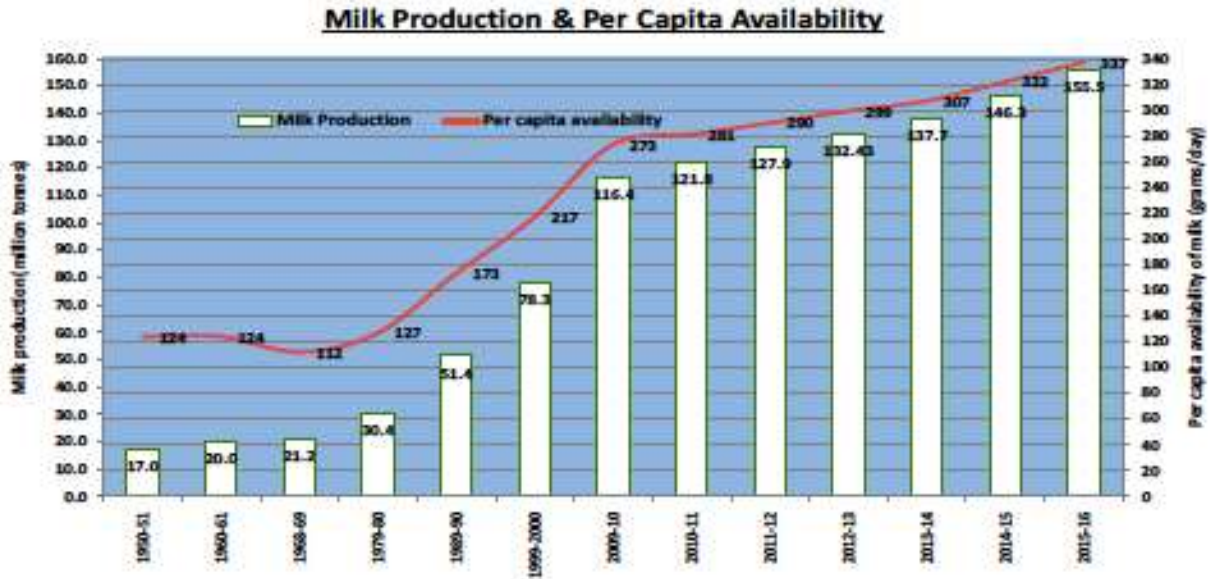
Milk Procurement (in thousands kilograms per day)



Source: [http://www.nddb.org/sites/default/files/NDDDB\\_AR\\_2015-16Eng.pdf](http://www.nddb.org/sites/default/files/NDDDB_AR_2015-16Eng.pdf)

### Dairy Development

The Dairy sector in India has grown substantially over the years. As a result of prudent policy intervention, India ranks first among the world’s milk producing nations, achieving an annual output of 155.49 million tonnes during the year 2015-16 as compared to 146.31 million tonnes during 2014-15 recording a growth rate of 6.27 %. FAO reported 1.8% increase in world milk production from 789 million tonnes in 2014 to 803 million tonnes in 2015. This represents a sustained growth in the availability of milk and milk products for growing population.

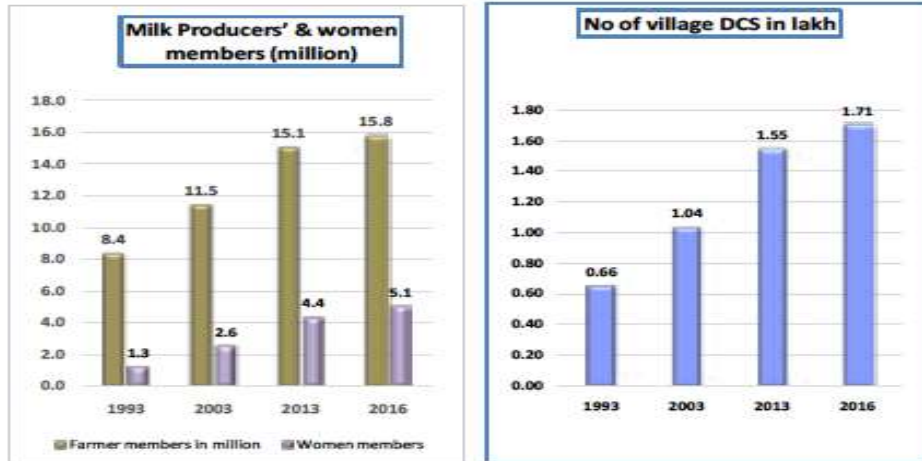


Source: <http://dahd.nic.in/sites/default/files/Annual%20Report%202016-17.pdf>

Dairying has become an important secondary source of income for millions of rural families and has assumed the most important role in providing employment and income generating opportunities particularly for women and marginal farmers. The per capita availability of milk has reached a level of 337 grams per day during the year 2015-16, which is more than the world average of 299 grams per day in 2015. Most of the milk in the Country is produced by small, marginal farmers and landless laborers. 198 dairy cooperative milk unions have covered about 15.83 million farmers under the ambit of 1,70,992 village level dairy corporative societies have procured an average of 42.55 million kgs per day of milk during the year 2015-16 as compared to 38 million kgs per day in the previous year recording a growth of 12%. The sale of liquid milk by the Cooperative Dairies has reached 32 million liters per day during the year 2015-16 as compared to 31.24 million liters per day registering a growth of 2.7% over the previous year up to March 2016. The Cooperative Milk Unions.



## Dairying in India : Cooperatives



Source: NDDB annual Report

Source: <http://dahd.nic.in/sites/default/files/Annual%20Report%202016-17.pdf>

### **BUSINESS OVERVIEW**

Our Company was originally incorporated as a private limited company on 30th July, 1992 under the name Tasty Dairy Specialities Private Limited vide certificate of Incorporation dated July 30, 1992, issued by the Registrar of Companies, Kanpur under the provisions of Companies Act 1956. Subsequently our Company was converted into a public limited company pursuant to special resolution passed at the Extra-ordinary General Meeting of our Company held on April 10, 2004 and the name of our company was changed to "Tasty Dairy Specialities Limited" Upon conversion into a public limited company, a fresh certificate of incorporation was issued by the Registrar of Companies, Kanpur on November 25, 2004. The Corporate Identification Number of our Company is L15202UP1992PLC014593. Our Company is currently involved in processing milk, along with bulk milk procurement and handling during season time which primarily caters to bulk and marquee institutional customers. Company is also involved in value added milk products like SMP, butter, ghee, dairy whitener, concentrated milk etc.

Our Company has wide range of quality dairy products under its umbrella which includes Pasteurized Liquid Milk, Cream, Butter (White/Salted), Pure Desi Ghee (Clarified Butter), Paneer (Fresh Cottage Cheese), Skimmed Milk Powder, Full Cream Milk Powder, Dairy Whitener, Instant Gulab Jamun Mix, Peda (a Indian Sweet), Mithai Powder etc., are packaged under the brand names "UJJWAL", "SHIKHAR", "VERIFRESH", "CIMA", "MITHAI MASTER" which are available in Uttar Pradesh, Madhya Pradesh and Bihar, whereas, the institutional products are supplied pan India. As of March 31, 2019, our distributor network included more than 20 distributors through which we serve a large number of retail outlets.

We have received several quality certifications relating to our products and production facilities, including ISO 22000:2005 certification from IRCLASS Systems and Solutions Private Limited for receipt of raw milk, processing, packaging, storage and dispatch of pasteurized milk and milk products. The company has made constant efforts in raising the bar by achieving various quality standards like BIS certificate from Bureau of Indian Standard in respect of skimmed milk powder, AGMARK quality certification for ghee, approval for processing and packaging of milk products for export by Export Council of India. Our products undergo stringent quality check and meet the highest standards set by our customers.



## **B) OPPORTUNITY AND THREAT**

### Opportunities

- There are tremendous opportunity in B2C segment given rising inclination of end consumers to Branded Dairy Products which Tasty dairy can tap by entering in this segment through its new unit at D-5 UPSIDC INDUSTRIAL AREA JAINPUR, KANPUR DEHAT.

### Threat

- Though the company has enough experience and seasoned professional to mitigate any business threat, the Company still may face stiff competition from the established big companies operating in B2C Segment of Dairy Products.

## **C) PRODUCT WISE PERFORMANCE**

### **FINANCIAL YEAR 2018-19**

<b>Sl. No.</b>	<b>Item Name</b>	<b>Item Type</b>	<b>Qty. (in Kgs)</b>	<b>Sale % age</b>
1	Milk	Manufactured	82522895.09	74.02
2	Skimmed Milk Powder	Manufactured	3728784	15.95
3	Butter	Manufactured	640790	4.10
4.	Ghee/ Milk Fat	Manufactured	442571.77	3.43
5.	Gulab Jamun Instant Mix	Manufactured	805929	2.42
5.	Other Milk Products	Manufactured	40675	0.07

## **D) OUTLOOK**

This Annual Report contains the Business And Event Update during the year 2018-19, and it was also uploaded <https://www.bseindia.com/xml-data/corpfiling/AttachHis/29007531-726a-4232-bbc6-8a1a40f5b7a6.pdf>.

## **E) RISK AND CONCERNS**

We as such do not foresee any eminent threats to our business through risks arising out of major change in global dairy market always persist for any dairy industry.

The company has been able to mitigate such risks by working upon strengthening its supply chain and increasing its customers base.

#### **F) INTERNAL CONTROL SYSTEM AND ADEQUACY**

The Company has in place adequate internal financial controls with reference to financial statements. The Board has adopted policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the 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 disclosures.

#### **PERFORMANCE REVIEW:**

#### **G) FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE**

##### **Summary of the Results of Operation:**

Particulars	(in lacs)	
	For the year ended March 31,	
	<u>2019</u>	<u>2018</u>
<b><u>Revenue:</u></b>		
<b>Revenue From Operations (Net Of Taxes)</b>	36520.51	33,186.44
<i>As a % of Total Revenue</i>	99.71%	99.87%
<b>Other Income</b>	105.28	44.37
<i>As a % of Total Revenue</i>	0.29%	0.13%
<b>Total Revenue</b>	<b>36,625.79</b>	<b>33,230.81</b>
<b><u>Expenses:</u></b>		
<b>Cost of Material Consumed</b>	37979.39	30,794.56
<b>Purchase Of Stock-in-Trade</b>	-	-
<b>Changes in Inventories of Finished Goods, Work-In-Progress and Stock-in Trade</b>	-3896.60	28.02
<b>Employee Benefit Expenses</b>	318.78	230.65
<b>Financial Cost</b>	410.11	489.95
<b>Depreciation and Amortization Expenses</b>	193.38	230.40
<b>Other Expenses</b>	875.19	752.86
<b>Total Expenses</b>	<b>32,526.44</b>	<b>23,315.50</b>
<i>As a % of Total Revenue</i>		97.88%
<b>Profit before exceptional, extraordinary items and tax</b>	<b>745.54</b>	<b>704.37</b>
<i>As a % of Total Revenue</i>	2.04%	2.12%
<b>Less:Exceptional Items</b>	-	-

<b>Profit before extraordinary items and tax (A-B)</b>	<b>745.54</b>	<b>704.37</b>
<i>As a % of Total Revenue</i>	2.04%	2.12%
<b>Prior Period Items</b>	-	-
<b>Extra Ordinary Items</b>	-	-
<b>Profit before tax</b>	<b>745.54</b>	<b>704.37</b>
<i>As a % of Total Revenue</i>	2.04%	2.12%
<b>Tax expense :</b>		
<b>Current Tax</b>	155.73	143.63
<b>MAT Credit Utilization</b>	5.21	36.17
<b>Income Tax relating to earlier year</b>	-	3.33
<b>Deferred Tax</b>	(9.95)	(13.15)
<b>Mat Assets</b>	-	-
<b>Total Tax Expenses</b>	151.00	169.98
<i>As a % of Total Revenue</i>	0.41%	0.51%
<b>Profit/(Loss) for the period After Tax- PAT</b>	<b>594.54</b>	<b>534.39</b>
<i>As a % of Total Revenue</i>	1.62%	1.61%

Over View of Result of Operations and Comparison of Financial Year ended 31<sup>st</sup> March, 2019 with Financial Year ended 31<sup>st</sup> March, 2018.

**Revenue from Operations:-**

The Operating Income of the Company has increased from 31,186.44 Lacs in F.Y.2017-18 to 36520.51 Lacs in F.Y.2018-19.

**Other Income:-**

The Other Income of the Company has increased from 44.37 Lacs in F.Y.2017-18 to 105.28 Lacs in F.Y.2018-19.

**Expenditure:-**

The Expenditure of the Company has increased from 32,526.44 in F.Y.2017-18 to 35,880.25 Lacs in F.Y.2018-19. The increased is mainly due to increase in Turnover.

**Net Profit after Tax and Extra Ordinary Items:-**

The PAT has increased from 534.39 Lacs in the F.Y.2017-18 to 594.54 Lacs in F.Y.2018-19. The increase is mainly due to increase in Turnover.

**H) MATERIAL DEVELOPMENT IN HUMAN RESOURCES/ INDUSTRIAL RELATION FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED.**

No material development in Human Resources. However, your company appointed various consultant and Advisors as and when required. Appointments are as per Attendance record maintained by the organisation.

No circumstances have arisen since the date of last financial statement until the date Annual return, which materially and adversely affect or are likely to affect the operations or profitability of our Company, or value of its assets, or its ability to pay its liability within next twelve months. There is no subsequent development after the date of the Auditor's Report, which will have a material impact on the reserves, profits, earnings per share and book value of the Equity Shares of the Company.

**I) RATIOS ANALYSIS (MARCH,2019)**

<b>i) Debtors Turnover</b>	<b>1 : 17.94</b>
<b>ii) Inventory Turnover</b>	<b>1 : 64.32</b>
<b>iii) Interest Coverage Ratio</b>	<b>1 : 3.03</b>
<b>iv) Current Ratio</b>	<b>1 : 2.16</b>
<b>v) Debt Equity Ratio</b>	<b>1 : 0.62</b>
<b>vi) Operating Profit Margin (%)</b>	<b>1.75%</b>
<b>vii) Net Profit Margin (%)</b>	<b>1.63%</b>

Financial Ratio (Year Ending March)				
S.no.	Particulars	F.Y. 2018	FY. 2019	Remarks (between F.Y. 2017-18 VS. 2018-19)
1.	Debtor Turnover (Days)	21.63	17.94	Decrease in Debtor/ Increase in sales
2.	Inventory Turnover (Days)	53.61	64.32	Increase in inventory/ Increase in sales
3.	Interest Coverage Ratio	2.82	3.03	Decrease in EBIDTA / Interest

4.	Current Ratio	2.30	2.16	Decrease in Current Asset / Increase in Current Liability
5.	Debt Equity Ratio	0.58	0.62	Increase in debts/ Increase in Net Worth
6.	Operating Profit Margin (%)	1.99%	1.75%	Increase in Raw Materials Prices
7.	Net Profit Margin (%)	1.61%	1.63%	Decrease in Interest/Expenses

**J) DETAILS OF ANY CHANGE IN RETURN ON NET-WORTH AS COMPARED TO THE IMMEDIATELY PREVIOUS FINANCIAL YEAR ALONG WITH EXPLANATION.**

Particulars	2019 (in lacs)	2018 (in lacs)
Paid up share capital	2043.00	2043.00
Reserve & Surplus	4807.52	4212.98
<b>Net worth</b>	<b>6850.52</b>	<b>6255.98</b>
% Change	9.50	
Reason	Increase in Surplus in P&L	

**Annexure “F”**

**COMPLIANCE CERTIFICATE (CFO CERTIFICATION)  
[SEE REGULATION 17(8)]**

**To,  
Board of Directors,  
TASTY DAIRY SPECIALITIES LIMITED**

In accordance with Regulation 17(8) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we certify that:

1. we have reviewed financial statements and the cash flow statement for the year ending 31<sup>st</sup> March, 2019 and that to the best of their knowledge and belief :
  - a. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - b. 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.
2. There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company’s code of conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
4. We have indicated to the auditors and the Audit committee:
  - a. significant changes in internal control over financial reporting during the year;
  - b. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - c. 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 financial reporting.

Place :- Kanpur  
Date: - 30<sup>th</sup> AUGUST,2019

**FOR AND ON BEHALF OF BOARD OF DIRECTORS**

Sd/-  
**RAKESH KUMAR YADAV**  
Chief Financial Officer

**Annexure "G"**

**DECLARATION REGARDING CODE OF CONDUCT**

All Board Members and Senior Management Personnel have, for the year ended March 31, 2019 have affirmed compliance with the Code of Conduct laid down by the Board of Directors in terms of Regulation 17 (5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**Place:-Kanpur**

**Date: - 30<sup>st</sup> August, 2019**

**FOR AND ON BEHALF OF BOARD OF DIRECTORS**

Sd/-

**ATUL MEHRA**

**Chairman & WTD**

Sd/-

**PREM NANDAN MEHRA**

**Director**

Sd/-

**MAHENDRA KUMAR SINGH**

**Director**

Sd/-

**N.S. SATHE**

**Independent Director**

Sd/-

**NEERAJ KANODIA**

**Independent Director**

Sd/-

**VIMI SINHA**

**Independent Director**

Sd/-

**DR. ASHOK KUMAR TRIPATHI**

**Additional & Independent Director**

Annexure “H”

**SECRETARIAL AUDIT REPORT**

**FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2019**

**[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule no. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]**

To  
The Members  
**Tasty Dairy Specialities Limited**  
**D-3, UPSIDC Industrial Area,**  
**Jainpur Kanpur -209311**

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practice by **Tasty Dairy Specialities Limited (CIN: L15202UP1992PLC014593)** (hereinafter called the company). 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 year ended on 31<sup>st</sup> March, 2019, proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2019 according to the provisions of:

**I.**

- The Companies Act, 2013 (the Act) and the rules made thereunder.
- The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made thereunder;
- The Depositories Act, 1996 and the Regulations and bye-laws framed thereunder;
- 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, **(Not applicable during the year)**;



- 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, as amended from time to time;
  - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time;
  - 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 (Listing Obligations and Disclosure Requirements) Regulations, 2015; as amended from time to time;
  - e. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 notified on 28<sup>th</sup> October, 2014 **(Not applicable to the Company during the audit period);**
  - f. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 **(Not applicable to the Company during the audit period);**
  - g. The Securities and Exchange Board of India (Registrar to an Issue and Share Transfer Agents) Regulations, 1993, regarding the Companies Act and dealing with client;
  - h. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 **(Not applicable to the Company during the audit period);**
  - i. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 **(Not applicable to the Company during the audit period);** and

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

## II.

- Food Safety and Standards Act, 2006 and Food Safety and Standard Rules, 2011
- The Water (Prevention and Control of Pollution) Act, 1974 and rules made thereunder

- The Air (Prevention and Control of Pollution) Act, 1981 and rules made thereunder
- The Environment (Protection) Act 1986 (covered under Water (Pollution Control Board) Act, 1974)
- Factories Act 1948 as amended in 1987.
- Workmen's Compensation Act, 1923.
- Employees' Provident Funds And Miscellaneous Provisions Act, 1952 as amended from time to time and rules made thereunder
- Employees' State Insurance Act, 1948 as amended from time to time and rules made thereunder
- Payment of Wages Act, 1936 as amended from time to time and rules made thereunder
- The Payment of Bonus Act, 1965 as amended from time to time and rules made thereunder
- The Central Goods and Services Act, 2017 (GST)
- Income Tax Act, 1961
- Child Labour (Prohibition and Regulation) Act, 1986.
- Uttar Pradesh Fire Prevention and Fire Safety Act, 2005
- Contract Labour (Regulation and Abolition) Act, 1970 as amended from time to time and rules made thereunder
- Minimum Wages Act, 1948 as amended from time to time and rules made thereunder
- Indian Contract Act, 1872.
- Transfer of Property Act, 1882.
- The Consumer Protection Act, 1986
- Payment of Gratuity Act, 1972.
- Equal Remuneration Act, 1976.
- Bureau of Indian Standard Act, 1986.
- Agriculture Produce (Grading and Marking) Act, 1937
- The Indian Boilers Act, 1923
- Agriculture and Processed Food Products Export Development Authority (APEDA Act, 1985)
- Legal Metrology Act, 2009 and Weights And Measurement Act, 1985.
- Trademark Act, 1999.
- Collection of Statistics Act, 2008.
- Export (Quality Control and Inspection) Act, 1963
- The Uttar Pradesh Krishi Utpadan Mandi Adhiniyam, 1964.
- Stamp Duty Act (UP)
- The Sexual Harassment of women at Workplace (Prevention , Prohibition and Redressal) Act, 2013

During the year under review the Company has filed periodical returns and has not received any show cause notice and has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We have relied on the representation made by the Company and its officers on systems and mechanism formed by the Company for compliance under the Act, Laws and Regulations to the Company.

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

- a. Secretarial Standards issued by The Institute of Company Secretaries of India
- b. The Listing Agreement entered into by the Company with BSE Limited

**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 year under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent 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.

Majority decision is carried through while there has been no member dissenting from the decisions arrived.

**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** Mr. Ashok Kumar Tripathi (DIN: 08363248) appointed as Additional (Independent) Director of the Company on 22<sup>nd</sup> February, 2019 under Non-Executive category.

**For GSK & Associates  
(Company Secretaries)**

**Saket Sharma  
Partner  
(Membership No.: F4229)  
(CP No.: 2565)  
Date: 30.08.2019  
Place: Kanpur**

REGISTERED PARCEL/SPEED POST

*The year of  
goodness*

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