

THE REAL FLAVOUR OF

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MISHTANN[®]

limitless happiness...

ANNUAL REPORT 2017-18

I ♥
RICE

AGED
RICE



ON A SUCCESS SPREE...



The Food sector has, in the latter phase of the last century, undergone phenomenal growth. Mishtann has been at the forefront with products that are the top choice of consumers across borders.

At Mishtann, it has been our mission to promote only the highest grade of agricultural products. Specially sorted with care, every Mishtann packaging is a blend of aroma, health and exceptional taste. Employing the best of technology and talent, Mishtann Foods Ltd. has climbed the ladder in a very short span.

Mishtann adheres to highest industrial standards and has strict quality guidelines in place. More than two decades of experience in agro-products has made us a name synonymous to trust and quality.

Mishtann today has a pan-India presence, while the export graph continues to rise exponentially.

Rice Rich with 
Love and Happiness!



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BUSINESS OVERVIEW



BASMATI RICE

HISTORY

"Basmati" derives from the Hindi literally meaning "fragrant". Basmati rice is believed to have been cultivated in the Indian sub continent for centuries. The earliest extant work to mention basmati rice is Heer Ranjha

PRODUCTION AND CULTIVATION

India accounts for over 70% of the world's basmati rice production. A small portion of that is being grown organically. Organisations such as Kheti Virasat Mission are trying to increase the amount of basmati rice that is being grown in the Punjab in India.

IN INDIA

The areas of basmati rice production in India are in the states of Punjab, Haryana, Himachal Pradesh, Delhi, Uttarakhand, Uttar Pradesh and Bihar. India's total basmati production for the July 2011–June 2012 crop year was 5 million tonnes. In India, Haryana is the major basmati rice cultivating state, producing more than 60 percent of the total basmati rice produced in India

AROMA AND FLAVOUR

Basmati rice has a typical pandan-like (*Pandanus amaryllifolius* leaf) flavour caused by the aroma compound 2-acetyl-1-pyrroline. Basmati grains contain about 0.09 ppm of this aromatic chemical compound naturally, a level that is about 12 times more than non-basmati rice varieties, giving basmati its distinctive spicy fragrance and flavour. This natural aroma is also found in cheese, fruits and other cereals. It is a flavoring agent approved in the United States and Europe, and is used in bakery products for aroma."

NUTRITIONAL VALUES

Basmati rice is rich in carbohydrates, but is very low in sugar. Basmati rice is naturally low-fat, containing less than 1g per serving. Each 3/4 of a cup serving contains 3g of protein.

Basmati rice is a moderately good source of thiamine (13 percent of daily value) and niacin (8 percent of daily value). These B vitamins play a crucial role in energy metabolism.

In addition to containing important B vitamins, each serving of basmati rice contains a small amount of iron (6 percent of daily value). Iron helps transport oxygen through the blood. Remember that adding salt to the water during the cooking process or to the rice before serving will increase sodium content.

HOW TO COOK BASMATI RICE



BOARD OF DIRECTORS

**HITESHKUMAR
PATEL**

Chairman &
Managing Director

**RAVIKUMAR
PATEL**

CFO & Director

**JATINKUMAR
PATEL**

Whole Time Director

**NAVINCHANDRA
PATEL**

Whole Time Director

**BHAVESHKUMAR
PATEL**

Independent Director

**BHARATBHAI
PATEL**

Independent Director

**DEVALKUMAR
PATEL**

Independent Director

**RAVIKUMAR R.
PATEL**

Independent Director

**SWEETYBEN
PATEL**

Independent Director

**SUGANDHA
GOYAL**
COMPANY SECRETARY

AUDITORS

M/S. Rahul Kakani & Associates, Chartered Accountants,
401, M.V. House, Opp.Hatisingh Jain Temple, Shahibaug Road, Shahibaug,
Ahmedabad-4 Gujarat - 141003

REGISTRARS AND SHARE TRANSFER AGENTS

MCS Share Transfer Agent Limited 201, Shatdal Complex, 2nd Floor,
Ashram Road, Ahmedabad-380009

REGISTERED OFFICE

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

PLANT ADDRESS

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

LETTER TO THE STAKEOWNERS

DEAR FELLOW STAKEOWNERS,

Our planet is home to 7.2 Billion people ; and the population is expected to touch 9.3 billion by 2050. The result is a growing demand for food. However , the constant depletion of arable land across the world will put added pressure on countries to raise their production of food crops.

At Mishtann foods limited , we are committed to strengthen India' s foods and nutritional security by consolidating our fundamental strengths India 's foods and nutritional security by consolidation our fundamental strengths . During the year , we made significant progress in developing a clear framework for measuring and tracking our various operations. Initiatives ,such as better and timely production planning and focus on geographic diversity for production have enabled us to minimize the production related risk.

We are happy to share that our India Business has been growing at a CAGR of 14% over the period FY 2017-18. This was achieved owing to our robust business model, created around our careful understanding of the needs of Indian consumer. The result is that we are continuously future-facing, and creating new lines of branded products based on extensive market research.

Mishtann , a brand that stands true to its name.

One of the leading manufacturers and suppliers of premium basmati rice, we offer radically pure and radically fit grains for people of all ages and tastes, across the world.

At Mishtann, we believe that basmati rice is the most nutritive food in the world. It's an ingredient that enhances lives. And this belief is the reason that inspired us to start our glorious journey.

With the widest range of premium basmati rice, today, we are found in almost every kitchen, from top-notch restaurants to homes. We are known for uncompromised quality. And our finest grains for their goodness and nutritive value.

Sourced from the foothills of the Himalayas and other rice growing states of India, each grain of Mishtann, rice is handpicked, tested for quality and carefully processed to serve our customers with unmatched taste and to ensure a healthy and happy life.

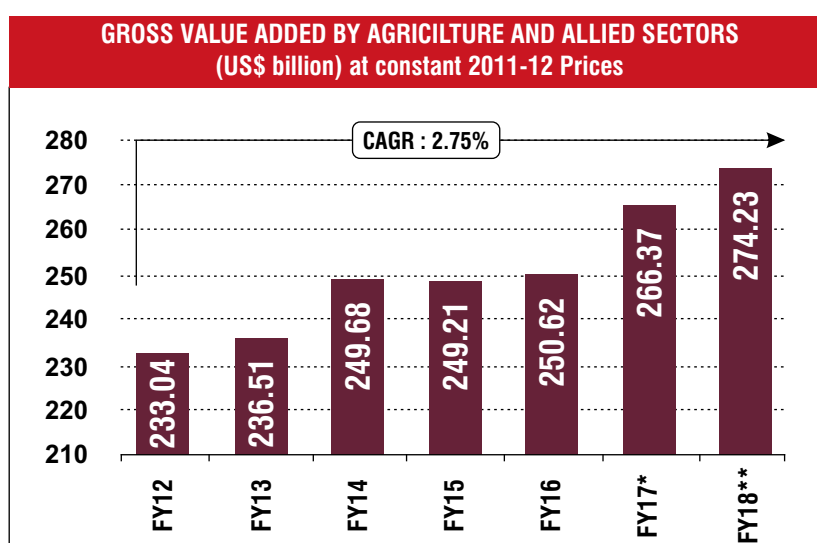
HITESHKUMAR G. PATEL
CHAIRMAN

AGRICULTURE A BOON TO INDIA

INTRODUCTION

Agriculture plays a vital role in India's economy. Over 58 per cent of the rural households depend on agriculture as their principal means of livelihood. The share of primary sectors* (including agriculture, livestock, forestry and fishery) is estimated to be 20.4 per cent of the Gross Value Added (GVA) during 2016-17 at current prices. . GVA from the sector is estimated to have grown at 3 per cent in FY18.

The Indian food industry is poised for huge growth, increasing its contribution to world food trade every year due to its immense potential for value addition, particularly within the food processing industry. The Indian food and grocery market is the world's sixth largest, with retail contributing 70 per cent of the sales. The Indian food processing industry accounts for 32 per cent of the country's total food market, one of the largest industries in India and is ranked fifth in terms of production, consumption, export and expected growth. It contributes around 8.80 and 8.39 per cent of Gross Value Added (GVA) in Manufacturing and Agriculture respectively, 13 per cent of India's exports and six per cent of total industrial investment.



MARKET SIZE

During 2017-18 crop year, food grain production is expected to reach a record 277.49 million tonnes. During 2016-17, it was 275.68 million tonnes.

Agricultural export constitutes 10 per cent of the country's exports and is the fourth-largest exported principal commodity. Agricultural exports from India reached US\$ 28.09 billion during April 2017-January 2018 with exports of basmati, reaching US\$ 6.19 billion

India is the largest producer, consumer and exporter of spices and spice products. Spice exports from India grew by 6 per cent year-on-year between April-September 2017 to US\$ 1.37 billion.

Dairy sector in India is expected to grow at 15 per cent CAGR to reach Rs 9.4 trillion (US\$ 145.7) billion by 2020.

The online food delivery industry grew at 150 per cent year-on-year with an estimated Gross Merchandise Value (GMV) of US\$ 300 million in 2016. The sector grew 15 per cent every quarter during January-September 2017.

ROAD AHEAD

India is expected to achieve the ambitious goal of doubling farm income by 2022. The agriculture sector in India is expected to generate better momentum in the next few years due to increased investments in agricultural infrastructure such as irrigation facilities, warehousing and cold storage. Furthermore, the growing use of genetically modified crops will likely improve the yield for Indian farmers. India is expected to be self-sufficient in pulses in the coming few years due to concerted efforts of scientists to get early-maturing varieties of pulses and the increase in minimum support price.

The government of India targets to increase the average income of a farmer household at current prices to Rs 219,724 (US\$ 3,420.21) by 2022-23 from Rs 96,703 (US\$ 1,505.27) in 2015-16.

Going forward, the adoption of food safety and quality assurance mechanisms such as Total Quality Management (TQM) including ISO 9000, ISO 22000, Hazard Analysis and Critical Control Points (HACCP), Good Manufacturing Practices (GMP) and Good Hygienic Practices (GHP) by the food processing industry will offer several benefits.