

**ZEAL AQUA LIMITED**  
**CIN No: L05004GJ2009PLC056270**



Date: 16/10/2018

To,  
BSE LIMITED  
Phiroze Jeejeebhoy towers,  
Dalal Street,  
Mumbai- 400 001.

Script ID/ Code : ZEAL/539963

Subject : Annual Report for the year ended as on 31<sup>st</sup> March, 2018

Reference No. : Regulation 34(1) of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015.

Dear Sir/ Madam,

Pursuant to Regulation 34(1) of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, we are enclosing herewith Annual Report of the company for the financial year 2017-18 approved by the members at its meeting held on 24<sup>th</sup> September, 2018.

This is for your information and record.

Thanking You.

Yours Faithfully,

For Zeal Aqua Limited

**Javanika N. Gandharva**  
**(Company Secretary and Compliance Officer)**  
PLACE: SURAT



Encl.: As above.

**Regd. Office:** Plot No. 4 / 5, Olpad G.I.D.C,  
Taluka: Olpad, District: Surat 394 540, State: Gujarat, India, t:+91 -2621-220047  
**Factory:** Block No. 347, Village Orma, Taluka: Olpad, District: Surat, State: Gujarat, India  
**Email:** zealaqua@gmail.com, **Website:** [www.zealaqua.com](http://www.zealaqua.com)



*ZEAL AQUA LIMITED*



# AUDIT REPORT

## 2017-18

REGISTERED OFFICE

CIN: L05004GJ2009PLC056270

At Olpad GIDC, PL No. 4,5, Ta:Olpad, Surat-394540

Tel: +91-02621-220047

Email: zealaqua@gmail.com

Website: www.zealaqua.com

# ZEAL AQUA LIMITED

## CORPORATE INFORMATION

### BOARD OF DIRECTORS

**Mr. Shantilal Ishwarbhai Patel**

Chairman & Managing Director (Executive)  
DIN :01362109

**Mr. Pradipkumar Ratilal Navik**

Whole Time Director (Executive)  
DIN :01067716

**Mr. Rohan Pradipkumar Navik**

Whole Time Director (Executive)  
DIN :02531248

**Mr. Dhavalkumar Shantilal Patel**

Whole Time Director (Executive)  
DIN :02961674

**Mr. Naginbhai Paragbhai Patel**

Independent Director (Non-Executive)  
DIN :01675923

**Mrs. Roshan Melli Kadodwala**

Independent Director (Non-Executive)  
DIN :07138664

**Mr. Cyrus Dinsha Bhathena**

Additional Independent Director (Non-Executive)  
DIN :07967136 (w.e.f. 14.10.2017)

**Mr. Shahzad Yazdi Gandhi**

Additional Independent Director (Non-Executive)  
DIN :08013857 ( w.e.f. 29.12.2017)

### REGISTRAR & SHARE TRANSFER AGENT

M/s. Bigshare Services Pvt. Ltd.  
Bharat Tin Works Building,  
1<sup>st</sup> Floor, Opp. Vasant Oasis,  
Next to Keys Hotel, Marol Maroshi Road,  
Andheri-East, Mumbai-400059  
Tel. : +91-022-62638200  
Email: investor@bigshareonline.com  
Website: www.bigshareonline.com

### CHIEF FINANCIAL OFFICER

Mr. Shailendrasingh Chatarsingh Patil

### COMPANY SECRETARY & COMPLIANCE OFFICER

Ms. Javanika N. Gandharva

### STATUTORY AUDITORS

M/s. PARY & Co.

Chartered Accountants (FRN : 007288C)

9005, World Trade Centre,  
Near Empire State Building,  
Ring Road, Surat-395002

Ph: +91-0261-3927221

Fax: +91-261-3927221

E-mail- paryco@gmail.com

### BANKER TO THE COMPANY

#### Allahabad Bank

864, Alaknanda Apartment,

Athugar Street, Nanpura, Surat-395001

Ph. No.: +91-261-2461879, 2462348

Fax: +91-261-2461156

#### Bank of India

1<sup>st</sup> Floor, Near BSNL Office, Opp. Panjrapole,

Ghod Dod Road, Surat- 395007

Ph. No.: +91-261-2240012/14

Fax : +91-261-2240013

#### Punjab National Bank

First Floor, Meghani Tower,

Station Road, Surat-395 002

Ph. No.: +91-261-2422421,2411037

Fax: +91-261-2422112

#### Axis Bank

Surat SME Center, 1<sup>st</sup> Floor, Digvijay Tower,

Opp. St. Xavier School, Ghod Dod Road, Surat-395007

### BOOK CLOSURE

Date: 15/09/2018 to 24/09/2018

(both days inclusive)

### 10<sup>th</sup> ANNUAL GENERAL MEETING

Date: 24<sup>th</sup> September, 2018, Monday Time: 11.30 A.M.

Venue: Registered Office-At Olpad GIDC,

PL No. 4,5, Ta: Olpad, Surat- 394540

ISIN: INE819S01017

BSESME SCRIP ID/CODE: ZEAL/539963

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## CHAIRMAN'S MESSAGE

It is a privilege to write to you again as the Chairman of the Board of Zeal Aqua. We feel proud to share that during the FY2018 your Company commissioned its shrimp processing facility with an annual capacity of 5,800 MTPA. This is an important step towards moving ahead in the value chain from being a farmer to a processor which will create value for your Company.

In terms of economic performance during the year under consideration, India stood tall amongst its global peers and continues to be the fastest growing economy in the world. During the year under review, there were several structural reforms implemented in the country by Government including the Goods and Services Tax (GST) and the Insolvency and Bankruptcy Code amongst others. Though, these created some panic initially, we believe these structural initiatives are very important for improving the country's future competitiveness.

During the year gone by, Global demand for shrimp is on the rise and the global prices have been so far stable for the past 2 years. Due to oversupply in the market and late offtake from the US because of prolonged winter, the biggest market for processed Shrimp prices were in bit of pressure for brief period of time. In view of the constricted supply of shrimp and increased demand from Asian markets, farmgate prices in India may again see the previous levels. As a result, area under farming is expected to expand further and will continue to exhibit steady growth. I am also very pleased to inform that the performance of the processing plant has been above average. Currently, we are exporting to Europe, UAE, Saudi Arabia, Vietnam, Australia, Japan, and South Korea. Europe is the second largest market importer of processed shrimp in the world which is the major part of our export. We are also, in process of getting the USFDA approval and expecting to receive the green card in the current Financial Year 2019. We are also in process getting the BRC certification and HACCP so that we can target different geographies and increase our footprints. To support this growth, we have alongside embarked on several marketing initiatives and planning to participate in all major exhibitions.

At Gujarat, we have a natural constrain of cultivating only one crop per year, so for better control and efficiency we are running a pilot project of nursery culture for shrimp farming. With this technique we aim to produce healthy, strong & uniform juveniles with significant potential of growth during grow out phase. With such efforts we can achieve higher overall survival rates and production per unit area than in

single-phase grow out systems, thus improving the bottom line of the farmers. We are also in final stage of getting the allocation of 350 Ha of land from government which we will develop in phase manner, thus our raw material supply is secured.

With international demand continuing to be significantly strong, thanks to changing lifestyles and food preferences, we continue to remain optimistic about our growth and success in the industry. Geographical expansion, thrust on R & D, and forward integration shall augur well for the future growth of your Company and thereby maximize shareholder value.

I would like to specifically thank our valued employees whose contribution in this journey is immeasurable. I value their dedication and commitment to the tasks at hand towards the pursuit of our short and long-term goals. Also, I would like to thank all our stakeholders who have shown confidence in us and importantly for our new journey as shrimp processor, also, the encouragement they have shown us is in the pursuit of our goals.

Thank you all.

**Shantilal Patel**  
Chairman



## NOTICE

NOTICE is hereby given that the Tenth Annual General Meeting of the Members of Zeal Aqua Limited will be held on Monday, the 24<sup>th</sup> September, 2018 at 11:30 a.m. at the Registered Office of the Company at Olpad GIDC PI No 4,5 TA Olpad Surat-394540 to transact the following businesses:-

### ORDINARY BUSINESS

#### 1 - Item No. 1 – Adoption of Financial Statements

To receive, consider and adopt the Audited Financial Statements for the financial year ended on 31<sup>st</sup> March, 2018 including the Audited Balance Sheet as at 31<sup>st</sup> March, 2018 and the Statement of Profit and Loss for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.

**“RESOLVED THAT** the Audited Balance Sheet and Profit and loss account for the year ended 31<sup>st</sup> March, 2018 along with the Director’s Report, be and are hereby considered, Adopted and Approved”

#### 2 - Item No. 2 – Re-appointment of Director(s) retiring by rotation

To appoint a Director in place of Mr. Shantilal Ishwarbhai Patel (DIN: 01362109), a Director, liable to retire by rotation in terms of section 152(6) of the Companies Act, 2013 and who being eligible seeks re-appointment in the Company.

**“RESOLVED THAT** pursuant to Section 152(6) of the Companies Act, 2013 and other relevant Sections of the said Act, if any, Mr. Shantilal Ishwarbhai Patel (DIN: 01362109), an Executive Director, be and is hereby re-appointed as a Director of the Company liable to retire by rotation

#### 3 - Item No. 3 – Ratification of appointment of Statutory Auditors

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

**“RESOLVED THAT** further to the resolution passed at the 6<sup>th</sup> Annual General Meeting held on 30.09.2014 for the appointment of M/s PARY & Co, Chartered Accountant as a statutory auditor and pursuant to provisions of section 139(1)& 142 of Companies Act, 2013 read with Companies

Amendment Act, 2017 as of now there is no requirement of annual ratification of appointment of statutory auditor but under the resolution passed in 6<sup>th</sup> Annual General Meeting it is require to annually ratify appointment of statutory auditor hence members consent for ratification of appointment of the statutory auditor.”

**“RESOLVED FURTHER THAT** the tenure of statutory auditor shall be remain same as per resolution passed in 6<sup>th</sup> Annual General Meeting i.e. form the conclusion of 6<sup>th</sup> Annual General Meeting till the conclusion of 11<sup>th</sup> Annual General meeting but further no annual ratification for appointment of a statutory auditor shall be done.”

### SPECIAL BUSINESS

#### 1 - Item No. 4 – Appointment of Mr. Cyrus Dinsha Bhatena (DIN: 07967136) as an Independent Director.

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

**“RESOLVED THAT** pursuant to the provisions of Sections 149, 152, 161, Schedule IV and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Articles of Association of the Company, Mr. Cyrus Dinsha Bhatena (DIN: 07967136), who was appointed as an Additional Director (Independent) of the Company with effect from October 14, 2017 and is recommended by Nomination and Remuneration Committee and Board of Directors for appointment as Director, be and is hereby appointed as an Independent Director of the company to hold office for a term of five consecutive years upto October 14, 2022, not liable to retire by rotation.”

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

CIN No: L05004GJ2009PLC056270

Regd. Office: Plot No. 4 / 5, Olpad G.I.D.C,

Taluka: Olpad, District: Surat 394 540, State: Gujarat, India, t:+91 -2621-220047

Factory: Block No. 347, Village Orma, Taluka :Olpad, District: Surat, State: Gujarat, India

Email: zealacqua@gmail.com, Website:www.zealacqua.com

2 - Item No. 5 – Appointment of Mr. Shahzad Yazdi Gandhi (DIN: 08013857) as an Independent Director.

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

**“RESOLVED THAT** pursuant to the provisions of Sections 149, 152, 161, Schedule IV and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Articles of Association of the Company, Mr. Shahzad Yazdi Gandhi (DIN: 08013857), who was appointed as an Additional Director (Independent) of the Company with effect from December 29, 2017 and is recommended by Nomination and Remuneration Committee and Board of Directors for appointment as Director, be and is hereby appointed as an Independent Director of the company to hold office for a term of five consecutive years upto December 29, 2022, not liable to retire by rotation.”

**RESOLVED FURTHER THAT** any Director be and is hereby authorized to take necessary steps for giving effect to the resolution, including filing the necessary forms with Registrar of Companies.”

3 - Item No. 6 – Appointment of Mrs. Sharmin Mehernosh Dordi (DIN: 08193337) as an Independent Director.

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

**“RESOLVED THAT** pursuant to the provisions of Sections 149, 152, 161, Schedule IV and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Articles of Association of the Company, Mrs. Sharmin Mehernosh Dordi (DIN: 08193337), is recommended by Nomination and Remuneration Committee and Board of Directors for appointment as an Independent Director in the Annual General Meeting of the company to hold office for a term of five consecutive years upto September 23, 2023, not liable to retire by rotation.”

**RESOLVED FURTHER THAT** any Director be and is hereby authorized to take necessary steps for giving effect to the

resolution, including filing the necessary forms with Registrar of Companies.”

4 - Item No. 7 – To increase authorized capital of the Company and amend the Capital clause in the Memorandum of Association

To consider and, if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:-

**“RESOLVED THAT** pursuant to the provisions of section 13 and 61(1)(a) of the Companies Act, 2013, and other applicable provisions and rules framed there under (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and the Articles of Association of the Company, approval of the members be and is hereby accorded to increase the authorised share capital of the company from Rs. 5,00,00,000 (Rupees Five Crore Only) divided into 50,00,000 (Fifty Lakh only) shares of Rs. 10 (Rupees Ten Only) each to Rs. 13,00,00,000 (Rupees Thirteen Crore Only) divided into 1,30,00,000 (One Crore Thirty Lakh only) equity shares of Rs. 10 (Rupees Ten only) each by creating additional 80,00,000 (Eighty Lakh only) equity shares of Rs. 10/- each and Consequently first paragraph of the Clause V of the Memorandum of Association of the Company be and is hereby substituted by the following:

V. The Authorised Share Capital of the Company is Rs. 13,00,00,000 (Rupees Thirteen Crore Only) divided into 1,30,00,000 ( One Crore Thirty Lakh Only) equity shares of Rs. 10 ( Rupees Ten Only) each.”

5 - Item No. 8 – To issue of Bonus Shares

To consider and, if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:-

**“RESOLVED THAT** in accordance with the provisions of Section 63 and all other applicable provisions of the Companies Act, 2013 read with the Companies (Share Capital and Debentures) Rules, 2014, the Securities and Exchange Board of India (“SEBI”) (Issue of Capital and Disclosure Requirements) Regulations, 2009 (“the ICDR Regulations”), the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and other applicable regulations, rules and guidelines issued by SEBI and the Reserve Bank of India (“RBI”) from time to time, the enabling provisions of the Articles of Association of the

Company and subject to such approvals, consents, permissions, conditions and sanctions as may be necessary from appropriate authorities and subject to such terms and modifications, if any, as may be specified while according such approvals and subject to acceptance of such conditions or modifications by the Board of Directors, consent of the members be and is hereby accorded for issue of Bonus shares in the proportion of 2 (Two) equity share for every 1 (one) existing equity share held by the members of the Company by capitalizing a sum of Rs. 8,40,44,000 (Rupees Eight Crore Forty Lakh Forty Four Thousands Only) out of the sum standing to the credit of "Security Premium" of the company, to be allotted and distributed as **FULLY PAID BONUS SHARES** to the holders of 42,02,200 equity shares of the company, whose names appear in the Register of Members maintained by the Company and the List of Beneficial Owners as received from National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL), on such date ('Record date') as may be determined by the Board, in the proportion of 2 (Two) equity share for every 1 (one) existing equity share held by the members.

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to accept and agree to the terms and conditions, if any required, as may be prescribed or stipulated by the authorized concerned for issue of Bonus Shares which the Board may, in its absolute discretion, think fit and proper to accept.

**RESOLVED FURTHER THAT** the Bonus Shares so allotted as above are subject to the Memorandum and Article of Association of the Company and shall rank in all respects pari-passu with the existing equity shares of the company and shall be entitled to participate in any dividend declared after the allotment.

**RESOLVED FURTHER THAT** no allotment letter shall be issued to the allottees of Bonus Shares. With regard to shares held in physical form, Certificates in respect of the new Equity shares shall be issued to the allottees of the Bonus shares as aforesaid. With regard to the shares held in dematerialized form, the Bonus shares will be credited to the respective demat account of the holders.

**RESOLVED FURTHER THAT** the said Bonus Shares shall be treated for all purpose as an increase in nominal amount of the Capital of the Company held by each such Member and not as income.

**RESOLVED FURTHER THAT** subject to the conditions of the consent or approval of such authorities as may be required to be obtained, the Board of Directors be and are hereby authorized to settle any question or difficulty whatsoever which may arise in regard to the issue and allotment of the aforesaid Bonus Shares."

By order of the Board of Directors  
For Zeal Aqua Limited

Sd/-

Date : 16<sup>th</sup> August, 2018

Place: Surat

Javanika N. Gandharva  
Company Secretary &  
Compliance Officer





## NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING ("MEETING/AGM") IS ENTITLED TO APPOINT A PROXY TO ATTEND AND TO VOTE ON A POLL INSTEAD OF HIMSELF / HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. A PERSON CAN ACT AS A PROXY ON BEHALF OF MEMBERS NOT EXCEEDING 50 AND HOLDING IN THE AGGREGATE NOT MORE THAN 10% OF THE TOTAL SHARE CAPITAL OF THE COMPANY. HOWEVER, 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 MEMBER. THE INSTRUMENT APPOINTING PROXY IN ORDER TO BE VALID AND EFFECTIVE SHOULD BE LODGED / DEPOSITED WITH THE COMPANY AT ITS REGISTERED OFFICE OF THE COMPANY NOT LESS 48 (FORTY EIGHT) HOURS BEFORE THE SCHEDULED TIME OF THE COMMENCEMENT OF 10<sup>TH</sup> ANNUAL GENERAL MEETING. BLANK PROXY FORM IS ANNEXED HERETO.
2. The Explanatory Statement, pursuant to Section 102(2) of the Companies Act, 2013 in respect of the special business mentioned in above notice is annexed hereto. In terms of the provisions of Section 107 of the Companies Act, 2013, the business set out in the Notice will be transacted through electronic voting system and the Company is providing facility for voting by electronic means. Instructions and other information relating to e-voting are given in the notice under Note No. 21. The Company will also send communication relating to remote e-voting which inter alia would contain details about User ID and password along with a copy of this Notice to the members, separately. The said resolutions will not be decided on a show of hands at the Annual General Meeting.
3. Corporate members intending to send their authorized representatives to attend the meeting are requested to send certified copy of board resolution or other governing body authorizing their representatives to attend and vote on their behalf at the meeting.
4. Relevant documents referred to in the above Notice are open for inspection at the Registered Office of the Company during the business hours on any working day (except Sunday and holidays) between 10.00 a.m. and 4.00 p.m. up to the date of the Annual General Meeting.
5. Members/proxies/authorized representatives should bring their copy of the Annual Reports and Accounts along with Attendance Slip (duly completed) when attending the Meeting.
6. Members who hold shares in dematerialized form are requested to write their DP – ID and Client – ID Numbers and those who hold shares in Physical form are requested to write their Folio Number in the Attendance Slip for attending the Meeting.
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 Shareholders are requested to direct change of address notifications and updates details to their respective Depository Participants(s).
9. Equity Shares of the Company are under compulsory demat trading by all Investor.
10. Brief resume of all Directors including those liable to retire by rotation and proposed to be re-appointed, nature of their expertise in specific functional areas, names of companies in which they hold directorships and memberships / chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under Regulation 36(3) read with Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 are provided in the Report on Corporate Governance forming part of the Annual Report.
11. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013 and the Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013, will be available for inspection by the members at the Annual General Meeting.
12. **The Register of Beneficial Owners, Register of Members and Share Transfer Book of the Company shall remain closed from Saturday, the 15<sup>th</sup> September, 2018 till Monday, the 24<sup>th</sup> September, 2018 (both days inclusive) for the purpose of 10<sup>th</sup> Annual General Meeting.**
13. The Ministry of Corporate Affairs (vide circular nos. 17/2011 and 18/2011 dated 21<sup>st</sup> April, 2011 and 29<sup>th</sup> April, 2011 respectively) has undertaken a "Green Initiative in Corporate Governance" and allowed companies to share documents with its shareholders through an electronic mode. A recent amendment to the Listing Agreement with Stock Exchanges permits companies to send soft copies of the Annual Report to all those shareholders who have registered their email address for the said purpose. Members are requested to

support this Green Initiative by registering / updating their email address for receiving electronic communication.

14. Members are requested to contact our Registrar and Transfer Agent for any query related to shares and other inquiry at following address:

**M/s. Bigshare Services Private Limited**

Bharat Tin Works Building, 1<sup>st</sup> Floor, Opp. Vasant Oasis, Next to Keys Hotel, Marol Maroshi Road, Andheri-East, Mumbai-400059

Tel. : +91-022-62638200,

E-mail: investor@bigshareonline.com,

Website: www.bigshare.com

·Please Quote Folio No. / DP ID & CL ID for any communication for your shareholding.

·Bring the copy of Annual Report at the meeting.

15. In accordance with Section 101 of the Companies Act, 2013 read with Rule 18 of the Companies (Management and Administration) Rules, 2014, the Annual Report of the Company for the Financial Year 2017-18, including the Notice convening the 10<sup>th</sup> Annual General Meeting, has been emailed to the members whose email addresses are available with the depositories for communication purposes or are obtained directly from the members, as per Section 136 of the Companies Act, 2013, and Rule 11 of the Companies (Accounts) Rules, 2014. If any member wishes to get a duly printed copy of the Annual Report, the Company will send the same, free of cost, upon receipt of request from the member. Members who have not registered their email addresses so far are requested to register them for receiving all communication including Annual Report and other notices from the Company electronically.
16. The Annual Report of the Company will be available on the Company's website [www.zealaqua.com](http://www.zealaqua.com), and on the website of respective Stock Exchange where the equity shares of the Company are listed, [www.bseindia.com](http://www.bseindia.com). As per Section 136(1), the physical copies of the aforesaid documents will also be available at the Company's registered office for inspection during normal business hours on working days. Members who require communication in physical form in addition to e-communication, or have any other queries, may write to us at [cs@zealaqua.com](mailto:cs@zealaqua.com)
17. Any member desiring any clarification/explanation in respect of the information given in this annual report is requested to submit query to the company at least 10 days in advance before the meeting so as to enable the

management to keep information ready.

18. The route map of the venue of the Annual General Meeting is appended to this Report. The prominent land mark near the venue is Hindustan Chemical Co.
19. The Annual Report 2017-18, the Notice of the 10<sup>th</sup> AGM and instructions for e-voting along with the Attendance Slip and Proxy form, are being sent by electronic mode to all the members whose email addresses are registered with the Company/ Depository Participant(s), unless a member has requested for a physical copy of documents. For members who have not registered their email addresses, physical copies of the documents are being sent by the permitted mode.
20. The Shareholder needs to furnish the printed Attendance slip along with a valid identity proof such as the PAN card, passport, AADHAR card or driving license to enter the AGM hall.
21. **Voting through electronic means (E-Voting)**

## SECTION – A

- i. The Company is pleased to offer e-voting facility to all its members to enable them to cast their vote electronically in terms of section 108 of the Companies Act, 2013 read with Companies (Management and Administration) Rules, 2014 and Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. Accordingly the members may exercise their rights to vote on resolutions proposed to be passed at the 10<sup>th</sup> Annual General Meeting (AGM) by electronic means. The members may cast their votes using electronic system from a place other than the venue of the meeting ("remote e-voting") through the remote electronic voting service facility arranged by Central Depository Services (India) Limited.
- ii. The facility for voting through ballot papers will also be made available at the AGM and the members attending the AGM who have not already cast their votes by remote e-voting shall be able to exercise their right at the AGM through ballot process.
- iii. The Members who have cast their votes by remote e-voting prior to the AGM may attend the AGM but shall not be entitled to cast their votes again.

- iv. If Members are opting for remote e-voting, they shall not vote by poll paper and vice versa. However, in case Members cast their vote both by poll paper and by remote e-voting, then voting done through remote e-voting shall prevail and voting done by poll paper will be treated as invalid.
- v. The Members whose names are recorded in the Register of Members or in the Register of Beneficial owners maintained by the Depositories as on the Cut-off date i.e. **14<sup>th</sup> September, 2018** only shall be entitled to avail the facility of remote e-voting as well as voting through the ballot process at the AGM. Any recipient of the Notice, who has no voting rights as on the Cut-off date, shall treat this Notice as intimation only.
- vi. A person who has acquired the shares and has become a member of the Company after the dispatch of the Notice of the AGM and prior to the Cut-off date i.e. **14<sup>th</sup> September, 2018**, shall be entitled to exercise his/her vote either electronically i.e. remote e-voting or through the ballot process at the AGM by following the procedure mentioned in this part.
- vii. The Remote e-voting period will commence on **Friday, 21<sup>st</sup> September, 2018 at 9.30 a.m. and will end on Sunday, 23<sup>rd</sup> September, 2018 at 5.00 p.m.** During this period, the members of the Company holding shares either in physical form or in demat form as on the Cut-off date i.e. **14<sup>th</sup> September, 2018**, may cast their vote electronically. The members will not be able to cast their vote electronically beyond the date and time mentioned above and the remote e-voting module shall be automatically disabled for voting thereafter.
- viii. Once the vote on a resolution is cast by the member, he/she shall not be allowed to change it subsequently or cast the vote again.
- ix. The facility for voting through ballot process would be made available at the AGM and the members attending the meeting who have not already cast their votes by remote e-voting shall be able to exercise their right at the meeting through ballot process. The members who have already cast their vote by remote e-voting prior to the meeting may also attend the Meeting, but shall not be entitled to cast their vote again.
- x. The e-voting Event Number, User ID and password along with the detailed instructions for e-voting are

provided in the notice of e- voting, being sent along with the notice of AGM.

- xi. The voting rights of the members shall be in proportion to their share in the paid up equity share capital of the Company as on the Cut-off date i.e. **14<sup>th</sup> September, 2018**.
- xii. The Company has appointed CS Ranjit Binod Kejriwal, Practicing Company Secretary (Membership No.: 6116; COP No: 5985), to act as the Scrutinizer for conducting the remote e-voting process as well as the voting through ballot process at the AGM, in a fair and transparent manner.

## SECTION – B

The procedure and instructions for members for remote e-voting (both for physical as well as demat holders) are, as follows:

**Date and time of commencement of voting through electronic means: 21<sup>st</sup> September, 2018 at 9.30 hours. Date and time of end of voting through electronic means beyond which voting will not be allowed: 23<sup>rd</sup> September, 2018 at 17.00 hours**

Details of Website: [www.evotingindia.com](http://www.evotingindia.com)

Details of persons to be contacted for issues relating to e-voting:

### Registrar and Share Transfer Agent

Bigshare Services Pvt. Ltd.

Contact No.: 022 - 62638200

Email ID: [investor@bigshareonline.com](mailto:investor@bigshareonline.com)

### Central Depository Services India Limited

Toll Free: 1800225533

Tel: 022-23023333

Email ID: [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)

### Ms. Javanika N. Gandharva

Company Secretary & Compliance Officer

Contact No.: +91 9979841681

Email ID.: [cs@zealaqua.com](mailto:cs@zealaqua.com)

The e-voting module shall be disabled for voting on 23<sup>rd</sup>

September, 2018 at 17.00 hours. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently. The voting right of shareholders shall be in proportion to their share in the paid up equity share capital of the company as on 14<sup>th</sup> September, 2018 (cut-off date).

Shri Ranjit Kejriwal, Practicing Company Secretary has been appointed as the scrutinizer to scrutinize the e-voting process in a fair and transparent manner. The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairperson of the Company. The results shall be declared at / after the AGM of the Company. The results declared along with the Scrutinizer's Report shall be available on the Company's website within two (2) days of conclusion of the AGM of the Company and communicated to the Stock Exchange.

In case of members receiving e-mail:

- i. Log on to the e-voting website:  
www.evotingindia.com
- ii. Click on "Shareholders" tab
- iii. Now, select, "ZEAL AQUA LIMITED" from the drop down menu and click on "SUBMIT"
- iv. Now Enter your User ID (For CDSL: 16 digits beneficiary ID; For NSDL: 8 Characters DP ID followed by 8 Digits Client ID, Members holding shares in Physical Form should enter Folio Number registered with the Company and then enter the Image Verification Code as displayed and Click on Login).
- v. If you are holding shares in Demat form and had logged on to e-voting platform and casted your vote earlier for any company, then your existing password is to be used.
- vi. If you are a first time user follow the steps given below:
- vii.

For Members holding shares in Demat Form and Physical Form	
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)  Members who have not updated their PAN with the Company / Depository participant are requested to use the sequence number after obtaining it from our RTA or Company as per contact details mentioned above.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the Company's records for the said demat account or folio. If the details are not recorded with the depository or Company please enter the member ID/ folio number in the Dividend Bank details field.

Please enter the DOB or Dividend Bank Details in order to login.

- viii. After entering these details appropriately, click on "SUBMIT" tab.
- ix. Members holding shares in physical form will then reach directly the "Zeal Aqua Limited" screens. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- x. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- xi. Click on the relevant EVSN- 180824074 Zeal Aqua Limited on which you choose to vote.
- xii. In the voting page, you will see Resolution Description and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolutions and option NO implies that you dissent to the Resolution.
- xiii. Click on the "Resolutions File Link" if you wish to view the entire Resolution.
- xiv. After selecting the resolution you have decided to vote on, click on 'SUBMIT'. A confirmation box will be displayed.
- xv. If you wish to confirm your vote, click on "OK" else to change your vote, click on "CANCEL" and accordingly modify your vote.
- xvi. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- xvii. You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- xviii. If Demat account holder has forgotten the changed password then Enter the User ID and Image verification Code and click on Forgot Password & enter the details as prompted by the system.

• Institutional shareholders [i.e. other than individuals,

# ZEAL AQUA LIMITED

HUF, NRI, etc) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporate.

- They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)
- After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
- The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
- They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

In case of members receiving the physical copy:

- Please follow all steps from Sl. No. i to Sl. No. xvi above to cast vote.
  - A. The voting period begins on Friday, the 21<sup>st</sup> September, 2018 at 09.30 hours and ends on Sunday, the 23<sup>rd</sup> September, 2018 at 17.00 hours. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
  - B. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)

By order of the Board of Directors  
For Zeal Aqua Limited

Sd/-

Javanika N. Gandharva  
Company Secretary &  
Compliance Officer

Date : 16<sup>th</sup> August, 2018  
Place: Surat

Note: The Map of Venue of AGM is given below:



## ANNEXURE TO NOTICE

### EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 AND OTHER APPLICABLE PROVISIONS

#### ITEM NO. 4

In terms of the Appointment and Remuneration Policy of the Company and based on the recommendation of Nomination and Remuneration Committee, the Board of Directors has appointed Mr. Cyrus Dinsha Bhatena (DIN: 07138664) as an additional Independent Director, with effect from October 14, 2017, not liable to retire by rotation.

The company has received from Mr. Cyrus Dinsha Bhatena (i) consent to act as Director, (ii) declaration that he is not disqualified from being appointed as a Director of the Company, and (iii) Declaration of independence.

In opinion of the Board, Mr. Cyrus Dinsha Bhatena possesses appropriate skills, experience & knowledge and fulfils the conditions for appointment as an Independent Director as specified in the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and that he is independent of the management.

Copy of Appointment Letter setting out terms and conditions of his appointment is available for inspection by Members as per details mentioned in the Notes.

Brief resume of Mr. Cyrus Dinsha Bhatena, nature of his expertise in specific functional areas and names of companies in which he holds directorships and memberships/chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, are provided in the Annexure of the Notice of 10<sup>th</sup> Annual General Meeting.

Except Mr. Cyrus Dinsha Bhatena, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 4. The Board recommends the Resolution set out at Item no. 4 of the Notice for approval of the Members. This Explanatory Statement may also be regarded as a disclosure under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

#### ITEM NO. 5

In terms of the Appointment and Remuneration Policy of the Company and based on the recommendation of Nomination and Remuneration Committee, the Board of Directors has appointed Mr. Shahzad Yazdi Gandhi (DIN: 08013857) as an additional Independent Director, with effect from December 29, 2017, not liable to retire by rotation.

The company has received from Mr. Shahzad Yazdi Gandhi (i) consent to act as Director, (ii) declaration that he is not disqualified from being appointed as a Director of the Company, and (iii) Declaration of independence.

In opinion of the Board, Mr. Shahzad Yazdi Gandhi possesses appropriate skills, experience & knowledge and fulfils the conditions for appointment as an Independent Director as specified in the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and that he is independent of the management.

Copy of Appointment Letter setting out terms and conditions of his appointment is available for inspection by Members as per details mentioned in the Notes.

Brief resume of Mr. Shahzad Yazdi Gandhi, nature of his expertise in specific functional areas and names of companies in which he holds directorships and memberships/chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, are provided in the Annexure of the Notice of 10<sup>th</sup> Annual General Meeting.

Except Mr. Shahzad Yazdi Gandhi, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 5. The Board recommends the Resolution set out at Item no. 5 of the Notice for approval of the Members. This Explanatory Statement may also be regarded as a disclosure under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

## ITEM NO. 6

In terms of the Appointment and Remuneration Policy of the Company and based on the recommendation of Nomination and Remuneration Committee, the Board of Directors has recommended appointment of Mrs. Sharmin Mehernosh Dordi (DIN: 08193337) as an Independent Director in the Annual General Meeting to hold office upto September 23, 2023, not liable to retire by rotation.

The company has received from Mrs. Sharmin Mehernosh Dordi (i) consent to act as Director, (ii) declaration that she is not disqualified from being appointed as a Director of the Company, and (iii) Declaration of independence.

In opinion of the Board, Mrs. Sharmin Mehernosh Dordi possesses appropriate skills, experience & knowledge and fulfils the conditions for appointment as an Independent Director as specified in the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and that she is independent of the management.

Copy of Appointment Letter setting out terms and conditions of her appointment is available for inspection by Members as per details mentioned in the Notes.

Brief resume of Mrs. Sharmin Mehernosh Dordi, nature of her expertise in specific functional areas and names of companies in which she holds directorships and memberships/chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, are provided in the Annexure of the Notice of 10<sup>th</sup> Annual General Meeting.

Except Mrs. Sharmin Mehernosh Dordi, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 6. The Board recommends the Resolution set out at Item no. 6 of the Notice for approval of the Members. This Explanatory Statement may also be regarded as a disclosure under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

## ITEM NO. 7

Presently, the Authorized Share Capital of the Company is Rs. 5,00,00,000 (Rupees Five Crore Only) divided into 50,00,000 (Fifty Lakhs only) shares of Rs. 10 (Rupees Ten Only) each.

The Board of Directors of the Company at their Meeting held on 16.08.2018 have recommended issue of Bonus Shares in the proportion of 2 (Two) equity share for every 1 (one) existing equity share held by the members of the Company.

The Board of Directors have also considered it necessary to increase the Authorised Share Capital of the Company which is presently at Rs. 5 Crore to 13 Crore by creation of 80,00,000 (Eighty Lakh only) Equity shares of Rs. 10 (Rupees Ten Only) each. In view of the above, it is necessary to amend Clause V of the Memorandum of Association to increase the Authorised Share Capital from Rs. 5 crores to Rs. 13 Crores by placing Special Resolution for consideration and approval of the members.

Relevant documents referred in respect of the said item are open for inspection by the members at the Registered Office of the Company on all working days upto the date of the meeting.

The Special resolution as set out in Item no. 7 of this Notice is accordingly recommended for your approval.

None of the Directors, Key Managerial Personnel of the Company or their relatives are in any way, concerned or interested, financially or otherwise, in the proposed resolution.

## ITEM NO. 8

The Company has a Security Premium of Rs. 20,70,50,000/- and Balance of Profit and Loss account of Rs. 16,03,20,121/- as on 31.03.2018. The Board of Directors of the Company at their meeting held on 16.08.2018, considered it desirable to recommend issue of Bonus Shares in the proportion of 2 (Two) equity share for every 1 (one) existing equity share held by the members by capitalization of Security Premium subject to approval of the shareholders and such other authorities as may be necessary.

The Bonus Shares on allotment shall rank pari-passu with existing Equity Shares of the Company and the Bonus shares are entitled for dividend declared after the allotment of shares.

The proposed Bonus Issue is not in lieu of Dividend.

No Allotment Letter will be issued. For shares held in Demat mode, the credit of the Bonus Shares will be given directly to their Demat account. For Shares held in physical mode, the certificates for the Bonus Shares will be posted to their registered address.

The issue of Bonus Shares and consequent increase in the paid-up capital of the Company would also satisfy the requirement of Bombay Stock exchanges for listing of equity shares of the Company and the company has complied with the applicable provisions of the Companies Act, 2013 and other applicable Regulations.

The Record Date for determining the eligibility of the Shareholders to receive the said Bonus shares will be announced by the Company through newspapers and respective advertisement will also displayed in the website of the Company [www.zealaqua.com](http://www.zealaqua.com).

The Special resolution as set out in Item no. 8 of this Notice is accordingly recommended for your approval.

None of the Directors, Key Managerial Personnel of the Company or their relatives are in any way, concerned or interested, financially or otherwise, in the proposed resolution except to the extent of Bonus shares to be received by them against shares held by them.

**By order of the Board of Directors  
For Zeal Aqua Limited**

Sd/-

Date : 16<sup>th</sup> August, 2018

Place: Surat

**Javanika N. Gandharva  
Company Secretary &  
Compliance Officer**





## ANNEXURE TO NOTICE

### Details of Directors seeking Appointment / Re-appointment

[Pursuant to the Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

Sr. No.	Name of Director	Date of Birth	Date of appointment	Qualification	Nature of Expertise	Name of Public Companies in which he/she holds Directorship	Name of Committees of Public Companies of which he/she holds Membership / Chairmanship*	No. of Shares held
1	Mr. Shantil Ishwarbhai Patel (DIN: 00362189) (To be appointed who is relative to Zeal Aqua Limited)	11.08.1948	06.03.2009	M.Sc.	He has more than 21 years experience in the field of Aquaculture	0	Audit Committee	4,47,840
2	Mr. Cyrus Dinsha Bhathena (DIN: 07967116) (To be Appointed as an Independent Director)	21.07.1967	14.10.2017	B.Com.	He has more than 25 years experience in the field of automobiles and 10 years experience in farming.	1	Audit Committee and Stakeholders' Relationship Committee	1,000
3	Mr. Shahzad Yazdi Gandhi (DIN: 00132857) (To be Appointed as an Independent Director)	11.12.1991	29.12.2017	Master's Degree Business management	He has more than 15 years experience in the field of interior color design and 1 year experience in banking field.	1	N.A.	500
4	Mrs. Shamin Mukeshbhai Dandl (DIN: 08393337) (To be Appointed as an Independent Director)	10.11.1965	10.08.2018	B. Com.	She has more than 17 years of experience in teaching field.	1	NIL	NIL

\* Represent Chairmanship/membership of Two Committees viz. Audit Committee and Stakeholders' Relationship Committee as per Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

#### 1. List of Companies in which Mr. Shantil Ishwarbhai Patel holds directorship as on 31<sup>st</sup> March, 2018:

S. No.	Name of the Company	Nature of Interest	Shareholding	Date on which interest arose/changed
1	Zeal Aqua Limited	Managing Director	4,47,840	06/03/2009
2	Rati Aqua Private Limited	Director	1,03,300	19/06/2010
3	Jacob Foods Private Limited	Director	5,000	01/11/2011
4	Mukesh Hotels Private Limited	Director	3,400	27/07/2009
5	Bright Commtrade LLP	Partner	40.74%	17/07/2015

Mr. Dhavalkumar Shantilal Patel is the son of Mr. Shantilal Ishwarbhai Patel, hence they are being relative within the meaning of section 2(77) of the Companies Act, 2013 and are concerned or interested in this resolution.

#### 2. List of Companies in which Mr. Cyrus Dinsha Bhathena holds directorship:

S. No.	Name of the Company	Nature of Interest	Shareholding	Date on which interest arose/changed
1	Zeal Aqua Limited	Additional Director	1000	14/10/2017

Mr. Cyrus Dinsha Bhathena is being appointed as an Independent Director of the company and he fulfills the criteria of Independence.

#### 3. List of Companies in which Mr. Shahzad Yazdi Gandhi holds directorship :

S. No.	Name of the Company	Nature of Interest	Shareholding	Date on which interest arose/changed
1	Zeal Aqua Limited	Additional Director	500	29/12/2017

Mr. Shahzad Yazdi Gandhi is being appointed as an Independent Director of the company and he fulfills the criteria of Independence.

The Board of Directors recommends the proposed resolution for acceptance by member.

By order of the Board of Directors  
For Zeal Aqua Limited

Sd/-

Date: 16<sup>th</sup> August, 2018  
Place: Surat

Javanika N. Gandharva  
Company Secretary &  
Compliance Officer



## DIRECTORS' REPORT

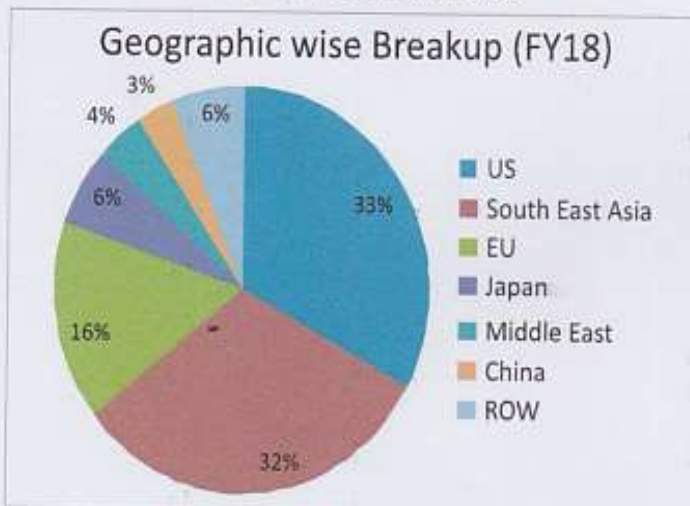
To,  
The Members of  
Zeal Aqua Limited

I am feeling delighted to share with you our Company's performance during the year under review; and provide key developments of the aquaculture industry.

MPEDA has set an ambitious target of doubling marine products exports to USD 10 Bn by 2022, including measures to strengthen aquaculture production in states, potential collaborations, marketing and integration of supply chains. Government has proposed to create 10 marketing offices around the world to promote and create brand equity for Indian products.

We were the first few companies in India to introduce P. Vannamei breed and successfully pioneered the technique. The country has now emerged as one of the largest producers of shrimp in the world. India's seafood export cross USD 7 Bn for the first time, wherein frozen shrimp and frozen fish continuing to be the top export items. India shipped 13.7 Lakh MT of seafood in volume terms and USD 7 Bn in value terms during FY18, as compared to figures of 11.3 Lakh MT and USD 5.77 Bn, respectively in the preceding fiscal, registering a growth of 21.35%. Export of shrimp for FY18 was 5.6 Lakh MT worth USD 5 Mn, with US continuing to be the largest market.

A significant portion of shrimps cultivated in India is primarily exported to the US, followed by Europe, Japan and South East Asian countries in dollar terms as shown below:



CIN No: L05004GJ2009PLC056270

Regd. Office: Plot No. 4 / 5, Olpad G.I.D.C,

Taluka: Olpad, District: Surat 394 540, State: Gujarat, India, t:+91 -2621-220047

Factory: Block No. 347, Village Orma, Taluka :Olpad, District: Surat, State: Gujarat, India

Email: zealaqua@gmail.com, Website:www.zealaqua.com

# ZEAL AQUA LIMITED

This year, we have achieved an important milestone, where we have commissioned the processing plant with annual capacity of 5,800 MT of shrimp processing. We have moved up the value chain from being a farmer to shrimp processor and exporter moving towards forward integration. We have commissioned the processing plant in the second half of the FY18. Currently, we are exporting Processed Shrimps to the countries like UK, Japan, Vietnam, China, Saudi Arabia, UAE etc.

## FINANCIAL HIGHLIGHTS

The Company's financial performance for the year ended on 31<sup>st</sup> March, 2018 is summarized below:

Financial Results and Appropriations	Year Ended	Year Ended
	31.03.2018	31.03.2017
Gross Income from Operations	1,775,583,643	1,745,543,379
Other Income	19,375,947	4,328,645
Total Revenue	1,794,959,590	1,749,872,024
Profit Before Interest, Depreciation and Taxes (EBITDA)	234,927,963	96,867,052
Less:		
Interest	89,859,819	44,894,249
Extra-ordinary items	-	-
Depreciation	83,118,296	24,497,110
Profit Before Tax (PBT)	61,949,848	27,475,693
Less: Taxation	20,077,689	9,727,126
Net Profit after Tax (PAT)	41,872,159	17,748,567

The Company discloses financial results on half yearly basis of which results are subjected to limited review and publishes audited financial results on an annual basis. The Financial Statements as stated above are also available on the Company's website [www.zeal aqua.com](http://www.zeal aqua.com).

## FINANCIAL PERFORMANCE

During the year, Your Company recorded total revenue of 17,755.84 Lacs during the current financial year as compared to total revenue of 17,455.43 Lacs in financial year 2016-17 and Profit before Tax for the year 2017-18 stood at 619.5 Lacs as compared to Profit before tax of 274.76 Lacs in financial year 2016-17. Profit after Tax for the current year stood at 418.72 Lacs as compared to Profit after Tax of 177.48 Lacs. A detailed analysis on the Company's performance is included in the "Management's Discussion and Analysis" Report, which forms part of this Report.

## ROAD AHEAD

Our vision of moving up the value chain from being farmer to processor has been finally taking shape. Our priorities are as follows:

- Getting the USFDA approval for US export and targeting different Geographies
- Increasing the revenue share of value added

products

- Smoothing and increasing the Utilization of the Processing Plant
- Operationalize the first phase of Shrimp Nursery technique

At Zeal Aqua, we are very excited to enter into the new phase of growth and will continue to invest in our capabilities to increase market share and create value for the shareholders. I would like to be thankful to all the stakeholder for being part of the journey.

## DIVIDEND

Keeping in mind the overall performance and outlook for your Company, your Board of Directors are not declaring dividends as the company require funds for its recently commercial project. Your Directors do not recommend any dividend for the year ended 31<sup>st</sup> March, 2018.

## TRANSFER TO RESERVES

Company has not transferred any amount from profit to general reserve.

## UNCLAIMED DIVIDEND

There is no balance lying in unpaid dividend account.

## EXTRACT OF ANNUAL RETURN

Pursuant to sub-section 3(a) of Section 134 and sub-section (3) of Section 92 of the Companies Act, 2013 read with Rule 12 of Companies (Management and Administration) Rules, 2014 the Extract of the Annual Return as at 31<sup>st</sup> March, 2018 in Form MGT-9 is annexed to this Report as **Annexure I**.

## CORPORATE GOVERNANCE

As per the Regulation 27 of SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015 the Report of the Corporate Governance and the Certificate of the Auditors of the Company in respect of compliance thereof are appended hereto and forming part of this report; is given in **Annexure II**. The requisite certificate from the Auditors of the Company confirming compliance with the conditions of Corporate Governance is attached in the report on Corporate Governance.

## DIRECTORS

The members of the Board of Directors of the Company are of proven competence and integrity. Besides having financial literacy, experience, leadership qualities and the ability to think strategically, the Directors have a significant degree of commitment to the Company and devote adequate time for the meetings, preparation and attendance.

The Policy of the Company on Directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a Director and other matters provided under sub-section (3) of section 178, is available on the Company's website [www.zealaqua.com](http://www.zealaqua.com).

Your directors propose the appointment of Mr. Cyrus Dinsha Bhathena, Mr. Shahzad Yazdi Gandhi and Mrs. Sharmin Mehernosh Dordi at the ensuing annual general meeting.

In accordance with the provisions of the Companies Act, 2013 and Articles of Association of the Company, Mr. Shantilal Ishwarbhai Patel, Director of your Company retire by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment, subject to the approval of the Members of the Company.

The Company has received declarations from all the independent directors of the Company that they meet the criteria of independence as provided under Section 149(6) of the Companies Act, 2013 and Regulation 16(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Company has devised a Board Evaluation Framework for performance evaluation of Independent Directors, Board, Non- Independent Directors and Chairman of the Company. Pursuant to this framework, a process of evaluation was followed by the Board for its own performance and that of its committees and individual directors.

The Board recommends the appointment/re-appointment of above directors for your approval.

## BOARD INDEPENDENCE

'Independence' of Directors means as defined in Regulation 16(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 149(6) of the Companies Act, 2013. Based on the confirmation / disclosures received from the Directors and on

evaluation of the relationships disclosed, the following Non-Executive Directors are Independent:

- a) Mr. Naginbhai Paragbhai Patel
- b) Mr. Cyrus Dinsha Bhathena
- c) Mrs. Roshan Melli Kadodwala
- d) Mr. Shahzad Yazdi Gandhi

## COMMITTEES OF THE BOARD

There are currently four Committees of the Board, as under:

- 1) Audit Committee
- 2) Nomination and Remuneration Committee
- 3) Stakeholders' Relationship Committee
- 4) CSR Committee

Details of all the Committees, along with their charters, composition and meetings held during the year, are provided in the Report on Corporate Governance, a part of this Annual Report.

## NUMBER OF MEETINGS OF THE BOARD

The Board meets at regular intervals to discuss and decide on Company / business policy and strategy, apart from other Board business. The Board / Committee Meetings are pre-scheduled and a tentative annual calendar of the Board and Committee Meetings is circulated to the Directors well in advance to facilitate them to plan their schedule and to ensure meaningful participation in the meetings. However, in case of a special and urgent business need, the Board's approval is taken by passing resolutions through circulation, as permitted by law, which are confirmed in the subsequent Board meeting.

The notice of Board meeting is given well in advance to all the Directors. Usually, meetings of the Board are held in Surat. The Agenda of the Board / Committee meetings is circulated at least a week prior to the date of the meeting. The Agenda for the Board and Committee meetings includes detailed notes on the items to be discussed at the meeting to enable the Directors to take an informed decision.

The Board met thirteen times in financial year 2017-18 viz., on 1<sup>st</sup> April, 2017, 1<sup>st</sup> May, 2017, 30<sup>th</sup> May, 2017, 10<sup>th</sup> June, 2017, 24<sup>th</sup> July, 2017, 26<sup>th</sup> August, 2017, 22<sup>nd</sup> September, 2017, 14<sup>th</sup> October, 2017, 14<sup>th</sup> November, 2017, 7<sup>th</sup> December, 2017, 29<sup>th</sup> December, 2017, 5<sup>th</sup> January, 2018, and 14<sup>th</sup> March, 2018. The maximum interval between any two meetings did not exceed 120 days.

## ANNUAL EVALUATION BY THE BOARD

During the year, the Board has carried out the annual evaluation of its own performance as well as the evaluation of the working of its Committees and individual Directors, including Chairman of the Board. This exercise was carried out through a structured questionnaire prepared separately for Board, Committee and individual Directors.

The questionnaire for Board evaluation was prepared taking into consideration various aspects of the Board's functioning such as understanding of Board members of their roles and responsibilities, time devoted by the Board to Company's long-term strategic issues, quality and transparency of Board discussions, quality, quantity and timeliness of the information flow between Board members and management, Board's effectiveness in disseminating information to shareholders and in representing shareholder interests, Board information on industry trends and regulatory developments and discharge of fiduciary duties by the Board.

The Board acknowledged certain key improvement areas emerging through this exercise and action plans to address these are in progress. The performance evaluation of the Non Independent Directors including Chairman was carried out by the Independent Directors at a separate meeting of the Independent Directors on 14<sup>th</sup> March, 2018. The Nomination and Remuneration Committee has further carried out evaluation of all Directors including Independent Directors. The report of performance evaluation so arrived at was then noted and discussed by the Nomination and Remuneration Committee and the Board in their respective meetings.

## KEY MANAGERIAL PERSONNEL

The following persons have been designated as Key Managerial Personnel of the Company pursuant to Section 2(51) and Section 203 of the Act, read with the Rules framed there under.

1. Mr. Shantilal Ishwarbhai Patel  
Managing Director
2. Mr. Pradipkumar Ratilal Navik  
Whole Time Director
3. Mr. Rohan Pradipkumar Navik  
Whole Time Director
4. Mr. Dhavalkumar Shantilal Patel  
Whole Time Director
5. Mr. Shailendrasingh Chatarsingh Patil  
Chief Financial Officer

6. Ms. Javanika Narendrakumar Gandharva  
Company Secretary & Compliance Officer

## ENERGY CONSERVATION MEASURES, TECHNOLOGY ABSORPTION AND R & D EFFORTS AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Information relating to Conservation of Energy, Technology Absorption and Foreign Earning and Outgo, as required under Section 134(3)(m) of the Companies Act, 2013 read together with Rule 8(3) of the Companies (Accounts) Rules, 2014 forms part of this Report as **Annexure III**.

## PARTICULARS OF EMPLOYEES AND OTHER ADDITIONAL INFORMATION

The information required under Section 197(12) of the Companies Act, 2013 and rule 5(2) and 5(3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is given in **Annexure IV** to this report and form part of this Report.

## PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES

All contracts/arrangements/transactions entered by the Company during the financial year with related parties were in the ordinary course of the business and on an arm's length basis. Particulars of contracts or arrangements with related parties referred to in Section 188(1) of the Companies Act, 2013, in the prescribed Form AOC-2, is attached and forms part of this Directors' Report as **Annexure V**.

## AUDITORS

### STATUTORY AUDITORS

Members of the Company in 6<sup>th</sup> Annual General Meeting of the Company appointed M/s PARY & Co., Chartered Accountant as a statutory auditor of the Company for the tenure of five years starting from the conclusion of 6<sup>th</sup> Annual General Meeting till the conclusion of 11<sup>th</sup> Annual General Meeting subject to annual ratification by members. Now, pursuant to provisions of section 139(1) of the Companies Act, 2013 read with Companies Amendment Act, 2017 there is no requirement of annual ratification of appointment of a statutory auditor but as per the resolution passed in 6<sup>th</sup> Annual General Meeting of the Company it is requires to ratify the appointment of statutory auditor. Hence, Board hereby proposes for ratification of appointment of M/s PARY & Co, Chartered Accountant as a statutory auditor of the Company. Further, after this ratification no further ratification of appointment of statutory

auditor shall be done and M/s PARY & Co., Chartered Accountant shall hold office as a statutory auditor of the Company till the conclusion of 11<sup>th</sup> Annual General Meeting of the Company.

The report of the Auditors is self-explanatory and does not contain any qualification, reservation or adverse remark and does not call for any comment as per section 134 of the Companies Act, 2013. The Statutory Auditors have not reported any incident of fraud to the Audit Committee of the Company in the year under review.

## INTERNAL AUDITOR

M/s. GRR & Co., Chartered Accountants, Surat has been internal Auditor of the Company for the Financial Year 2017-18. Internal Auditors are appointed by the Board of Directors of the Company on yearly basis, based on the recommendation of the Audit Committee. The Internal Auditor reports their findings on the internal Audit of the Company to the Audit Committee on a quarterly basis. The Scope of Internal audit is approved by the Audit Committee.

The Company has appointed M/s. GRR & Co., Chartered Accountants, Surat as an Internal Auditor for the Financial Year 2018-19 in the Board meeting held on 2<sup>nd</sup> July, 2018, after obtaining his willingness and eligibility letter for appointment as Internal Auditor of the Company.

## SECRETARIAL AUDITOR

In accordance with the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, your Company had appointed Mr. Ranjit Binod Kejriwal, Practicing Company Secretary (Membership No. FCS: 6116; CP No: 5985), to undertake the Secretarial Audit of the Company for the Financial Year 2017-18. The Secretarial Audit Report for the Financial Year 2017-18 is annexed to this Report as **Annexure VI**.

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

As per the Regulation 34 of SEBI (Listing Obligations And Disclosure Requirements), Regulations 2015, the Management Discussion and Analysis of the financial condition and results of consolidated operations of the Company under review, is annexed and forms an integral part of the Directors' Report, is given in **Annexure VII**.

## CEO & CFO CERTIFICATION

Pursuant to Regulation 17(8) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Certificate from Mr. Shailendrasingh Chatarsingh Patil, Chief Financial Officer of the Company, for the year ended 31<sup>st</sup> March, 2018 is attached herewith which forms part of Corporate Governance Report.

## DIRECTORS' RESPONSIBILITY STATEMENT

As stipulated in Section 134(3)(c) read with sub-section (5) of the Companies Act, 2013, Directors subscribe to the "Directors' Responsibility Statement" and confirm that:

- a) In preparation of Annual Accounts, the applicable accounting standards have been followed and that no material departures have been made from the same;
- b) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that period;
- c) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) The Directors have prepared the annual accounts for the year ended 31<sup>st</sup> March, 2018 on going concern basis.
- e) The Directors have laid down the internal financial controls to be followed by the Company and that such Internal Financial Controls are adequate and were operating effectively; and
- f) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## SUBSIDIARY, JOINT-VENTURE AND ASSOCIATES COMPANIES

The Company does not have any subsidiary, Joint Venture and Associate Companies.

# ZEAL AQUA LIMITED

## PUBLIC DEPOSIT

The company has not accepted deposits from the public during the financial year under review within the meaning of Section 73 of the Act of the Companies Act 2013, read with Companies (Acceptance of Deposits) Rules, 2014.

## LISTING AT STOCK EXCHANGE

The Equity Shares of the Company continue to be listed on the BSE Limited (Bombay Stock Exchange SME Platform). The Annual Listing Fee for the current year has been paid to the BSE Limited.

## SIGNING OF THE FINANCIAL STATEMENTS

This is to inform you that the Company has approved and authenticated its Audited Financial Results for the year ended 31<sup>st</sup> March, 2018 in the Board meeting duly held on 30<sup>th</sup> May, 2018, which is well within the statutory time limits as prescribed in the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

## DISCLOSURES

### SHARE CAPITAL

The Paid up Equity Share Capital as at 31<sup>st</sup> March, 2018 stood at 420.22/- Lacs. After the financial year 2017-18 under review, the Company has proposed issue bonus shares to shareholders of the Company, Board recommended the same for approval of the Members in ensuing 10<sup>th</sup> Annual General Meeting.

After the financial year 2017-18 under review, your board has proposed to increased Authorised Share capital from Rs. 5 Crore to Rs. 13 Crore in its Board Meeting held on 16/08/2018.

## MEETINGS OF BOARD OF DIRECTORS AND COMMITTEES

The Details of All meeting of Board of Directors and Committee meeting had taken place during the year and their details along with their attendance, is given in **Table 2 of Annexure II**.

## COMPOSITION OF AUDIT COMMITTEE

The Board has constituted the Audit committee which comprises of one Executive director and two Non-Executive Directors and Chairman is Independent Director. The details of

the composition of the audit committee is described in Corporate Governance Report.

In Conformity with the requirements of Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Section 177 of the Companies Act, 2013, as applicable, the strength of the Board as also of the Audit Committee is adequate.

## MATERIAL CHANGES AND COMMITMENT AFFECTING FINANCIAL POSITION OF THE COMPANY

There are no material changes and commitments, affecting the financial position of the Company which has occurred between the end of financial year of the Company i.e. 31<sup>st</sup> March, 2018 and upto the date of signing of the Director's Report.

## CHANGE IN NATURE OF COMPANY BUSINESS

The Company is engaged in aquaculture industry, especially prawn farming and trading of Seed, Feed and Medicines required for Shrimp Farming. The company has started Shrimp Processing Unit and commercial production of the Shrimp Processing Unit and started export of processed shrimp.

## Corporate Social Responsibility (CSR)

The disclosures as per Rule 9 of Companies (Corporate Social Responsibility Policy) Rules, 2014 are applicable to the Company. The Disclosure shall be in **Annexure VIII**.

The Company has a Corporate Social Responsibility Policy and the same has been posted on the website of the Company at <http://www.zealaqua.com/policy.php>

## VIGIL MECHANISM & WHISTLE BLOWER POLICY

Your Company has established a mechanism called Vigil Mechanism/Whistle Blower Policy for the directors and employees to report to the appropriate authorities off unethical behavior, actual or suspected, fraud or violation of the Company's code of conduct or ethics policy and provides safeguards against victimization of employees who avail the mechanism. The policy permits all the employees to report their concerns directly to the Chairman of the Audit Committee of the Company.

The Vigil Mechanism/Whistle Blower Policy as approved by the Board is uploaded on the Company's website. The web link is <http://www.zealaqua.com/policy.php>

## POLICY ON RELATED PARTY TRANSACTIONS

The Board of the Company has adopted the Policy and procedure with regard to Related Party Transactions. The policy envisages the procedure governing the materiality of Related Party Transactions and dealing with Related Party transactions required to be followed by Company to ensure compliance with the Law and Regulation. The said Policy is available on the website of the Company.

The Company has a Related Party Transaction Policy and the same has been posted on the website of the Company at <http://www.zealaqua.com/policy.php>

## PARTICULARS OF LOAN GIVEN, INVESTMENTS MADE, GUARANTEE GIVEN AND SECURITY PROVIDED

The company has not given any loans or guarantees or investments under section 186(4) of Companies Act, 2013.

## RISK MANAGEMENT POLICY AND INTERNAL CONTROL ADEQUACY

The Board has adopted the 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. The Company's internal control systems are commensurate with the nature of its business and the size and complexity of its operations. These are routinely tested and certified by Statutory as well as Internal Auditors. Significant audit observations and follow up actions thereon are reported to the Audit Committee. For ensuring independence of audits, the Internal Auditors report directly to the Audit Committee. Both Internal and Statutory Auditors have exclusive executive sessions with the Audit Committee on a regular basis. In addition, during the year, the Management performed a review of key financial controls, at entity as well as operating levels.

The Company has in place a mechanism to identify, assess, monitor and mitigate various risks to key business objectives which has been enhanced during this year. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis. These are discussed at the meetings of the Audit Committee and the Board of Directors of the Company. These have also been reported and discussed in detail in the Management's

Discussion and Analysis Report, annexed to this report.

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the Internal, Statutory and Secretarial Auditors and external consultants and the reviews performed by Management and the relevant Board committees, including the Audit Committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during the financial year 2017-18.

## STATEMENT ON RISK MANAGEMENT

During the financial year under review a statement on risk management including identification therein of elements of risk, if any, which in the opinion of the Board may threaten the existence of the company as per the provisions of Section 134(3) (n) of Companies Act, 2013; has been annexed in **Annexure IX**.

## PREVENTION OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE

Your company adopted policy of "Prevention of Sexual Harassment of Women at Workplace". There were no incidences of sexual harassment reported during the year under review, in terms of the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules made thereunder.

The company has complied with the provisions relating to constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Your director's further state that during the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

## COST RECORDS

The company is not required to maintain Cost Records as specified by Central Government under section 148(1) of the Companies Act, 2013, and accordingly such accounts and records are not made and maintained.

## PREVENTION OF INSIDER TRADING

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by



# ZEAL AQUA LIMITED

the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Board is responsible for implementation of the Code.

The Company has a Prohibition of Insider Trading Policy and the same has been posted on the website of the Company at <http://www.zealaqua.com/policy.php>

## INSURANCE

All the properties and the insurable interest of the company including building, plants and machinery and stocks wherever necessary and to the extent required have been adequately insured.

## RESEARCH & DEVELOPMENT

The Company believes that technological obsolescence is a reality. Only progressive research and development will help us to measure up to future challenges and opportunities. We invest in and encourage continuous innovation. During the year under review, expenditure on research and development is not significant in relation to the nature size of operations of your Company.

## ACKNOWLEDGEMENTS

Your Directors would like to express their sincere appreciation of the co-operation and assistance received from Shareholders, Bankers, regulatory bodies and other business constituents during the year under review.

Your Directors also wish to place on record their deep sense of appreciation for the commitment displayed by all executives, officers and staff, resulting in successful performance of the Company during the year.

By order of the Board of Directors  
For Zeal Aqua Limited

Date : 16<sup>th</sup> August, 2018  
Place: Surat

Sd/-  
Shantilal Ishwarbhai Patel  
Managing Director & Chairman  
(DIN: 01362109)

Sd/-  
Pradipkumar Ratilal Navik  
Whole Time Director  
(DIN: 01067716)



## FORM NO. MGT-9

### EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31<sup>st</sup> March 2018

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

#### I. REGISTRATION AND OTHER DETAILS

i) CIN  
L05004GJ2009PLC056270

ii) Registration Date  
06/03/2009

iii) Name of the Company  
Zeal Aqua Limited

iv) Category / Sub-Category of the Company  
Public Company/Company having share capital

v) Address of the registered office and contact details  
At Olpad GIDC PI No. 4,5, Ta Olpad Surat - 394540 Gujarat

vi) Whether listed company  
YES

vii) Name, Address and Contact details of Registrar and Transfer Agent, if any

**Bigshare Services Private Limited**

Bharat Tin Works Building, 1<sup>st</sup> Floor, Opp. Vasant Oasis, Next to Keys Hotel, Marol Maroshi Road, Andheri-East, Mumbai-400059

Ph: +91-022-62638200

Email: investor@bigshareonline.com

#### II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sl. No.	Name and Description of main products / Services	NIC Code of the Products/Services	% to total turnover of the company
1	Fishing, Operation Of Fish Hatcheries And Fish Farms; Service Activities Incidental To Fishing (Shrimp Farming)	03	100.00%

#### III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S. No.	Name & Address of the Company	CIN/ULN	Holding/Subsidiary/ Associate	% of Shares Held	Applicable Section
NONE					

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

##### I) CATEGORY-WISE SHARE HOLDING

Category of Shareholders	No. of Shares held at the beginning				No. of Shares held at the end				% 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	183880	0	183880	43.76	183880	0	183880	43.76	0
b. Central Govt.	0	0	0	0	0	0	0	0	0
c. State Govt.	0	0	0	0	0	0	0	0	0
d. Body Corporate	1036190	0	1036190	24.66	1036190	0	1036190	24.66	0
e. Banks/ FI	0	0	0	0	0	0	0	0	0
f. Any other (Specify)	0	0	0	0	0	0	0	0	0
g. Directors, Relatives	0	0	0	0	0	0	0	0	0
h. Group Companies	0	0	0	0	0	0	0	0	0
i. Trusts	0	0	0	0	0	0	0	0	0
<b>Total of (1)</b>	<b>2875040</b>	<b>0</b>	<b>2875040</b>	<b>68.42</b>	<b>2875040</b>	<b>0</b>	<b>2875040</b>	<b>68.42</b>	<b>0</b>
<b>2. Foreign</b>									
a. NR Individual	0	0	0	0	0	0	0	0	0
b. Other Individual	0	0	0	0	0	0	0	0	0
c. Body Corporate	0	0	0	0	0	0	0	0	0
d. Banks/ FI	0	0	0	0	0	0	0	0	0
e. Any other	0	0	0	0	0	0	0	0	0
<b>Total of (2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total A (2+2)</b>	<b>2875040</b>	<b>0</b>	<b>2875040</b>	<b>68.42</b>	<b>2875040</b>	<b>0</b>	<b>2875040</b>	<b>68.42</b>	<b>0</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a. Mutual Funds	0	0	0	0	0	0	0	0	0
b. Banks/ FI	0	0	0	0	0	0	0	0	0
c. Central Govt.	0	0	0	0	0	0	0	0	0
d. State Govt.	0	0	0	0	0	0	0	0	0
e. Venture Capital Funds	0	0	0	0	0	0	0	0	0
f. Insurance Companies	0	0	0	0	0	0	0	0	0
g. FIIs	0	0	0	0	0	0	0	0	0
h. Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i. Others (Market Maker)	0	0	0	0	0	0	0	0	0
<b>Total of (1)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>2. Non-institutions</b>									
a. Body Corporate	293000	0	293000	6.87	301250	0	301250	7.17	0.20
i. Indian	0	0	0	0	0	0	0	0	0
ii. Overseas	0	0	0	0	0	0	0	0	0
b. Individual									
i. Individual shareholders holding nominal share capital upto Rs. 1 lakh	458087	0	458087	10.80	463190	0	463190	11.01	0.12
ii. Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	563000	0	563000	13.40	561500	0	561500	13.36	-0.04

##### II) SHAREHOLDING OF PROMOTERS

Sr. No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares	Self Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares	Self Shares Pledged / encumbered to total shares	
1	Pradipkumar Natlal Navik	415520	9.89	0	415520	9.89	0	0
2	Shantilal Jhawalal Patel	447840	10.66	0	447840	10.66	0	0
3	Rachinbaben S Patel	415680	9.89	0	415680	9.89	0	0
4	Susan Pradip Navik	415680	9.89	0	415680	9.89	0	0
5	Rohan Pradipkumar Navik	48160	1.15	0	48160	1.15	0	0
6	Dhavalkumar Shantilal Patel	16000	0.38	0	16000	0.38	0	0
7	Navik Aqua Private Limited	80000	1.90	0	80000	1.90	0	0
8	Raft Aqua Private Limited	128660	3.03	0	128660	3.03	0	0
9	Gold Fish Aquaculture Private Limited	80000	1.90	0	80000	1.90	0	0
10	Sivan Aqua Private Limited	80000	1.90	0	80000	1.90	0	0
11	Agave Tradecom LLP	667200	15.88	0	667200	15.88	0	0
12	Kirti R Navik	32000	0.79	0	32000	0.79	0	0
13	Mary Moses	48000	1.14	0	48000	1.14	0	0
	<b>Total</b>	<b>2875040</b>	<b>68.42%</b>		<b>2875040</b>	<b>68.42%</b>		<b>0</b>

# ZEAL AQUA LIMITED

## III) CHANGE IN PROMOTERS' SHAREHOLDING ( please specify, if there is no change)

Sr. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares	No. of Shares	% of total Shares
	At the Beginning of the year	2875040	68.42%	2875040	68.42%
	Date wise increase/ Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc).				
	At the end of the year	2875040	68.42%	2875040	68.42%

## SHAREHOLDING PATTERN OF TOP TEN SHAREHOLDERS (other than directors, Promoters and holders of gdrs and adrs):

Sr. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares	No. of Shares	% of total Shares
1.	MILIND HARIBHAI KOTE				
	At the Beginning of the year	177000	4.21%	177000	4.21%
	Date wise increase/ Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc).	NIL		NIL	
	At the end of the year	177000	4.21%	177000	4.21%
2.	NVM SECURITIES PRIVATE LIMITED				
	At the Beginning of the year	103000	2.45%	103000	2.45%
	Date wise increase/ Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc).				
	At the end of the year	103000	2.38%	100000	2.38%
3.	INTERACTIVE FINANCIAL SERVICES LIMITED				
	At the Beginning of the year	82000	1.95%	82000	1.95%
	Date wise increase/ Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc).	NIL		NIL	
	At the end of the year	82000	1.95%	82000	1.95%

4.	SUNCARE TRADERS LIMITED				
	At the Beginning of the year	43000	1.02%	43000	1.02%
	Date wise increase/ Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc).	NIL		NIL	
	At the end of the year	43000	1.02%	43000	1.02%
5.	KUSUM KANORIA				
	At the Beginning of the year	26000	0.62%	26000	0.62%
	Date wise increase/ Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc).	NIL		NIL	
	At the end of the year	26000	0.62%	26000	0.62%
6.	LINSON EXPORTS LIMITED				
	At the Beginning of the year	26000	0.62%	26000	0.62%
	Date wise increase/ Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc).	NIL		NIL	
	At the end of the year	26000	0.62%	26000	0.62%
7.	CLIPD TRADES & FINANCE LIMITED				
	At the Beginning of the year	26000	0.62%	26000	0.62%
	Date wise increase/ Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc).	NIL		NIL	
	At the end of the year	26000	0.62%	26000	0.62%
8.	RADMA KANORIA				
	At the Beginning of the year	21000	0.50%	21000	0.50%
	Date wise increase/ Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc).	NIL		NIL	
	At the end of the year	21000	0.50%	21000	0.50%
9.	MAYUR RAJENDRASHAI PARIKH				
	At the Beginning of the year	18000	0.43%	18000	0.43%
	Date wise increase/ Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc).	NIL		NIL	
	At the end of the year	18000	0.43%	18000	0.43%
10.	AMATHABHAI LALABHAI KHALASI				
	At the Beginning of the year	16000	0.38%	16000	0.38%
	Date wise increase/ Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc).	NIL		NIL	
	At the end of the year	16000	0.38%	16000	0.38%
11.	UTTAMABHAI ISHVARABHAI KHALASI				
	At the Beginning of the year	16000	0.38%	16000	0.38%
	Date wise increase/ Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc).	NIL		NIL	
	At the end of the year	16000	0.38%	16000	0.38%

# ZEAL AQUA LIMITED

12. MINABEN RAJESHBHAI KHALASI																
At the Beginning of the year	16000	0.38%	16000	0.38%												
Date wise Increase/ Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NIL		NIL													
At the end of the year	16000	0.38%	16000	0.38%												
13. PRAVINBHAI KANTIBHAI KHALASI																
At the Beginning of the year	16000	0.38%	16000	0.38%												
Date wise Increase/ Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NIL		NIL													
At the end of the year	16000	0.38%	16000	0.38%												
14. USHABEN AMATHABHAI KHALASI																
At the Beginning of the year	16000	0.38%	16000	0.38%												
Date wise Increase/ Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NIL		NIL													
At the end of the year	16000	0.38%	16000	0.38%												
15. RAMESHBHAI U KHALASI																
At the Beginning of the year	16000	0.38%	16000	0.38%												
Date wise Increase/ Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NIL		NIL													
At the end of the year	16000	0.38%	16000	0.38%												
16. PARVANABEN MUKESHBHAI KHALASI																
At the Beginning of the year	16000	0.38%	16000	0.38%												
Date wise Increase/ Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NIL		NIL													
At the end of the year	16000	0.38%	16000	0.38%												
17. MUKESHBHAI AMATHABHAI KHALASI																
At the Beginning of the year	16000	0.38%	16000	0.38%												
Date wise Increase/ Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NIL		NIL													
At the end of the year	16000	0.38%	16000	0.38%												
18. UTTAMBHAI RAMABHAI KHALASI																
At the Beginning of the year	16000	0.38%	16000	0.38%												
Date wise Increase/ Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NIL		NIL													
At the end of the year	16000	0.38%	16000	0.38%												
19. DIPESHBHAI D KHALASI																
At the Beginning of the year	16000	0.38%	16000	0.38%												
20. PRAMODJIMAR H PANDEY																
At the Beginning of the year	16000	0.38%	16000	0.38%												
Date wise Increase/ Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	<table border="1"> <thead> <tr> <th>Date</th> <th>Shares</th> <th>Reason</th> </tr> </thead> <tbody> <tr> <td>17.11.2017</td> <td>1500</td> <td>Buy</td> </tr> <tr> <td>Total</td> <td>14500</td> <td></td> </tr> </tbody> </table>	Date	Shares	Reason	17.11.2017	1500	Buy	Total	14500		<table border="1"> <thead> <tr> <th>Shares</th> <th>Cumulative</th> </tr> </thead> <tbody> <tr> <td>17500</td> <td>14500</td> </tr> </tbody> </table>	Shares	Cumulative	17500	14500	
Date	Shares	Reason														
17.11.2017	1500	Buy														
Total	14500															
Shares	Cumulative															
17500	14500															
At the end of the year	14500	0.35%	14500	0.35%												

21. JYANTIBHAI CHHANNABHAI KHALASI				
At the Beginning of the year	16000	0.38%	16000	0.38%
Date wise Increase/ Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NIL		NIL	
At the end of the year	16000	0.38%	16000	0.38%
22. CHAMPABHAI RAMABHAI KHALASI				
At the Beginning of the year	16000	0.38%	16000	0.38%
Date wise Increase/ Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NIL		NIL	
At the end of the year	16000	0.38%	16000	0.38%

## V) SHAREHOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

Sr. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year										
		No. of Shares	% of total Shares	No. of Shares	% of total Shares									
1	PRADIPJIMAR RATILAL NAVI													
	At the Beginning of the year	415520	9.89%	415520	9.89%									
	Date wise Increase/ Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NIL		NIL										
	At the end of the year	415520	9.89%	415520	9.89%									
2	SHANTILAL ISHVARBHARATEL													
	At the Beginning of the year	447840	10.66%	447840	10.66%									
	Date wise Increase/ Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NIL		NIL										
	At the end of the year	447840	10.66%	447840	10.66%									
3	ROHAN PRADIPJIMAR NAVI													
	At the Beginning of the year	48160	1.15%	48160	1.15%									
	Date wise Increase/ Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NIL		NIL										
	At the end of the year	48160	1.15%	48160	1.15%									
4	DHAWAJIMAR SHANTILAL NATEL													
	At the Beginning of the year	16000	0.38%	16000	0.38%									
	Date wise Increase/ Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NIL		NIL										
	At the end of the year	16000	0.38%	16000	0.38%									
5	CYRUS DINESH SHATHERA													
	At the Beginning of the year	1000	0.02%	1000	0.02%									
	Date wise Increase/ Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NIL		NIL										
	At the end of the year	1000	0.02%	1000	0.02%									
6	SHANZAD YAZDI													
	At the Beginning of the year	NIL		NIL										
	Date wise Increase/ Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	<table border="1"> <thead> <tr> <th>Date</th> <th>Shares</th> <th>Reason</th> </tr> </thead> <tbody> <tr> <td>17.11.2017</td> <td>500</td> <td>Buy</td> </tr> <tr> <td>Total</td> <td>500</td> <td></td> </tr> </tbody> </table>	Date	Shares	Reason	17.11.2017	500	Buy	Total	500			500	0.01%
Date	Shares	Reason												
17.11.2017	500	Buy												
Total	500													
	At the end of the year	500	0.01%	500	0.01%									

# ZEAL AQUA LIMITED

## V) INDEBTEDNESS

Indebtedness of the Company including interest outstanding/ accrued but not due for payment

Particulars	Secured Loans excluding Deposits	Unsecured Loans	Deposits	Total indebtedness
Indebtedness at the beginning				
i) Principal Amount	38,16,92,600	11,29,36,193	-	49,46,28,793
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total	38,16,92,600	11,29,36,193	-	49,46,28,793
Change in indebtedness during the year				
- Addition	40,89,03,374	-	-	40,89,03,374
- Reduction	-	(1,17,35,383)	-	(1,17,35,383)
Indebtedness at the end	79,05,95,974	10,12,00,810	-	89,17,96,784
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total	79,05,95,974	10,12,00,810	-	89,17,96,784

## VI) REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

S.No.	Particulars of Remuneration	Name of Managing Director/Whole Time Director/ Manager	Total Amount
1	Gross Salary	Pradipkumar Ratil Navik Shantilal Ishwarbhai Patel Rohan Pradipkumar Navik Oshavkumar or Shantilal Patel	88,00,000
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	24,00,000	24,00,000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961		
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961		
2	Stock Option		
3	Sweat Equity		
4	Commission		
	- as % of Profit		
	- Others, Specify		
5	Others, please specify	24,00,000	24,00,000
	Total (A)	24,00,000	24,00,000
	Ceiling as per the Act	168 lakhs p.a	

## A) REMUNERATION TO MANAGING DIRECTOR, WHOLE-TIME DIRECTORS AND/ OR MANAGER

### REMUNERATION TO OTHER DIRECTORS:

Sr. No.	Particulars of Remuneration	Name of Directors	Total Amount
1	Independent Director		
	a. Fees for attending board/ committee meeting	NIL	NIL
	b. Commission		
	c. Others, please specify		
	Total (1)		
2	Other Non-Executive Directors		
	a. Fees for attending board/ committee meeting	NIL	NIL
	b. Commission		
	c. Others, please specify		
	Total (2)		
	Total (3) = (1+2)		
	Total Managerial Remuneration	NIL	NIL
	Overall Ceiling as per the Act	168 Lakhs p.a	168 Lakhs p.a

## B) REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD / MANAGER / WTD :

Sr.No	Particulars	Key Managerial Personnel		
		Shalendrasingh Chattersingh Patil (CFD)	Javanka Narendrakumar Gandharva (CS)	Total
1	Gross Salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	4,58,068	2,56,000	7,14,068
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	- as % of Profit	-	-	-
	- Others, Specify	-	-	-
5	Others, please specify	-	-	-
	Total	4,58,068	2,56,000	7,14,068
	Ceiling as per the Act	168 Lakhs p.a		168 Lakhs p.a

## VII) PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RO/ NCLT/ Court]	Appeal made, if any (give details)
<b>A. COMPANY</b>					
Penalty			NIL		
Punishment			NIL		
Compounding			NIL		
<b>B. DIRECTOR</b>					
Penalty			NIL		
Punishment			NIL		
Compounding			NIL		
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty			NIL		
Punishment			NIL		
Compounding			NIL		

By order of the Board of Directors  
For Zeal Aqua Limited

Sd/-

Date : 16<sup>th</sup> August, 2018  
Place: Surat

Shantilal Ishwarbhai Patel  
Managing Director & Chairman  
(DIN: 01362109)

## CORPORATE GOVERNANCE REPORT

Report on Corporate Governance pursuant to Schedule V (C) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations) and forming Part of the Directors' Report for the year ended 31<sup>st</sup> March, 2018. The Company has complied with the corporate governance requirements specified in regulation 17 to 27 and regulation 46 of the Listing Regulations.

### 1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The Company's philosophy on Corporate Governance is to strive to do the right things, we explore innovative ideas and thinking with positive outlook. We stand and deliver our promises by adhering to highest standard of business ethics. We believe integrity is the foundation of our individual and corporate actions drives our organization to make it vibrant. Our organization is based on trust between the different element of our organization with honesty and credibility. In its endeavor to achieve the higher standards of governance by adopting the best emerging practices, the Company not only adheres to the prescribed corporate governance practices in terms of the regulatory requirements but is also committed to sound corporate governance principles and practices.

### 2. BOARD OF DIRECTORS

The Board of Directors of the Company (Board) has optimum combination of Executive and Independent Directors comprising three Executive Non Independent Directors and Three Non Executive Independent Directors. The Directors are eminently qualified and experienced in business, finance and corporate management.

None of the Directors hold directorship in more than 20 public limited companies nor is a member of more than 10 committees or chairman of more than 5 committees across all the public limited companies in which they are Directors.

The table below provides the composition of the Board, their attendance at Board meetings & AGM and number of directorship, chairmanship/membership of companies:

(Table 1)

Name of the Director & Designation & Age	Category & Nature of employment	Date of Appointment	No. of Directorship held in other companies in India	No. of committees of which Member(M)/Chairman (C)	Board meeting attended	Attendance at the last AGM	No. of Shares held & % holding (of the Company) (As on 31 <sup>st</sup> March, 2018)
Mr. Shantlal Ishwarbhai Patel Chairman & Managing Director 61 Years	Executive Promoter Director	06/03/2009	3	1	13	No.	447840 (30.66%)

Mr. Pradipkumar Ratilal Navik Whole Time Director 54 Years	Executive Promoter Director	06/03/2009	2	NIL	13	Yes	415520 (29.89%)
Mr. Rohan Pradipkumar Navik Whole Time Director 31 Years	Executive Director	06/06/2011	2	NIL	12	No	38160 (01.15%)
Mr. Dhavalkumar Shantilal Patel 27 years	Executive Director	22/09/2017	2	NIL	6	NIL	26000 (00.38%)
Mr. Naginbhai Paragbhai Patel 66 Years	Non-Executive & Independent Director	25/03/2015	1	2	13	Yes	—
Mr. Cyrus Dinkar Bhathena 61 Years	Non-Executive & Independent Director	14/10/2017	NIL	2	5	NIL	1000 (0.02%)
Mrs. Rashmi Meili Kadiolkhale 61 Years	Non-Executive & Independent Director	25/03/2015	NIL	1	13	Yes	—
Mr. Shaheed Yashu Gandhi 27 years	Non-Executive & Independent Director	29/12/2017	NIL	0	2	NIL	500 (0.01%)

### NOTES

- (1) Disclosure of Chairmanship & Membership includes membership of Audit and Stakeholder Relationship Committees in other Public Limited Companies only.
- (2) Other directorships include alternate directorship, directorship of Private Limited Companies, Section 8 Companies of the Companies Act, 2013 and Foreign Companies.
- (3) None of the Directors of Board is a member of more than ten Committees and no Director is Chairman of more than five committees across all the Public companies in which they are Director. The necessary disclosures regarding Committee positions have been made by all the Directors.
- (4) None of the Independent Director of the Company is holding position of Independent Director in more than 7 Listed Company. Further, none of the Director of the Company serving as a Whole-Time Director in any Listed Company and is holding position of Independent Director in more than 3 Listed Company.
- (5) None of the Non-executive Directors has any pecuniary relationship. Non-executive Directors have no transaction with the Company. The details of sitting fees, commission and remuneration paid to each director appear later under the disclosure relating to Remuneration to Directors.

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

The information as required by SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in relation to

# ZEAL AQUA LIMITED

appointment/reappointment of Directors of the Company are given in the Annexure of the Notice of the Annual General Meeting.

## BOARD MEETINGS

The meetings of Board of Directors were held at the Registered Office of the Company. The functions performed by the Board include review of Minutes of Audit Committee Meetings and other Committees of the Board, adoption of financial results of the Company and review of Company's Operation & Performance. The Board meets at least once a quarter to review the quarterly performance and financial results of the Company. The maximum interval between any two meetings did not exceed 120 days. The agenda papers along with notes and other supporting were circulated in advance of the Board Meeting with sufficient information as required.

The Board met thirteen (13) times during the financial year 2017-18 on the following dates:

(Table 2)

Sr. No.	Date of Meeting	Board Strength	No. of Directors present
1.	1 <sup>st</sup> April, 2017	6	6
2.	1 <sup>st</sup> May, 2017	6	6
3.	30 <sup>th</sup> May, 2017	6	6
4.	10 <sup>th</sup> June, 2017	6	6
5.	24 <sup>th</sup> July, 2017	6	6
6.	26 <sup>th</sup> August, 2017	6	6
7.	22 <sup>nd</sup> September, 2017	6	4
8.	14 <sup>th</sup> October, 2017	7	7
9.	14 <sup>th</sup> November, 2017	8	8
10.	7 <sup>th</sup> December, 2017	8	8
11.	29 <sup>th</sup> December, 2017	8	8
12.	5 <sup>th</sup> January, 2018	8	8
13.	14 <sup>th</sup> March, 2018	8	8

## DISCLOSURE OF RELATIONSHIPS BETWEEN DIRECTORS INTER-SE:

Mr. Pradipkumar Ratilal Navik is father of Mr. Rohan Pradipkumar Navik and Mr. Shantilal Ishwarlal Patel is father of Mr. Dhavalkumar Shantilal Patel and father in Law of Mr. Rohan Pradipkumar Navik.

## MEETING OF INDEPENDENT DIRECTORS

The Company's independent directors meet at least once in a financial year without the presence of executive directors and management personnel to review the performance of Non-Independent Directors and Board as whole.

The Company has devised the Policy on Familiarization Programme for Independent Director and the same is available on the website of the Company [www.zealacqua.com](http://www.zealacqua.com)

During the financial year 2017-18, One (1) meeting of the Independent Directors was held on 14.03.2018

Attendance of the Directors at the Independent Directors Meetings held during the financial year is as under:

Name of Directors	Categories	No. of Meeting Attended
Mr. Naginbhai Paragbhai Patel	Chairman	1
Mr. Cyrus Dinsha Bhatena	Member	1
Mrs. Roshan Melli Kadodwala	Member	1
Mr. Shahzad Yazdi Gandhi	Member	1

## COMMITTEES OF THE BOARD

Directors including the Chairman provide guidance on policy matters as well as in the monitoring actions of operating management.

In conformity to the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) and Companies Act, 2013, the composition of these committees of Board are constituted.

## FAMILIARIZATION PROGRAM TO INDEPENDENT DIRECTORS:

The Board has formulated a Familiarization Program for every newly appointed Directors of the Company. Such program enables the Independent Directors to understand about the operations and affairs of the Company. The Board members are provided with necessary documents, reports and internal policies to enable them to familiarize with the Company's procedures and practices. They are familiarized with the Company's operation. A familiarization policy in this regard has been framed by the Company and hosted on the Company's Website at

<http://www.zealacqua.com/downloads/Familiarization%20programme-%20ID.pdf>

## 3. AUDIT COMMITTEE OF BOARD

In Conformity with the requirements of Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Section 177 of the Companies Act, 2013, as applicable, the strength of the Board as also of the Audit Committee is adequate.

## BROAD TERMS OF REFERENCE OF THE AUDIT COMMITTEE

The Audit Committee of Zeal Aqua Limited consists of two Independent Directors and one Executive Director of the Company. All the Directors have good understanding of Finance, Accounts and Law. The Audit Committee also advises the Management on the areas where internal control system can be improved.

The Compliance Officer of the Company acts as the Secretary to the Audit committee.

The terms of reference of Audit Committee of the Company are in accordance with Section 177 of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 inter-alia, include the following:

## THE ROLE OF THE AUDIT COMMITTEE SHALL INCLUDE THE FOLLOWING:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors
4. Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
  - i. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause I of sub-section 3 of section 134 of the Companies Act, 2013;
  - ii. Changes, if any, in accounting policies and practices and reasons for the same;
  - iii. Major accounting entries involving estimates based on the exercise of judgment by management;
  - iv. Significant adjustments made in the financial statements arising out of audit findings;
  - v. Compliance with listing and other legal requirements relating to financial statements;
  - vi. Disclosure of any related party transactions;
  - vii. Qualifications in the draft audit report.
5. Reviewing, with the management, the half yearly financial statements before submission to the board for approval.
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, right issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/Draft Prospectus/ Prospectus /notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
7. Review and monitor the auditor's independence, performance and effectiveness of audit process.
8. Approval or any subsequent modification of transactions of the company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
14. Discussion with internal auditors any significant findings and follow up there on.
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting



the matter to the board.

16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
18. To oversee and review the functioning of the vigil mechanism which shall provide for adequate safeguards against victimization of employees and directors who avail of the vigil mechanism and also provide for direct access to the Chairperson of the Audit Committee in appropriate and exceptional cases.
19. Call for comments of the auditors about internal control systems, scope of audit including the observations of the auditor and review of the financial statements before submission to the Board;
20. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.
21. To investigate any other matters referred to by the Board of Directors;
22. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

#### THE AUDIT COMMITTEE SHALL MANDATORILY REVIEW THE FOLLOWING INFORMATION:

- a. Management discussion and analysis of financial information and results of operations;
- b. Statement of significant related party transactions (as defined by the Audit Committee), submitted by the management;
- c. Management letters / letters of internal control weaknesses issued by the statutory auditors;

- d. Internal audit reports relating to internal control weaknesses; and
- e. The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the Audit Committee.

#### COMPOSITION AND ATTENDANCE AT MEETINGS:

The Chairman of the Audit Committee is Mr. Naginbhai Paragbhai Patel.

Name of Directors	Categories	Nature of Directorship
Mr. Naginbhai Paragbhai Patel	Chairman	Independent Director
Mr. Cyrus Dinsha Bhatena (w.e.f. 14.10.2017)	Member	Independent Director
Mr. Shantilal Ishwarbhai Patel	Member	Executive Director
Mr. Maheshbhai Nathubhai Mistry (Resigned on 29.12.2017)	Member	Independent Director

During the financial year 2017-18, Five (5) meetings of Audit Committee were held on following dates:

01.04.2017,                      30.05.2017,                      26.08.2017,  
14.11.2017,                      14.03.2018

Attendance of the Directors at the Audit Committee Meetings held during the financial year is as under:

Name of Directors	Categories	No. of Meeting Attended
Mr. Naginbhai Paragbhai Patel	Chairman	5
Mr. Maheshbhai Nathubhai Mistry	Member	4
Mr. Shantilal Ishwarbhai Patel	Member	5
Mr. Cyrus dinsha Bhatena	Member	1

#### 4. NOMINATION AND REMUNERATION COMMITTEE

Your Company constituted a Nomination & Remuneration Committee to look into the matters pertaining to remuneration of executive and non executive directors.

The Board of Directors ('the Board') of Zeal Aqua Limited ("the Company") reviewed the charter of Nomination & Remuneration Committee" approved at the Board Meeting held on August 30, 2016. The detailed Nomination & Remuneration Policy is uploaded on the website of the Company. The web link is <http://www.zealaqua.com/policy.aspx>

Further in terms of Regulation 19(4) of the SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015 the Committee is required to formulate a criteria for evaluation of performance of Independent Directors and the Board of Directors. The criteria is available on the link <http://www.zealaqua.com/policy.php>

# ZEAL AQUA LIMITED

## BROAD TERMS OF REFERENCE OF THE NOMINATION & REMUNERATION COMMITTEE

The terms of reference of Nomination & Remuneration Committee of the Company are in accordance with Section 178 of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, The Nomination & Remuneration Committee, *inter-alia*:

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

## COMPOSITION OF THE NOMINATION & REMUNERATION COMMITTEE AND ATTENDANCE AT MEETINGS:

The composition of Nomination & Remuneration Committee has been as under;

Name of Directors	Categories	Nature of Directorship
Mr. Naginbhai Paragbhai Patel	Chairman	Independent Director
Mr. Maheshbhai Nathubhai Mistry (Resigned on 29.12.2017)	Member	Independent Director
Mrs. Roshan Meili Kadodwala	Member	Independent Woman Director
Mr. Cyrus Dinsha Bhathena (w.e.f. 14.10.2017)	Member	Independent Director

During the financial year 2017-18, Six (6) meetings of the Nomination & Remuneration Committee were held on following dates:

<u>30.05.2017,</u>	<u>26.08.2017,</u>	<u>14.10.2017,</u>
<u>14.11.2017,</u>	<u>29.12.2017,</u>	<u>14.03.2018</u>

Attendance of the Directors at the Nomination & Remuneration Committee Meetings held during the financial year is as under:

Name of Directors	Categories	No. of Meeting Attended
Mr. Naginbhai Paragbhai Patel	Chairman	6
Mr. Maheshbhai Nathubhai Mistry	Member	5
Mrs. Roshan Meili Kadodwala	Member	6
Mr. Cyrus Dinsha Bhathena	Member	1

## REMUNERATION OF DIRECTORS

During the financial year under review the company paid below mentioned remuneration or sitting fees to directors of the Company. The Remuneration paid is in commensuration to the efforts, expertise and time devoted by the director(s).

Name of Directors	Category	Remuneration (in Rs. Lakhs)
Mr. Shantilal Ishwarbhai Patel	Managing Director	24.00
Mr. Pradipkumar Ratilal Navik	Whole Time Director	24.00
Mr. Rohan Pradipkumar Navik	Whole Time Director	24.00
Mr. Dhavalkumar Shantilal Patel	Whole Time Director	14.00

## SITTING FEES

No Sitting Fees was paid to Non -Executive Directors for attending the Board Meetings.

## REMUNERATION POLICY

The Company has adopted and implemented the Nomination and Remuneration Policy devised in accordance with Section 178(3) and (4) of the Companies Act, 2013 which is available on the website of the Company [www.zealaqua.com](http://www.zealaqua.com).

The remuneration payable to Directors, Key Managerial Personnel and Senior Management Person will involve a balance between fixed and incentive pay reflecting short term and long term performance objectives appropriate to the working of the Company and support in the achievement of Corporate Goals.

## 5. STAKEHOLDERS, SHAREHOLDERS' / INVESTOR'S GRIEVANCES COMMITTEE

Your Company has constituted a shareholder / investors grievance committee ("Stakeholders, Shareholders / Investors Grievance Committee") to redress the complaints of the shareholders.

The Stakeholders, Shareholder/Investors Grievance Committee shall oversee all matters pertaining to investors of our Company. Mr. Cyrus Dinsha Bhathena (Non Executive Independent Director) is heading the Committee.

# ZEAL AQUA LIMITED

## COMPOSITION OF THE STAKEHOLDERS, SHAREHOLDERS/INVESTORS GRIEVANCE COMMITTEE AND ATTENDANCE AT MEETINGS:

The composition of Stakeholders, Shareholders/Investors Grievance Committee has been as under;

Name of Directors	Categories	Nature of Directorship
Mr. Maheshbhai Nathubhai Mistry (Resigned on 29.12.2017)	Chairman	Independent Director
Mr. Cyrus Dinsha Bhatthana (w.e.f. 14.10.2017)	Chairman	Independent Director
Mr. Naginbhai Paragbhai Patel	Member	Independent Director
Mrs. Roshan Melli Kadodwala	Member	Independent Woman Director

During the financial year 2017-18, Four (4) meetings of Stakeholders, Shareholders'/ Investors Grievance Committee were held on following dates:

30.05.2017,                      26.08.2017,                      14.11.2017,  
14.03.2018

Attendance of the Directors at the Stakeholders, Shareholders'/ Investors Grievance Committee Meetings held during the financial year is as under:

Name of Directors	Categories	No. of Meeting Attended
Mr. Maheshbhai Nathubhai Mistry	Chairman	3
Mr. Naginbhai Paragbhai Patel	Member	4
Mrs. Roshan Melli Kadodwala	Member	4
Mr. Cyrus dinsha Bhatthana	Member	1

## NAME & DESIGNATION AND ADDRESS OF THE COMPLIANCE OFFICER

**Ms. Javanika Narendrakumar Gandharva**  
Company Secretary & Compliance Officer  
Zeal Aqua Limited

At Olpad GIDC PI No. 4,5, Ta Olpad  
Surat - 394540 Gujarat  
Email ID.: cs@zealaqua.com

Pursuant to the Regulation 13(3) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015; the details regarding investor's complaints are as follows:

## STATUS OF COMPLAINTS PENDING, RECEIVED, DISPOSED AND UNRESOLVED:

Number of Shareholders' Complaints Pending at the end of the year	Nil
Number of Shareholders' Complaints received during the year	Nil
Number of Shareholders' Complaints disposed during the year	Nil
Number of Shareholders' Complaints remain unresolved during the year	Nil

## 6. CSR COMMITTEE

Your Company has constituted a Corporate Social Responsibility committee ("CSR Committee"). The Committee is primarily responsible for formulating and recommending to the Board of Directors a Corporate Social Responsibility (CSR) Policy and monitoring the same from time to time, amount of expenditure to be incurred on the activities pertaining to CSR and monitoring CSR activities.

## COMPOSITION OF THE CORPORATE SOCIAL RESPONSIBILITY COMMITTEE ("CSR COMMITTEE") AND ATTENDANCE AT MEETINGS: COMPOSITION OF THE CORPORATE SOCIAL RESPONSIBILITY COMMITTEE ("CSR COMMITTEE") AND ATTENDANCE AT MEETINGS:

The composition of CSR Committee has been as under;

Name of Directors	Categories	Nature of Directorship
Mr. Pradipkumar Ratilal Navik	Chairman	Executive Director
Mr. Shantilal Ishwarbhai Patel	Member	Executive Director
Mrs. Naginbhai Paragbhai Patel	Member	Independent Director

During the financial year 2017-18, Two (2) meetings of Corporate Social Responsibility committee ("CSR Committee") was held on following date:

26.08.2017,                      14.03.2018

Attendance of the Directors at the Corporate Social Responsibility committee Meetings held during the financial year is as under:

Name of Directors	Categories	No. of Meeting Attended
Mr. Pradipkumar Ratilal Navik	Chairman	2
Mr. Shantilal Ishwarbhai Patel	Member	2
Mr. Naginbhai Paragbhai Patel	Member	2

## CSR POLICY

The company's policy disseminated at [www.zealaqua.com](http://www.zealaqua.com)

As per Section 135(5) Companies Act, 2013, an amount of 2 percent of the average net profits of the company made during the three immediately preceding financial years which works out to Rs. 20,98,049/- including unspent amount of Rs. 15,14,085/- of previous year is to be spent towards Corporate Social Responsibility Activities. The detailed Report on the CSR Activities is annexed at Annexure VIII

## 7. GENERAL BODY MEETINGS

The details of Annual General Meetings held during the last three years are as follows:

Years	Day, Date and Time	Venue
2014-15	Wednesday, 30 <sup>th</sup> September, 2015 at 10.00 A.M.	At Olpad GIDC PI No. 4,5, Ta Olpad Surat - 394540 Gujarat
2015-16	Monday, 26 <sup>th</sup> September, 2016 at 11:30 A.M.	At Olpad GIDC PI No. 4,5, Ta Olpad Surat - 394540 Gujarat
2016-17	Friday, 22 <sup>nd</sup> September, 2017 at 11:30 A.M.	At Olpad GIDC PI No. 4,5, Ta Olpad Surat - 394540 Gujarat

The details of Resolution(s) which were passed in the last three Annual General Meetings ("AGM") of the Company along with details of Postal Ballot & voting pattern are as follows:

AGM Date	Resolution	Ordinary / Special	Favor		Against	
			Ballot	E-Votes	Ballot	E-Votes
30 <sup>th</sup> September, 2015	Adoption of Annual Accounts, Auditor's Report and Directors Report	Ordinary	All the resolutions were passed unanimously, no ballot or E-voting process has been done		All the resolutions were passed unanimously, no ballot or E-voting process has been done	
	Appointment of Auditors	Ordinary	All the resolutions were passed unanimously, no ballot or E-voting process has been done		All the resolutions were passed unanimously, no ballot or E-voting process has been done	
26 <sup>th</sup> September, 2016	Adoption of Annual Accounts, Auditor's Report and Directors Report	Ordinary	1471520	597520	0	0
	Re-appointment of Director liable to retire by rotation	Ordinary	1471520	597520	0	0
	Appointment of Auditors	Ordinary	1471520	597520	0	0
22 <sup>nd</sup> September, 2017	Adoption of Annual Accounts, Auditor's Report and Directors Report	Ordinary	1376880	676660	0	0
	Re-appointment of Director liable to retire by rotation	Ordinary	82000	180660	0	0
	Appointment of Auditors	Ordinary	1376880	676660	0	0
	Appointment of Mr. Dhavalkumar Shantilal Patel as a Whole-time Director	Special	82000	180660	0	0
	Appointment of Mr. Manick Jimmy Patalwala as an Independent Director	Ordinary	1376880	676660	0	0
	Taking of Loans and matters related thereto	Special	1376880	676660	0	0

## NAME AND ADDRESS OF SCRUTINIZER OR THE PERSON WHO CONDUCTED THE POSTAL BALLOT EXERCISE:

Mr. Ranjit Binod Kejriwal  
Practicing Company Secretary,  
1, Aastha, 2/906, Hira Modi Sheri,  
Opp. Gujarat Samachar Press,  
Sagrampura, Ring Road,  
Surat - 395002  
Email : rbksurat@gmail.com  
Ph: +91-261-2331123

## 8. EXTRAORDINARY GENERAL MEETING (EGM)

There was no Extraordinary General Meeting was held during the year 2017-18.

## POSTAL BALLOT

The Company has passed resolutions through postal ballot during the year 2017-18 in 9<sup>th</sup> Annual General Meeting of the company held as on 22<sup>nd</sup> September, 2017. As per amended Companies Act, 2013, Company is not proposing postal Ballot for 10<sup>th</sup> AGM..

## 9. MEANS OF COMMUNICATION

During the year, half-yearly and annual financial results of the Company were submitted to the stock exchanges immediately after the conclusion of the Board meetings.

The results were also sent to the Stock Exchange for general information and for putting on their website. The notice of the AGM was sent to the shareholders well in advance of the AGM. The gist of the notice is also published in English newspaper named Free Press Gujarat and Gujarati Newspaper named Lokmitra. The Company regularly puts latest information and financial data on the website of the Company [www.zealaqua.com](http://www.zealaqua.com).

## 10. GENERAL SHAREHOLDERS' INFORMATION

### ANNUAL GENERAL MEETING

1	Date, Time and Venue	Monday, 24 <sup>th</sup> September, 2018 at 11.30 A.M. at the Registered Office of the Company at Olpad GIDC PI No. 4,5, Ta Olpad Surat-394540
2	Financial Year	The Financial year of the Company is From April 1 to March 31 of the following year.
3	Date of Book Closure	September 15, 2018 to September 24, 2018 (both days inclusive)

The Members / Proxies who intend to attend the meeting are requested to bring the Attendance slip sent herewith duly filed in to the meeting. The instrument appointing the proxy, in order to be effective, should be duly stamped, completed and signed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.

## FINANCIAL CALENDAR

Financial Reporting for the half year ended 30 <sup>th</sup> September, 2017	Within 45 days from end of half year
Financial Reporting for the half year/year ended 31 <sup>st</sup> March, 2018	Within 60 days from end of half year/year

## LISTING ON STOCK EXCHANGE

The Equity Shares of the Company as on the date are listed on the SME Platform of BSE Limited. The Company confirms that it has paid Annual Listing Fee for the Financial Year 2017-18 to the BSE Limited.

# ZEAL AQUA LIMITED

## STOCK CODE OF THE COMPANY

ISIN	: INE819S01017
Scrip Name	: ZEAL
Security Code	: 539963
Type of Shares	: Equity Shares
No. of paid up shares	: 4202200

## NAME OF THE STOCK EXCHANGE

### BSE Limited (On BSE SME platform)

Phiroze Jeejeebhoy Towers,  
Dalal Street, Mumbai – 400 001  
Tel. : 022-22721233/4,  
Fax : 022-22721919

### Market Price Data (As obtained from BSE Website)

Month & Year	High Price	Low Price	Volume* (No. of shares)
April, 2017	413.00	376.00	61,000
May, 2017	440.50	393.00	85,000
June, 2017	440.00	423.00	5,500
July, 2017	439.80	423.00	13,500
August, 2017	444.10	423.00	26,000
September, 2017	448.85	438.00	28,500
October, 2017	555.00	444.00	28,000
November, 2017	600.00	560.00	12,000
December, 2017	590.00	571.00	10,500
January, 2018	585.00	546.00	13,000
February, 2018	554.00	512.00	14,750
March, 2018	550.40	500.80	92,750

\*Total No. of shares traded in the month.

## REGISTRAR AND SHARE TRANSFER AGENT

### Bigshare Services Private Limited

Bharat Tin Works Building, 1st Floor,  
Opp. Vasant Oasis Apartments, (Next to keys Hotel),  
Marol Maroshi Road,  
Andheri (E), Mumbai- 400059  
Tel. : +91-022-62638200,  
E-mail: investor@bigshareonline.com

## SHARE TRANSFER SYSTEM

The Company's shares are compulsorily traded in dematerialized mode. The dematerialized shares are transferable through the depository system. The power of share transfer has been delegated to the designated officials of Registrar & Transfer Agent of the Company, **Bigshare Services Private Limited**. The Registrar & Transfer Agent processes the share transfers within a period of fifteen days from the date of receipt of the transfer documents.

The Company has obtained half yearly certificates from

Company Secretary in Practice for compliance of share transfer formalities as per the requirement of Clause 47(c) of the Listing Agreement and Regulation 40(9) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company has also carried out Quaterly Secretarial Audit for the reconciliation of Share Capital as required under SEBI circular no. 16 dated 31<sup>st</sup> December, 2002.

## INVESTOR HELPDESK

Shareholders/Investors can also send their queries through e-mail to the Company at [cs@zealaqua.com](mailto:cs@zealaqua.com). This designated e-mail has also been displayed on the Company's website [www.zealaqua.com](http://www.zealaqua.com) under the section Investor contact.

## COMPLIANCE OFFICER

Ms. Javanika Narendrakumar Gandharva  
Company Secretary & Compliance Officer

## DISTRIBUTION OF SHAREHOLDING (as on 31<sup>st</sup> March, 2018)

### A. ON THE BASIS OF SHARES HOLDING

Shareholding of Nominal	No. of Shareholders	% of Total Shareholders	Shares Amount	% of Shares Amount
1 to 5000	34	16.59	132500	0.32
5001 to 10000	29	14.15	280000	0.67
10000 to 20000	18	8.78	331600	0.79
20000 to 30000	11	5.36	330000	0.78
30000 to 40000	17	8.29	675000	1.61
40000 to 50000	24	11.71	1200000	2.85
50000 to 100000	28	13.66	1937500	4.61
100000 to 9999999	44	21.46	37135400	88.37
TOTAL	305	100.00	42022000	100.00

### B. ON THE BASIS OF CATEGORY

Sr. No.	Description	No. of members		No. of shares	
		Nos.	%	Nos.	%
A	Promoters Holding	8	3.9024	1838880	43.7599
	Directors & Relatives	5	2.4190	1036160	24.6576
B	Bodies Corporate	-	-	-	-
	Non Promoter Holding Institutions	-	-	-	-
C	Mutual Funds	-	-	-	-
	Non-Institutions	-	-	-	-
D	Resident Individual	179	67.1171	1023600	24.3819
	HUF	-	-	-	-
E	Foreign Individuals or NRI	-	-	-	-
	Bodies Corporate	12	5.5537	301250	7.1689
F	Any other (please specify)	3	0.4878	1250	0.0030
	Total	205	100.00	42022000	100.00

# ZEAL AQUA LIMITED

## PAN REQUIREMENT FOR TRANSFER OF SHARES IN PHYSICAL FORM

The Securities & Exchange Board of India (SEBI) has mandated the submission Permanent Account Number (PAN) for securities market transactions & off market/private transactions involving Transfer of Shares in Physical Form of Listed Companies. Therefore it shall be mandatory for the transferee(s) to furnish a copy of the PAN Card to the Company/Registrar & Share Transfer Agents for Registration of such transfers. Members/Investors are therefore requested to make note of the same & submit their PAN Card copy to the Company/ Registrar & Share Transfer Agents.

## CHANGE IN SHAREHOLDERS DETAILS

In case you are holding your shares in dematerialized form (e.g. in electronic mode), communication regarding change in address, bank account details, change in nomination, dematerialization of your share certificates or other inquiries should be addressed to your DP where you have opened your Demat Account, quoting your client ID number. In case of physical holding of shares, any communication for change of any details should be addressed to Registrar & Share Transfer Agent of the Company, Bigshare Services Private Limited, as per address mentioned above.

## NOMINATION FACILITY

It is in the interest of the shareholders to appoint nominee for their investments in the Company. Those members, who are holding shares in physical mode and have not appointed nominee or want to change the nomination, are requested to send us nomination form duly filed in and signed by all the joint holders.

## OUTSTANDING GDRS/ADRS/WARRANTS/ ANY OTHER CONVERTIBLE INSTRUMENTS

The Company does not have any outstanding instruments of the captioned type.

## PROCEEDS FROM PUBLIC ISSUE / RIGHTS ISSUE / PREFERENTIAL ISSUE / WARRANT CONVERSION

The Company has not issued any shares during the year and the shares of the company continue to be listed on BSE SME platform.

## DETAILS OF DIVIDEND

The Company has not declared dividend in the past.

## DETAILS OF UNPAID DIVIDEND

Since, the Company has not paid any dividend, in past years and so there is no unpaid dividend amount.

## PLANT AND FACTORY LOCATION:

**Zeal Aqua Limited**  
Block No. 347, Village: Orma, Taluka:  
Olpad, District: Surat- 394540,  
State: Gujarat, India

## ADDRESS FOR CORRESPONDENCE

**Zeal Aqua Limited**  
At Olpad GIDC PL No. 4, 5, Ta Olpad Surat-394540  
Tel. : +91 2621-220047  
Fax : +91 2621-220047  
E-mail : cs@zealaqua.com  
Website : www.zealaqua.com  
CIN : L05004GJ2009PLC056270

## 11. OTHER DISCLOSURES

### RELATED PARTY TRANSACTION

The Company has no materially significant related party transactions with related parties during the financial year which were in conflict with the interest of the Company. All Related Party Transactions during the year have been disclosed in AOC-2 as per annexure V.

All the transactions entered into with Related Parties as defined under Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 during the financial year were in the Ordinary Course of business and on arms length pricing basis and do not attract the provisions of Section 188 of the Companies Act, 2013. Prior approval of the Audit Committee is obtained for all Related Party Transactions.

The Board has approved a policy for related party transactions which is available on the website of the Company [www.zealaqua.com](http://www.zealaqua.com).

### DETAILS OF NON-COMPLIANCE BY THE COMPANY

There were no instances of non-compliance or penalties, imposed on the Company by the Stock Exchange or any other statutory authority, on any matter related to Capital Markets, during the year.

# ZEAL AQUA LIMITED

## DISCLOSURE OF ACCOUNTING TREATMENT IN PREPARATION OF FINANCIAL STATEMENT

In preparation of the financial statements, the Company has followed the Accounting Standards issued by the Institute of Chartered Accountants of India (ICAI). The significant accounting policies which are consistently applied have been set out in the Notes to the Accounts.

## WHISTLE BLOWER POLICY

The Company has implemented a Whistle Blower Policy covering the employees. The Policy enables the employees to report to the management instances of unethical behavior, actual or suspected fraud or violation of the Company's code of Conduct. Employees can lodge their Complaints through anonymous e-mails besides usual means of communications like written complaints. During the year under review, no employee was denied access to the Audit Committee. The Whistle Blower Policy as approved by the Board is available on the website of the Company [www.zealacqua.com](http://www.zealacqua.com).

## RISK MANAGEMENT

The Company has to frame a formal Risk Management Framework for risk assessment and risk minimization to ensure smooth operation and effective management control. The Audit Committee has to review the adequacy of the risk management framework of the Company, the key risks associated with the business and to measure the steps to minimize the same

## CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING

The Company has adopted the Code of Conduct for regulating, monitoring and reporting of Trading by Insiders in accordance with the requirement of SEBI (Prohibition of Insider Trading) Regulations, 2015 and the Companies Act, 2013.

## SEBI COMPLAINTS REDRESS SYSTEM (SCORES)

SEBI administers a centralized web-based complaints redress system (SCORES). It enables investors to lodge and follow up complaints and track the status of redressal online on the website [www.scores.gov.in](http://www.scores.gov.in). It also enables the market intermediaries and listed companies to receive the complaints from investors against them, redress such complaints and report complaints redressed. All the activities starting from lodging of a complaint till its disposal are carried online in an automated environment and the status of every complaint can be viewed online at any time. The Company has registered

itself on SCORES and endeavors to resolve all investor complaints received through SCORES or otherwise within 15 days of the receipt of the complaint. During the year, no investor complaints received by the Company through SCORES.

## THE BOARD

The chairperson of the company is an Executive Director.

## SEPARATE POSTS OF CHAIRPERSON AND CHIEF EXECUTIVE OFFICER

The company has its managing director as a chairman. But all efforts are made to ensure that all the members of the board are given adequate opportunity to put their views and participate in the proceeding(s) of meeting.

## COMPLIANCE CERTIFICATE FROM THE AUDITORS

As required by Schedule V (E) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Auditors' certificate on Corporate Governance is annexed to this report.

## ADOPTION OF MANDATORY REQUIREMENTS

The Company has complied with all mandatory requirements of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations).

## COMPLIANCE WITH CODE OF CONDUCT

In Compliance with Regulation 26(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Companies Act, 2013, The Board Members and Senior Management Personnel have confirmed compliance with the Code of Conduct for the year ended 31<sup>st</sup> March, 2018.

## DECLARATION

All the Members of the Board of Directors of the Company and Senior Management Personnel have affirmed compliance with the Code of Conduct for the financial year ended 31<sup>st</sup> March, 2018 as applicable to them as laid down in Companies Act, 2013 with the code of conduct of Board of directors and senior management.

By order of the Board of Directors  
For Zeal Aqua Limited

Sd/

Date : 16<sup>th</sup> August, 2018  
Place: Surat

Shantilal Ishwarbhai Patel  
Managing Director & Chairman  
(DIN: 01362109)

## **AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE**

*(Pursuant to Schedule V (E) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)*

To,  
The Members of  
Zeal Aqua Limited

We have examined the compliance of the conditions of Corporate Governance by Zeal Aqua Limited (The Company) CIN:L05004GJ2009PLC056270; for the year ended 31st March 2018 as stipulated in Regulation 27(2) of SEBI (Listing Obligation And Disclosure Requirements), Regulations 2015 of the said Company with BSE Limited.

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned SEBI (Listing Obligation and Disclosure Requirements), Regulations 2015.

We state that no investor grievances are pending for a period exceeding one month against the Company as per the records maintained by the Shareholders/Investors Grievances Committee.

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

For PARY AND CO.  
Chartered Accountants  
(FRN: 007288C)

Sd/-

CA Akash Rajnikant Gaglani  
Partner  
M. No. 114255

Date : 16<sup>th</sup> August, 2018  
Place: Surat





## CERTIFICATION BY THE CHIEF FINANCIAL OFFICER ON FINANCIAL STATEMENTS OF THE COMPANY

I, Shailendrasingh Chatarsingh Patil, Chief Financial Officer of Zeal Aqua Limited, certify that:

- (a) I/We have reviewed the financial statements and the Cash Flow Statement for the year and that to the best of our knowledge and belief:
  - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading
  - ii. 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.
- (b) There are, to the best our knowledge the belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- (c) I/ We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the listed entity pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the auditors and the Audit Committee:
  - (i) There has not been any significant change in internal control over financial reporting during the year under reference;
  - (ii) There has not been any significant change in accounting policies during the year requiring disclosure in the notes to the financial statements; and
  - (iii) We are not aware of any instance during the year of significant fraud with

involvement therein of the management or any employee having a significant role in the company's internal control system over financial reporting.

By order of the Board of Directors

Sd/-

Date : 30<sup>th</sup> May, 2018  
Place: Surat

Shailendrasingh Chatarsingh Patil  
Chief Financial Officer



**ENERGY CONSERVATION MEASURES, TECHNOLOGY ABSORPTION  
AND R & D EFFORTS AND FOREIGN EXCHANGE EARNINGS AND OUTGO:**

*[Disclosure under Section 134 (3) (m) of the Companies Act, 2013 read with Rule 8 (3) of Companies (Accounts) Rules, 2014]*

<b>A Conservation of Energy</b>	<b>NIL</b>	
(i) the steps taken or impact on conservation of energy		
(ii) the steps taken by the company for utilising alternate sources of energy		
(iii) the capital investment on energy conservation equipment		
<b>B Technology absorption</b>	<b>NIL</b>	
(i) the efforts made towards technology absorption		
(ii) the benefits derived like product improvement, cost reduction, product development or import substitution		
(iii) in case of imported technology (imported during last three years reckoned from the beginning of the financial year)		
The details of technology		
a imported		
b the year of import		
c whether the technology been fully absorbed		
d If not fully absorbed areas where absorption has not taken place & reasons thereof		
(iv) the expenditure incurred on research & development.		
<b>C Foreign Exchange</b>		
Details of Earning in Foreign Exchange		
	<u>Current Year</u>	<u>Previous Year</u>
Export of goods calculated on FOB basis	17,67,19,977	-
Interest and dividend		
Royalty		
Know- how		
Professional & consultation fees		
Other income		
<b>Total Earning in Foreign Exchange</b>	<b>NIL</b>	<b>NIL</b>
Details of Expenditure in Foreign Exchange		
Import of goods calculated on CIF basis		
(i) raw material		
(ii) component and spare parts		
(iii) capital goods	39,66,000	8,25,76,000
Expenditure on account of		
(i) Royalty		
(ii) Know- how		
Professional & consultation fees		
Interest		
Other matters		
Dividend paid		
<b>Total Expenditure in foreign exchange</b>	<b>39,66,000</b>	<b>8,25,76,000</b>

**By order of the Board of Directors  
For Zeal Aqua Limited**

Sd/-

Shantilal Ishwarbhai Patel  
Managing Director & Chairman  
(DIN: 01362109)

Date : 16<sup>th</sup> August, 2018

Place: Surat

**PARTICULARS OF EMPLOYEES**

Disclosure under Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

**A. Particulars of Employee in terms of sub-section 12 of Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.**

a) The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2017-18, ratio of the remuneration of the employees of the Company for the financial year 2017-18 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

Sr. No.	Name of Director/KMP and Designation	Remuneration of Director/KMP for FY. 2017-18 (in rupees)	% increase in Remuneration in the FY. 2017-18	Ratio of Remuneration of each Director/to median remuneration of employees
1.	Shantilal Ishwarbhai Patel Executive Director & Chairman	24,00,000	NIL	N.A.
2.	Pradipkumar Ratilal Navik Executive Director	24,00,000	NIL	N.A.
3.	Rohan Pradipkumar Navik Executive Director	24,00,000	NIL	N.A.
4.	Dhavalkumar Shantilal Patel* Executive Director	14,00,000	NIL	N.A.
5.	Naginbhai Paragbhai Patel Non-Executive Director	N.A.	N.A.	N.A.
6.	Cyrus Dinsha Bhatthana** Non- Executive Director	N.A.	N.A.	N.A.
7.	Roshan Melli Kadodwala Non- Executive Director	N.A.	N.A.	N.A.
8.	Shahzad Yazdi Gandhi*** Non- Executive Director	N.A.	N.A.	N.A.
9.	Shalendra Chattersingh Patil Chief Financial Officer	4,58,068	14.77%	
10.	Javanika Narendrakumar Gandharva Company Secretary	2,56,000	6.67%	

\* Appointed w.e.f. 22<sup>nd</sup> September, 2017

\*\* Appointed w.e.f. 14<sup>th</sup> October, 2017.

\*\*\* Appointed w.e.f. 29<sup>th</sup> December, 2017

b) The median remuneration of employees of the Company during the Financial Year 2017-18 is Rs. 19130/-

c) The percentage increase in the median remuneration of employees in the Financial year 2017-18: 9.45%

d) The number of permanent employees on the rolls of the Company as on 31<sup>st</sup> March, 2018: Sixty Nine (69) Employees (excluding KMP)

e) The explanation on the relationship between average increase in remuneration and Company performance:

The percentage increase in the median employee remuneration of the Company in the Financial Year 2017-18 is 9.45%. During the year, the Company has reported Net Profit after tax amounting 418.72 lacs as against Net profit after tax amounting 177.49 lacs in the previous year.

f) Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company:

Name	Designation	Remuneration (in ₹)	% Change in Remuneration	Profit/(Loss) After Tax (in Rs.)	Change in Profit/(Loss) after Tax
Mr. Shantilal Ishwarbhai Patel	Managing Director	24,00,000	--	418.72 lacs	The Company reported profit amounting 177.49 lacs during the FY. 2016-17.
Mr. Pradipkumar Ratilal Navik	Whole Time Director	24,00,000	--		
Mr. Rohan Pradipkumar Navik	Whole Time Director	24,00,000	--		
Mr. Dhavalkumar Shantilal Patel*	Whole Time Director	14,00,000	--		
Mr. Shalendrasingh Chattersingh Patil	Chief Financial Officer	4,58,068	14.77%		
Ms. Javanika Narendrakumar Gandharva	Company Secretary & Compliance Officer	2,56,000	6.67%		

\* Appointed w. e. f. 22<sup>nd</sup> September, 2017.

g) Variation in the Market Capitalization of the Company, P/E Ratio and Price of the Shares:

Sr. No.	Particulars	As on 31 <sup>st</sup> March, 2018	As on 31 <sup>st</sup> March, 2017
1.	Market Capitalization	21473.24 Lacs	16073.42 Lacs
2.	P/E Ratio	51.31	90.64
3.	Market Price of Equity Shares at BSE	511	382.50

h) Average percentile increase in the Salaries of the Employees and Managerial Remuneration:

Sr. No.	Particulars	Percentile Increase / (Decrease)
1.	Salaries of the Employees other than Managerial Remuneration	(2.77)
2.	Managerial Remuneration	(10.42)

i) The ratio of Remuneration of the highest paid Director to that of the employees who are not directors but receive remuneration in excess of the highest paid Director during the year. There is no such employee in the Company.

j) It is hereby affirmed that the remuneration paid is as per the Remuneration Policy of the Company.

**B. Particulars of Top Ten Employee in terms of remuneration drawn from the Company in the financial year 2017-18:**

Sr. No	Name & Designation	Qualification and Experience	Remuneration (Amount in Rs.) per Month	Date of Appointment	Age (in Years)	Particulars of Last Employment	Relative of Director / Manager
1	Guruprasad Shashishekar Byndoor	BFSC (Bachelor of Fisheries Science) and having 25yrs. experience	1,31,092 per Month	July, 2013	49 yrs.	As a General manager in Stellar Marine Foods, Mumbai	No
2	Bomi Parvez Qipadwala	B.Com. and 18 years experience in the field of Aquaculture and 9 experience year in the field of automobiles	78,772 per Month	01-01-2001	56 years	As a partner in automobile business in name of Shafna Automobiles	No
3	Rajeshkumar Bakshiram Seenam	Master of fisheries science and 8 years experience in the field of aquaculture	45,280 per Month	April, 2011	32 years	As a Technologist QC/QA in Sagar Sea foods, Veraval	No
4	Ravindrasingh Roop Singh Solanki	Master of Fisheries science and 9 years experience in the field of aquaculture	42,640 per month	14-12-2010	31 years	As a Technologist QC/QA in King Fisheries, Veraval	No
5	Dev Vijaykumar Ghanpatrao	Bachelor of Fisheries Science and 12 years experience in the field of aquaculture	40,000 per month	15-03-2015	35 years	As a Technologist in IndePesca Aquaculture, Mumbai	No
6	L Sambhikumar Patro	M.Sc. in biotechnology and 9 years experience in the field of aquaculture	40,000 per month	07-03-2015	33 years	As a technician in C.P. India Aquaculture, Chennai	No
7	Modha Diliphai	9 <sup>th</sup> Pass & having 25 yrs experience	31,282 per Month	16.05.2017	47 yrs	Sr. Operator at Kanpur Company	No
8	Kalpesh Tandel	MLW and having 09 yrs. Experience	30,029 per month	02.01.2018	33 yrs.	HR Executive in Johnson Lifts Pvt. Ltd.	No
9	Vimmy Prakashkumar Biscuitwala	M.sc Biotechnology and 6 years experience in the field of aquaculture	30,013 per month	06-05-2017	28 years	As a Senior QA/QC Assistant in West coast Frozen Foods Pvt. Ltd., Surat	No
10	Rangu Megu Rathod	SSC & having 13 yrs. Experience	30,007 per month	02.05.2017	44 Yrs.	Production Supervisor in Sea Food Industry	No

By order of the Board of Directors  
For Zeal Aqua Limited

Sd/-

Date : 16<sup>th</sup> August, 2018

Shantilal Ishwarbhai Patel

Place: Surat

Managing Director & Chairman

(DIN: 01362109)





## FORM NO. AOC-2

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

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

### 1. Details of contracts or arrangements or transactions not at arm's length basis

Sr. No.	Name(s) of the related party and nature of relationship	Nature of contract s/arrangements/ transactions	Duration of the contract s / arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Justification for entering into such contract s or arrangements or transactions	Date(s) of approval by the Board	Amount paid as advance, if any	Date on which the special resolution was passed in general meeting as required under first proviso to section 188
NIL								

### 2. Details of material contracts or arrangement or transactions at arm's length basis

Sr. No.	Name(s) of the related party and nature of relationship	Relation	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements / transactions	Salient term of the contracts or arrangements or transactions including the value, if any	Date(s) if approval by the Board, if any	Amount paid as advanced, if any
1	Pradip R Navik	Director	Remuneration	Monthly	Salary per month Rs. 2,00,000	25-03-2015	NIL
2	Pradipkumar R. Navik-HUF	Director's HUF	Purchase - Harvesting	Annually	At prevailing market rate	-	NIL
3	Shantilal I Patel	Director	Factory Rent	Annually	Rent per annum Rs. 2,00,000	-	NIL
			Advance Factory Rent given	Annually	Advance to creditors	-	NIL
			Remuneration	Monthly	Salary per month Rs. 2,00,000	25-03-2015	NIL
4	Shantilal I. Patel HUF	Director's HUF	Purchase	Annually	At prevailing market rate	-	NIL
5	Rohan P Navik	Director	Remuneration	Monthly	Salary per month Rs. 2,00,000	25-03-2015	NIL
6	Rohan R. Navik HUF	Director's HUF	Purchase	Annually	At prevailing market rate	-	NIL
7	Susan P Navik	Relative of Director	Purchase - Molasses	Annually	At prevailing market rate	-	NIL
			Salary for 5 months	Monthly	Salary as per month Rs. 25,000	-	NIL
8	Dhaval S Patel	Director	Remuneration for 7 months	Monthly	Salary per month Rs. 2,00,000	25-08-2017	NIL
			Purchase	Annually	At prevailing market rate	-	NIL
9	Dhaval S. Patel HUF	Director's HUF	Purchase	Annually	At prevailing market rate	-	NIL
10	Kiml S Patel	Relative of Director	Salary for the Year	Annually	Salary as per Annum Rs. 1,36,532	-	NIL
11	Preety Misty	Relative of Director	Salary for the Year	Annually	Salary as per Annum Rs. 1,36,532	-	NIL
12	Jacob Foods Pvt Ltd	Comm. Director	Purchase	Annually	At prevailing market rate	01-04-2017	NIL
			Sales	Annually	At prevailing market rate	01-04-2017	NIL
13	Rati Aqua Pvt Ltd.	Director is prop	Purchase	Annually	At prevailing market rate	01-04-2017	NIL
14	Agni Aqua Farm	Associate concern	Contact Farming Charges	Annually	At prevailing market rate	-	NIL
15	Akash Aqua Farm	Associate concern	Contact Farming Charges	Annually	At prevailing market rate	-	NIL

16	Dhaval Aqua farm	Associate concern	Contact Farming Charges	Annually	At prevailing market rate	-	NIL
17	Jai Aqua Farm -K2	Associate concern	Contact Farming Charges	Annually	At prevailing market rate	-	NIL
18	Pruthvi Aqua Farm	Associate concern	Contact Farming Charges	Annually	At prevailing market rate	-	NIL
19	Deep Aqua Farm- K1	Associate concern	Contact Farming Charges	Annually	At prevailing market rate	-	NIL
20	Dinkar Aqua Farm	Associate concern	Contact Farming Charges	Annually	At prevailing market rate	-	NIL
21	Divya Aqua Farm- K1	Associate concern	Contact Farming Charges	Annually	At prevailing market rate	-	NIL
22	Darshan Aqua Farm	Associate concern	Contact Farming Charges	Annually	At prevailing market rate	-	NIL
23	Preety Aqua	Associate concern	Contact Farming Charges	Annually	At prevailing market rate	-	NIL
24	Dhiv Aqua Farm- K1	Associate concern	Contact Farming Charges	Annually	At prevailing market rate	-	NIL
25	Kiml Aqua	Associate concern	Contact Farming Charges	Annually	At prevailing market rate	-	NIL
26	Rohan Aqua Farm	Associate concern	Purchase Sales	Annually	At prevailing market rate	-	NIL
27	S. R Aqua Farm	Associate concern	Contact Farming Charges	Annually	At prevailing market rate	-	NIL
28	Vayu Aqua Farm	Associate concern	Contact Farming Charges	Annually	At prevailing market rate	-	NIL
29	Topi Aqua Farm	Associate concern	Contact Farming Charges	Annually	At prevailing market rate	-	NIL
30	Dhaval Aqua Engineering	Associate concern	Contact Freeing & QF Furniture & Fixtures	Annually	At prevailing market rate	01-04-2017	NIL
			Motor				
			Office Expenditure				
			Repair & Maintenance Exp.				
31	Mango Aqua Farm	Director is prop	Purchase Sales	Annually	At prevailing market rate	-	NIL
32	Agave Tradecom LLP	Associate concern	Interest on unsecured loan	Annually	Interest payment of unsecured loan	-	NIL
33	Shalindra Patel	CFO	Salary for the Year	Annually	Salary as per Annum Rs. 4,58,068	-	NIL
34	Javanika N Gandharva	CS	Salary for the Year	Annually	Salary as per Annum Rs. 2,56,000	-	NIL

By order of the Board of Directors  
For Zeal Aqua Limited

Sd/-

Date : 16<sup>th</sup> August, 2018  
Place: Surat

Shantilal Ishwarbhai Patel  
Managing Director & Chairman  
(DIN: 01362109)

CIN No: L05004GJ2009PLC056270

Regd. Office: Plot No. 4 / 5, Olpad G.I.D.C,

Taluka: Olpad, District: Surat 394 540, State: Gujarat, India, t:+91 -2621-220047

Factory: Block No. 347, Village Orma, Taluka :Olpad, District: Surat, State: Gujarat, India

Email: zealacqua@gmail.com, Website:www.zealacqua.com

**FORM NO. MR-3  
SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED 31.03.2018

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,  
**The Members of  
Zeal Aqua Limited**  
(CIN: L05004GJ2009PLC056270)  
At Olpad GIDC Pl No. 4,5,  
Ta Olpad Surat - 394540

I/We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s. Zeal Aqua Limited**, (hereinafter called the "company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my/our verification on test check basis of the **M/s. Zeal Aqua Limited**, 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, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on **31<sup>st</sup> March, 2018** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by **M/s. Zeal Aqua Limited** for the financial year ended on **31<sup>st</sup> March, 2018** according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made there under;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent applicable during the year:-
  - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b. The Securities and Exchange Board of India

- (Prohibition of Insider Trading) Regulations, 2015;
- c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- d. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2015;
- e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
- h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- vi. Other Laws Specifically Applicable to Company:
  - a. Income Tax Act, 1961
  - b. VAT Act, Goods & Service Tax and other Indirect Taxes
  - c. Labour Laws

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

- i. Secretarial Standards with regard to the Meeting of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India.
- ii. The Listing Agreements entered into by the Company with BSE-SME Stock Exchange of India and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During The year under review, the company has complied with the provisions of the act, rules, regulations and guidelines mentioned above.

**I further report that**, based on the information provided by the company, its officers and authorised representative during the conduct of the audit, and also on the review of reports by CS/CFO and Statutory Auditor of the company, in my opinion, adequate systems and processes and control mechanism exist in the company to monitor and ensure compliance with applicable general laws.

**I further report**, that the compliance by the company of applicable financial laws, like direct and indirect tax laws, Pollution control, CRZ laws and Labour laws has not been reviewed in this audit since the same have been subject to review by statutory financial audit and other designated

# ZEAL AQUA LIMITED

professionals.

**I further report that** the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, 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.

As per the minutes of the meetings duly recorded and signed by the chairman, the decisions of the board were unanimous and no dissenting views have been recorded.

**I/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.

*I report further that, during the audit period, there were no specific events/actions in pursuance of the aforesaid laws, rules, regulations, etc. having a major bearing on the company's affairs.*

Date : 16<sup>th</sup> August, 2018  
Place: Surat

Sd/-  
Name of PCS:  
Ranjit B. Kejriwal  
FCS No.: 6116  
C P No.: 5985





## MANAGEMENT DISCUSSION AND ANALYSIS

In terms of Regulation 34 of SEBI (Listing Obligations And Disclosure Requirements), Regulations, 2015 the Management Discussion and Analysis Report (MDAR) is structured as follows:

- Industry structure and developments
- Opportunities & Threats
- Segment-wise or product-wise performance
- Outlook
- Risk and Concerns
- Internal Control System
- Financial and operational performance
- Material Development in Human Resources

Some Statements in this discussion may be forward looking. Future performance may however differ from those stated in the management discussion and analysis on account of various factors such as changes in Government regulations, tax regimes, impact of competition, etc.

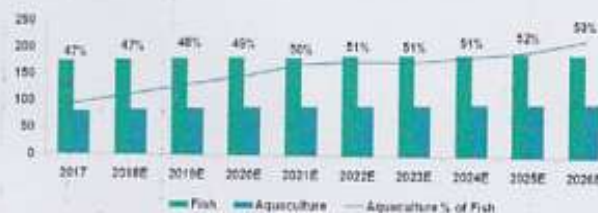
### 1. MARKET TREND & ECONOMY:

During FY18, global economic growth has picked up and has been across the industries. Many of the developed economies have witnessed recovery in investments and domestic demand. Amongst the larger economies, China witnessed a gradual slowdown in the economic activity but continued to grow in line with expectations.

With the twin shocks of demonetisation and the goods and services tax (GST) disrupting economic activity, India's economic growth slowed down from 8.2 per cent in FY16 to 6.6 per cent in FY18. But the economic growth and momentum did pick up in the third quarter of FY18, rising to 7.2 per cent from 6.5 per cent in Q2FY18, suggesting that the effects of demonetisation and the GST are fading away. And while both manufacturing and investment activity slowed in FY18, but recent IIP data suggests there are some signs of a recovery in both.

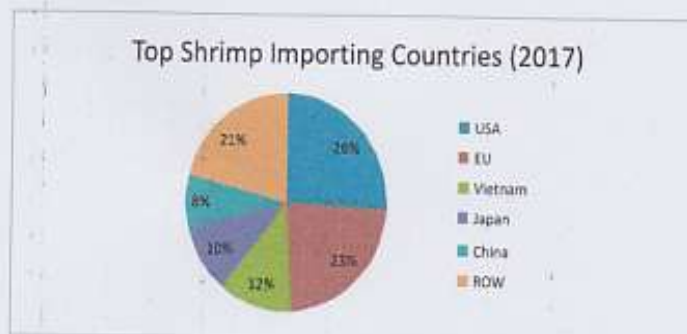
As per Food and Agriculture Organization of the UN, 2018 Statistics Global Fish production has reached all time high of 171 Mn Tonne in 2016, of which 88% was utilized for human

consumption. Also, Global per capita fish consumption has risen to above 20 Kg per year for the first time and to reach 21.6 kg in 2026, thanks to stronger aquaculture supply and firm demand. Asian countries are expected to continue to be the main exporters of fish for human consumption, with their share in world exports to increase from 50% in 2014-16 to 53% in 2026. Out of the total fish production share of Aquaculture has been increasing consistently as shown in the fig. below. Global aquaculture production (including aquatic plants) in 2016 was 110.2 Mn Tonne, the contribution of aquaculture to the global production of capture fisheries and aquaculture combined has risen continuously, reaching 46.8% in 2016, up from 25.7 percent in 2000. As per, OECD-FAO Agriculture outlook 2017-26 Global aquaculture fish production is anticipated to exceed the 100 Mn Tonne mark for the first time in 2025.



Source: FAO, OECD-FAO Agriculture outlook 2017-2026

As per Food and Agriculture Organisation, the global production of farmed shrimp in 2017 was estimated between 2.9–3.5 Mn Tonne. The global export market for shrimp stood at USD 25.5bn as of FY16 growing CAGR of 8% over FY09-16. Historically, Japan was the top importer of shrimp and China the top exporter. However, over the past decade, US has overtook Japan and become the top importer, followed by EU, Vietnam and China. Vietnam is a net exporter of shrimp; it imports raw products and exports them post value addition. Supported by good consumer acceptance of farmed shrimp and steady prices, shrimp demand was strong in East Asia and in North America. However, demand in Europe was rather flat.



Source: UN.comtrade, Industry reports

CIN No: L05004GJ2009PLC056270

Regd. Office: Plot No. 4 / 5, Olpad G.I.D.C,

Taluka: Olpad, District: Surat 394 540, State: Gujarat, India, t:+91 -2621-220047

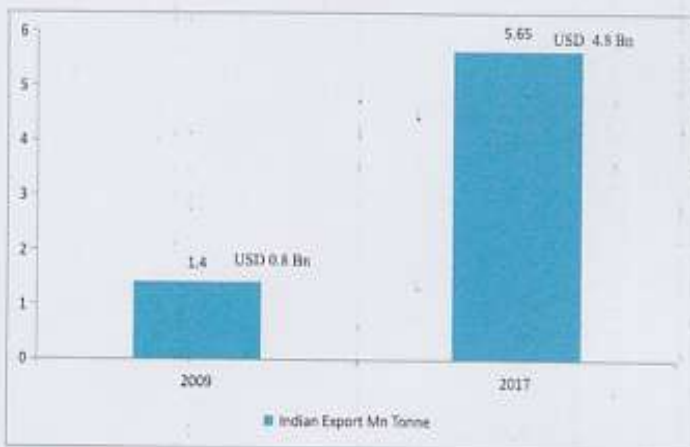
Factory: Block No. 347, Village Orma, Taluka :Olpad, District: Surat, State: Gujarat, India

Email: zealacqua@gmail.com, Website:www.zealacqua.com



# ZEAL AQUA LIMITED

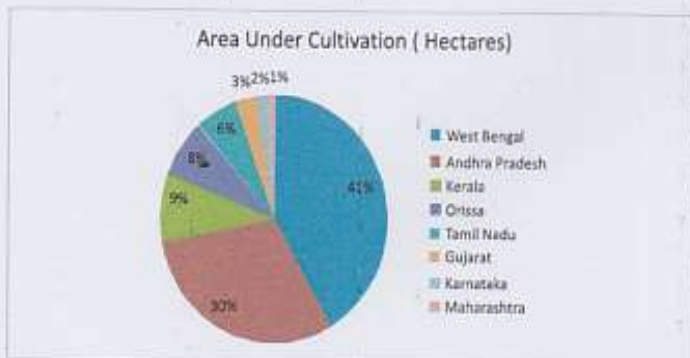
In FY18, shrimp forms ~65% of the overall seafood exports for India in value terms. In volume terms it stood at 5.65 Mn Tonne. Shrimps have earned higher realizations versus other major Indian seafood export products. During FY18, out of the total shrimp export USA continuing to be the largest market (2.26 Mn Tonne), followed by South East Asia (1.59 Mn Tonne), EU (0.78 Mn Tonne), Japan (0.34 Mn Tonne), Middle East (0.23 Mn Tonne) and China (0.13 Mn Tonne).



Source: MPEDA

As per MPEDA, India has 8,129 km of marine coastline, 3,827 fishing villages and 1,914 traditional fish landing centers. Currently, India has ~14,000 sq. km of brackish water available for aquaculture, ~16,000 sq.km of freshwater lakes, ponds & swamps and nearly 64,000km of rivers & streams.

Currently, 1,40,666 hectare (ha) is the area under cultivation for shrimp with West Bengal leading with 58,285ha, followed by Andhra Pradesh at 42,462ha as shown in Fig. The total area under cultivation only represents about 12% of the estimated brackish water area of 1.2mn ha. Amongst, all the states Gujarat has the largest potential with 3,76,000 ha of brackish water, which is more than double the total area under cultivation currently.



Government's Marine Export regulatory Council MPEDA, has an ambitious target of USD 10 Bn by 2022 thus creating a huge growth opportunity for the Company in coming years. The Council has taken numerous steps for the same, during the India International Seafood Show (IISS) in January, MPEDA

inked a MoU with Coop, Switzerland—a supermarket chain with over 2,500 stores. This MoU will help to develop the organic seafood ecosystem and supply systems as well in India to be marketed through their stores. Around 3,000 delegates and more than 2,000 visitors from India and abroad, including the US, UK, Spain, Japan, Australia, China, Vietnam, South Korea, Thailand, Malaysia and the Middle East, participated in the event that had safe and sustainable seafood from India as its focal theme.

## 2. OPPORTUNITIES & THREATS

### OPPORTUNITIES

- With half of the land still unutilized for aquaculture cultivation in Gujarat and Government allocating the land to the farmers provides huge potential of growth going forward
- The demand for sea food is increasing all over the world, particularly Indian sea food exports. One of the reasons, being seafood is considered as healthier as compare to other forms of meat. India is gifted with long coast line ideally suited for development of seafood industry
- The shrimp harvested from the own ponds and also from satellite farming will be brought to processing unit for further processing and value addition so as to sale it to the clients for the end use and thus it will improve the top line and bottom line
- Due to the oversupply and slower offtake from US international shrimp prices had started reducing gradually by 10-15% in the first half of the calendar year 2018, which has also impacted the domestic prices making less remunerative to the farmers. Thus farmers have skipped one season thus creating a shortfall in the market
- The Processing unit is strategically located at a distance of about 15 kms. From the city of Surat on State Highway connecting Olpad- Sarsa, at village- Orma, which is an upcoming Industrial area on the Outskirts of Surat City due to which Company enjoys the good connectivity with different parts of the states. The site also has connectivity to National Highway No. 8 which is also part of the upcoming Delhi-Mumbai Industrial Corridor (DMIC)

### THREATS

- The Company plans to export the shrimp from the proposed processing unit. Thus, they will be exposed to the risk from foreign exchange fluctuations to the extent its export

- The Aqua culture activity is dependent on climate conditions prevailing during season which is unpredictable. Natural Calamities like floods, cyclones, during the culture season can have serious impact on the prospects of successful culture
- Also despite, technical advancement and development of Specific Pathogen Free (SPF) seed, the possibilities of the shrimps getting affected by virus and diseases cannot be ruled out

### 3. SEGMENT-WISE OR PRODUCT-WISE PERFORMANCE

Your company has three business segment trading Shrimp medicines and feeds, Shrimp Farming and Shrimp processing during the financial year 2017-18. The company was engaged in Shrimp Farming with allied activities. The performances are reflected in the balance sheet.

### 4. OUTLOOK

At the start of the calendar year 2018 we commissioned our processing plant with annual capacity 5,800 MTPA with this we would be moving up the value chain. Thus, from this year our business model will completely change from being farmer to shrimp processor. Also, we are in process of getting an allocation of 300 Ha of land for aquaculture cultivation from Government which we will develop in phased manner to fulfill our future raw product requirement.

Due to the oversupply and slower offtake from US due to prolong winter international shrimp prices had started reducing gradually by 10-15%, which has also impacted the domestic prices. Thus, making it less remunerative to the farmer which created a shortfall in the market. So chances are bright for prices to move northwards.

Also, Company is in process of getting the USFDA approval for catering to US markets. Thus, it would help the Company for better utilization of the plant and getting the benefits of economic of scales which would also improve the bottomline of the Company.

### 5. RISK AND CONCERNS

Shrimp Farming like any other farming activity, is dependent on nature. Although all possible efforts are taken to mitigate the adverse effects of nature, but we do not have full control on it. Our product being a live product is also prone to various type of disease and so on. Seasonal production, low number of process house and perishable nature of product are always a matter of concern.

### 6. INTERNAL CONTROL SYSTEM

The Company has in place an adequate system of internal control commensurate with its size and nature of its business. These have been designed to provide reasonable assurance that all assets are safeguarded and protected against loss from unauthorized use or disposition and that all transactions are authorized, recorded and reported correctly and the business operations are conducted as per the prescribed policies and procedures of the Company. The Audit committee and the management have reviewed the adequacy of the internal control systems and suitable steps are taken to improve the same.

### 7. FINANCIAL AND OPERATIONAL PERFORMANCE

The financial year 2017-18 was transitional shift for the company. The company continues the business of shrimp farming and trading activities of seed, feed and medicines and Shrimp processing during the financial year. During the year, Your Company recorded total revenue of 17,755.84 Lacs during the current financial year as compared to total revenue of 17,455.43 Lacs in financial year 2016-17 and Profit before Tax for the year 2017-18 stood at 619.5 Lacs as compared to Profit before tax of 274.76 Lacs in financial year 2016-17. Profit after Tax for the current year stood at 418.72 Lacs as compared to Profit after Tax of 177.48 Lacs.

### 8. MATERIAL DEVELOPMENT IN HUMAN RESOURCES

Your Company firmly believes that its human resources are the key enablers for the growth of the Company and important asset. Hence, the success of the Company is closely aligned to the goals of the human resources of the Company. Taking into this account, your Company continued to Invest in developing its human capita and establishing its brand on the market to attract and retain the best talent.

Employee relations during the period under review continued to be healthy, cordial and harmonious at all levels and your Company is committed to maintain good relations with the employees.

For Zeal Aqua Limited

Sd/

Date : 16<sup>th</sup> August, 2018

Place: Surat

Shantilal Ishwarbhai Patel  
Managing Director & Chairman  
(DIN: 01362109)

**Corporate Social Responsibility (CSR)**

**[Pursuant to clause (o) of sub-section (3) of section 134 of the Act and Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014]**

**1. A brief outline of the Company's CSR policy, including overview of projects or programs proposes to be undertaken:**

Zeal Aqua Limited is committed to conduct business in a socially, economically and environmentally responsible and sustainable manner, which enables the creation and distribution of wealth for the betterment of all its stakeholders, internal as well as external, through the implementation and integration of ethical systems and sustainable management practices. For this, company had laid a balanced emphasis on all aspects of corporate social responsibility and sustainability with regard to its internal operations, activities and processes, as well as undertake initiatives and projects to facilitate capacity building, empowerment of communities, inclusive socioeconomic growth, environment protection, promotion of green and energy efficient technologies and upliftment of the marginalized and underprivileged sections of the society.

The CSR provisions of the Companies Act 2013, Schedule VII, or the CSR rules are inviolable.

The CSR Committee so constituted formulated Policy on Corporate Social Responsibility (CSR Policy) as on 17.02.2017 and the Board of Directors of the Company ("Board") has approved the same as per recommendation of CSR Committee. Web link : <http://www.zealaqua.com/policy.php>

**2. The Composition of the CSR Committee:-**

Name	Designation	Nature of Directorship
Mr. Pradipkumar Ratilal Navik	Chairman	Executive Director
Mr. Shantilal Ishwarbhai Patel	Member	Executive Director
Mr. Naginbhai Paragbhai Patel	Member	Independent Director

**3. Average net profit of the Company for last three financial year:-**

Profit Calculated as per provisions of Section 198 of the Companies Act, 2013 for last three years:

2014-15 – Rs. 407.22 Lakhs

2015-16 – Rs. 193.96 Lakhs

2016-17 – Rs. 274.76 Lakhs

Average Net Profit: Rs. 291.98 Lakhs

**4. Prescribed CSR expenditure (2% of the amount as above):-**

2% of average profit during last three years Rs. 5.84 Lakhs

+ Carry forward of last year's unspent amount Rs. 15.14 Lakhs

**Total Prescribed CSR expenditure Rs. 20.98 Lakhs**

**5. Details of CSR spent during the financial year 2017-18:-**

(a) Total amount spent during the year:- 21,06,145/-

(b) Amount unspent:- NIL

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

(1) Sr. No.	(2) CSR projects or activity identified	(3) Sector in which the project is covered	(4) Projects of programs (1) Local area or other (2) specify the state and district where projects or programs was undertaken	(5) Amount outlay (Budget) project or program wise	(6) Amount spent on the projects or programs Sub – heads: (1) Direct expenditure on projects or programs (2) Overheads	(7) Cumulative expenditure up to the reporting period	(8) Amount spent: Direct or through implementing agency
(1)	Contribution for rural area development of Cremation Ground	Schedule VII, Item-X, (Rural Development Projects)	Contribution for development of Cremation Ground in Dandi Village	26,29,026	21,06,145	21,06,145	N.A.
	<b>Total</b>			26,29,026		21,06,145	

6. Reason for not spent CSR amount: N.A.

**7. Responsibility Statement:**

Pursuant to the provisions of section 135 of the Companies Act, 2013 read with Companies Rules, (Corporate Social Responsibility Policy) Rules, 2014, Mr. Shantilal Ishwarbhai Patel, Chairman & Managing Director & Mr. Pradipkumar Ratilal Navik, Chairman of CSR Committee, do confirm that the implementation and monitoring of CSR Policy, is in compliance with the CSR objectives and policy of the Company.

**For ZEAL AQUA LIMITED**

Sd/-  
Managing Director  
Shantilal Ishwarbhai Patel  
DIN: 01362109

Sd/-  
Chairman of CSR Committee  
Pradipkumar Ratilal Navik  
DIN:01067716



## STATEMENT ON RISK MANAGEMENT

Aquaculture is an industry of great diversity. We at **Zeal Aqua Limited** seek to minimize the adverse impacts of all kinds of risks, thus enabling the company to leverage market opportunities effectively and enhance long term competitive advantage. Consequently any attempt to produce a simple framework for the identification of the most common risks is not easy, even within genera of animal or plant species. Our Risk Management Framework involves identification, analyses, evaluation, treatment, mitigation and monitoring all kinds of risks like Production, market related and pure risks.

Production risks are the principal concern in the daily routine of the farmer, as the production process is his sole responsibility, There are many and varied risks in the production process which can reduce profitability, compared with those which may occur in the subsequent processes of marketing and consumption.

Production risks can be conveniently categorized into (i) operational, (ii) technological, (iii) financial, and (iv) social risks.

Market Related risk to product quality can often be avoided through processing cooperatives. These are invariably geared to large institutional markets, such as the catfish industry in the United States, and the processors apply stringent quality control methods to the benefit of all producers.

Pure risks describe a group of risks common to life and business in general, and are not specific to the aquaculture industry. Their occurrences are not selective, but the consequences of some of them have a priori relevance to the aquaculture industry compared with many other industries

Pure Risk can be conveniently categorized into (i) Physical risk of nature, (ii) Social and political risk, and (iii) Liability.

By order of the Board of Directors  
For Zeal Aqua Limited

Sd/-

Date : 16<sup>th</sup> August, 2018  
Place: Surat

**Shantilal Ishwarbhai Patel**  
Managing Director & Chairman  
(DIN: 01362109)



Regd. Office: Plot No. 4 / 5, Olpad G.I.D.C,

Taluka: Olpad, District: Surat 394 540, State: Gujarat, India, t:+91 -2621-220047

Factory: Block No. 347, Village Orma, Taluka :Olpad, District: Surat, State: Gujarat, India

Email: zealacqua@gmail.com, Website:www.zealacqua.com

**INDEPENDENT AUDITORS' REPORT**

To,  
The Members of  
Zeal Aqua Limited

**REPORT ON STANDALONE FINANCIAL STATEMENTS****MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS**

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

**AUDITOR'S RESPONSIBILITY**

Our responsibility is to express an opinion on these standalone financial statements based on our audit

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to

fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

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

**AUDITOR'S OPINION**

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

- 1). In the case of the Balance Sheet, of the state of affairs of the Company as at **31<sup>st</sup> March, 2018**;
- 2). In the case of the Statement of Profit and Loss, of the profit/loss for the year ended on that date; and
- 3). In the case of the Cash Flow Statement, its cash flows for the year ended on that date.

**REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS**

**A.** As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we enclosed in the "**Annexure A**" statement on the matter specified in paragraph 3 and 4 of the said Order.

**B.** As required by section 143(3) of the Act, we report that:

- 1). *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.*
- 2). *In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.*
- 3). *The Balance Sheet, the Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.*
- 4). *In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules,*

2014.

5). In our opinion there are no observations or comments on the financial transactions, which may have an adverse effect on the functioning of the Company.

6). On the basis of written representations received from the directors as on **31st March, 2018**, taken on record by the Board of Directors, none of the directors is disqualified as on **31st March, 2018**, from being appointed as a director in terms of Section 164(2) of the Act.

7). With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls under Clause (1) of Sub-section 3 of section 143 of the companies Act, 2013 ("the Act"), refer to our separate report in "**Annexure B**". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the company's internal financial controls over financial reporting.

8). 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. As informed to us, the company does not have any pending litigations which would impact its financial position, except as reported in **Note No. 26 (Point No. 8)** to the financial statements; if any.
- ii. The Company did not have material foreseeable losses on long term contracts including derivative contracts that require provision under any law or accounting standards 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.
- iv. Based on audit procedures and representations provided to us by the management, we report that the disclosures are in accordance with the books of accounts maintained by the company and as produced to us by the Management.

In Terms Of Our Attached Report Of Even Date  
**FOR PARY AND CO.**  
**CHARTERED ACCOUNTANTS**  
**FRN : 007288C**

Sd/-

**AKASH RAJNIKANT GAGLANI**  
PARTNER

**MEM. NO. : 114255**

9005, WORLD TRADE CENTRE,  
UDHNA DARWAJA, RING ROAD  
SURAT-395002.

Date : 30/05/2018  
Place : Surat



## ANNEXURE-A TO THE AUDITORS REPORT

(Referred to in paragraph A under "Report on other legal and regulatory requirements of our report of even date)

As required by the companies (Auditor's Report) order, 2016 and according to the information and explanations given to us during the course of audit and on the basis of such checks as were considered appropriate, we report that :

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 on the basis of available information;
  - b). As explanation provided to us, all the fixed assets have been physically verified by the management in a phased manner at periodical intervals, which in our opinion is reasonable having regard to the size of company and nature of its asset. No material discrepancies were noticed on such verification.
  - c). According to the information and explanations given to us, we report that The title deeds/lease deeds in respect of all the immovable properties of land which are freehold and disclosed as fixed assets in the financial statements and buildings are held in the name of the company as at balance sheet date.
2. As informed and explained to us, Physical verification of inventories have been conducted at reasonable intervals by the management; which in our opinion is reasonable having regard to the size of company and nature of its asset. No material discrepancies were noticed on such verification.
3. The company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties mentioned under the register maintained under section 189 of the Companies Act, 2013. Consequently, the requirement of clause (iii)(a) to clause (iii)(c) of paragraph 3 of the Order is not applicable to the company.
4. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, in respect of investments, loans, guarantees or securities outstanding at the year end.
5. According to information and explanations given to us, the Company has not accepted any deposit nor has any unclaimed deposit within the meaning of the provisions of sections 73 to 76 or any other relevant provision of the act and rules framed thereunder. Hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable to the company.
6. As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company.

7. In respect of Statutory dues:

- a). According to the records of the company, undisputed statutory dues including provident fund, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues have been regularly deposited with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of aforesaid dues, were outstanding as at the last day of the financial year concerned for a period of more than six months from the date they became payable.
- b). According to information and explanation given to us, dues of income tax, sales tax, service tax, custom duty and excise duty which have not been deposited on account of any disputes are as hereunder:

Year	Authority	Amount (in Lakhs)	Status
2010-11	Asst. Comm. Of Comm. Tax	Rs. 774.99 Lakhs	Appealed
2011-12	Asst. Comm. Of Comm. Tax	Rs. 406.98 Lakhs	Appealed
2011-12	Commissioner of IT (Appeals)	Rs. 176.79 Lakhs	Appealed

8. In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks. The Company has not issued any debentures or outstanding as at year end.
9. Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised any money by way of initial public offer or further public offer (including debt instruments) during year. The money raised by way of term Loans were applied for the purpose for which those are raised.
10. Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and the information and explanations given to us by the management, no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
11. Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act;
12. In our opinion, the Company is not a nidhi company. Accordingly, provisions of paragraph 3(xii) of the Order are not applicable to the Company.

# ZEAL AQUA LIMITED

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 standards.
14. The audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.
15. According to the information and explanations 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. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company.
16. To the best of our knowledge, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

For PARY AND CO.  
Chartered Accountants  
(FRN: 007288C)

Sd/-

Date : 30/05/2018

CA Akash Rajnikant Gagliani

Place: Surat

Partner

M. No. 114255

9005, WORLD TRADE CENTRE,  
UDHNA DARWAJA, RING ROAD SURAT-395002.





## ANNEXURE-B TO THE AUDITORS REPORT

(Referred to in paragraph B(6) under "Report on other legal and regulatory requirements of our report of even date)

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

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

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

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

#### **Auditors' Responsibility**

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

established and maintained and if such controls operated effectively in all material respects.

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

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

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

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

#### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent limitations of internal financial

# ZEAL AQUA LIMITED

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

## Opinion

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

For PARY AND CO,  
Chartered Accountants  
(FRN: 007288C)

Sd/-

Date : 16<sup>th</sup> August, 2018  
Place: Surat

CA Akash Rajnikant Gaglani  
Partner  
M. No. 114255



## BALANCE SHEET AS AT 31<sup>st</sup> MARCH, 2018

[ Amount in Rs. ]

Particulars	Note	As at 31st March, 2018	As at 31st March, 2017
<b>EQUITY AND LIABILITIES</b>			
<b>1 Shareholder's Fund :</b>			
a Share Capital	1	4,20,22,000	4,20,22,000
b Reserve & Surplus	2	36,73,70,121	32,54,63,792
c Money received against share warrants		-	-
		<b>40,93,92,121</b>	<b>36,74,85,792</b>
<b>2 Share Application Money Pending Allotment</b>			
<b>3 Non Current Liabilities</b>			
a Long Term Borrowings	3	19,84,54,988	19,30,95,530
b Deffered Tax Liabilities (Net)	4	(56,30,014)	(40,07,703)
c Other Long Term Liabilities	5	10,50,019	12,36,187
d Long Term Provisions		-	-
		<b>19,38,74,993</b>	<b>19,03,24,014</b>
<b>4 Current Liabilities</b>			
a Short-Term Borrowings	6	68,16,93,853	30,04,15,694
b Trade Payables	7	4,51,12,572	9,82,28,041
c Other Current Liabilities	8	94,58,084	38,37,959
d Short-Term Provisions	9	98,36,624	-
		<b>74,61,01,132</b>	<b>1,65,48,504</b>
<b>Total</b>		<b>1,34,93,68,247</b>	<b>97,68,40,003</b>
<b>ASSETS</b>			
<b>1 Non Current Assets</b>			
a Property, Plant and Equipment	10		
(i) Tangible Assets		53,24,67,144	12,86,45,677
(ii) Intangible Assets		-	-
(iii) Capital Work in Progress		26,25,525	38,30,91,346
(iv) Intangible Assets under development		-	-
b Non-Current Investments	11	10,29,257	10,29,257
c Deffered Tax Assets (net)		-	-
d Long Term Loans and Advances	12	90,38,861	90,29,279
e Other Non-Current Assets		-	-
		<b>54,51,60,787</b>	<b>52,17,95,559</b>
<b>2 Current Assets</b>			
a Current Investments		-	-
b Inventories	14	34,27,91,223	1,91,11,858
c Trade Receivables	15	33,22,37,330	31,85,52,638
d Cash & Cash Equivalents	16	6,13,89,565	4,63,67,280
e Short-Term Loans and Advances	17	3,88,45,210	4,22,57,287
f Other Current Assets	13	2,89,44,132	-
		<b>80,42,07,460</b>	<b>2,87,55,382</b>
<b>Total</b>		<b>1,34,93,68,247</b>	<b>97,68,40,003</b>

Note 26 : Notes forming part of financial statements

In Terms Of Our Attached Report Of Even Date

For ZEAL AQUA LIMITED

Sd/-  
JAVNIKA GANDHARVA  
Company Secretary

FOR PARY AND CO.  
CHARTERED ACCOUNTANTS  
FRN : 007288C

Sd/- ROHAN P. NAVIK  
Director  
(DIN: 02531248)  
Date : 30/05/2018  
Place : Surat

Sd/- DHAVALKUMAR S. PATEL  
Director  
(DIN: 02961674)

Sd/-  
SHAIENDRASINGH PATIL  
C.F.O.

Sd/-  
AKASH RAJNIKANT GAGLANI  
PARTNER

MEM. NO. : 114255  
9005, WORLD TRADE CENTRE,  
UDHNA DARWAJA, RING ROAD SURAT-395002.

# ZEAL AQUA LIMITED

## STATEMENT OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2018 [Amount in Rs.]

PARTICULARS	NOTE	As at 31st March, 2018	As at 31st March, 2017
<b>CONTINUING OPERATIONS</b>			
<b>Income</b>			
a Revenue From Operations	18	1,77,55,83,643	1,74,55,43,379
b Other Income	19	1,93,75,947	43,28,645
<b>TOTAL REVENUE (a+b)</b>		<b>1,79,49,59,590</b>	<b>1,74,98,72,024</b>
<b>Expenses</b>			
a Cost of Material Consumed and Purchase of Traded Items	20	1,65,68,74,440	1,53,24,19,312
b Changes in Inventories	21	(32,36,79,365)	20,76,783
c Employee Benefit Expense	22	4,37,42,818	2,47,25,128
d Finance Costs	23	8,98,59,819	4,48,94,249
e Depreciation and Amortisation	10	8,31,18,296	2,44,97,110
f Other Expenses	24	18,30,35,294	9,36,99,806
g Prior Period Items	25	58,440	83,944
<b>TOTAL EXPENSES (a+b+c+d+e+f+g)</b>		<b>1,73,30,09,742</b>	<b>1,72,23,96,331</b>
<b>Profit Before Exceptional and Extraordinary Items and Tax</b>		<b>6,19,49,848</b>	<b>2,74,75,693</b>
Exceptional Items			
<b>Profit Before Extraordinary Items and Tax (3-4)</b>		<b>6,19,49,848</b>	<b>2,74,75,693</b>
Extraordinary Items			
<b>Profit Before Tax (5-6)</b>		<b>6,19,49,848</b>	<b>2,74,75,693</b>
<b>Tax expense:</b>			
a Current Tax		2,17,00,000	1,17,00,000
b Deferred Tax		(16,22,311)	(19,72,874)
<b>Profit/(Loss) From Continuing Operations</b>		<b>4,18,72,159</b>	<b>1,77,48,567</b>
<b>DISCONTINUING OPERATIONS</b>			
<b>Profit/(Loss) From Discontinuing Operations</b>			
Tax Expense Of Discounting Operations			
<b>Profit/(Loss) From Discontinuing Operations (10-11)</b>			
<b>Profit/(Loss) For the Period (9+12)</b>		<b>4,18,72,159</b>	<b>1,77,48,567</b>
<b>Earning Per Equity Share:</b>			
a Basic		9.96	4.22
b Diluted		9.96	4.22

Note 26 : Notes forming part of financial statements

In Terms Of Our Attached Report Of Even Date

For ZEAL AQUA LIMITED

FOR PARY AND CO.  
CHARTERED ACCOUNTANTS  
FRN : 007288C

Sd/-  
JAVNIKA GANDHARVA  
Company Secretary

Sd/- ROHAN P. NAVIK Director  
(DIN: 02531248)

Sd/- DHAVALKUMAR S. PATEL Director  
(DIN: 02961674)

Sd/- SHAILENDRASINGH PATIL  
C.F.O.

Sd/- AKASH RAJNIKANT GAGLANI  
PARTNER

Date : 30/05/2018  
Place : Surat

MEM. NO. : 114255  
9005, WORLD TRADE CENTRE,  
UDHNA DARWAJA, RING ROAD SURAT-395002.

## STANDALONE CASH FLOW STATEMENT AS AT 31st MARCH, 2018

PARTICULARS	As at 31st March, 2018		As at 31st March, 2017	
	(Amount in ₹)	(Amount in ₹)	(Amount in ₹)	(Amount in ₹)
<b>[1] Cash Flow From Operating Activities</b>				
Profit before Tax as per Profit & Loss Account		6,19,49,888		2,74,75,693
<b>Adjustments for:</b>				
<b>Add: Expenses/ (Incomes) Not Requiring Cash:</b>				
Depreciation and Amortisation of Preliminary and Pre Opn. Expenses	8,31,18,296		2,45,77,459	
Unrealised Foreign Exchange Gain	(23,58,165)			
Current portion of Provision for Gratuity	(1,86,168)	8,05,73,963	3,87,475	2,49,64,934
<b>Add: Expenses/(Incomes) related to Non-Operating Activities:</b>				
Interest Expense	8,26,08,548		4,11,44,707	
Other Finance Cost	72,51,271		37,49,542	
Interest on Fixed Deposit	(37,67,538)		(22,74,113)	
Interest Subsidy Income	(18,28,797)		(20,54,532)	
Interest from Debtors	(80,71,670)	7,61,91,813		4,08,65,804
<b>Cash Flow from Operations Before Changes in Working Capital (I+II)</b>		21,87,15,624		9,30,06,231
<b>(Increase)/Decrease in Current Assets:</b>				
Current Investments				
Inventories	(12,36,79,305)		20,76,783	
Trade Receivables	(1,31,84,692)		(4,82,36,799)	
Other Current Assets	(14,48,910)		(2,25,51,469)	
Short-Term Loans and Advances	34,12,077	(33,54,00,889)	1,09,07,756	(5,78,03,729)
<b>Increase/(Decrease) in Current Liabilities:</b>				
Short-Term Borrowings	38,12,78,159		(1,31,78,881)	
Trade Payables (after Adjusting Foreign Exchange Gain/ Loss)	(5,07,57,304)		5,47,90,684	
Other Current Liabilities	56,20,125		3,71,113	
Short-Term Provisions	(67,13,882)	32,84,29,079	67,04,306	4,86,37,221
<b>Cash Flow from Operations after Changes in Working Capital(III+IV)</b>		21,27,43,834		8,38,39,723
<b>Other Adjustments</b>				
Provision of Income tax	(2,17,00,000)		(1,17,00,000)	
Short Provision of Audit Fees of Previous Year	(43,750)			
Excess Provision of IT of Earlier Years	83,930	(2,16,65,830)	(65,64,399)	(1,82,64,399)
<b>Net Cash Generated From Operating activities(VI-VII)</b>	(A)	19,10,78,004		6,55,75,324
<b>[2] Cash Flows from Investing Activities</b>				
Purchase of Fixed Assets	(48,56,79,603)		(1,86,37,889)	
Investment in/Divestment from Work-in-Progress	38,04,63,821		(26,47,06,135)	
Investment in GEB Deposit			(50,09,880)	
Interest accrued on GEB Deposit	(8,182)			
Investment in Executive Eng KRBC Division Surat(FD) (PKR)	-		(7,07,479)	
Investment in Telephone Deposit	-		(500)	
Investment in Gujarat Aqua Feed Dealers Association	-	(10,52,23,364)	(50,000)	(28,91,11,883)
<b>Net Cash Generated From Investing activities</b>	(B)	(10,52,23,364)		(28,91,11,883)
<b>[3] Cash Flow From Financing activities</b>				
Proceeds from issuing shares with premium			14,75,50,000	
Proceeds from/(Repayment of) loans From Directors	2,00,00,000		(3,00,000)	
Proceeds from loans and advances From Others	(5,17,35,383)		4,99,82,986	
Proceeds from/(Repayment of) Non Current portion of Term Loan from Bank	1,70,94,842		7,64,39,642	
Long Term loans and advances/Deposits Given				
Finance Cost (including interest paid)	(8,98,59,819)		(4,48,94,249)	
Interest Subsidy Income	18,28,797		20,54,532	
Interest from Debtors	80,71,670			
Interest Income on Fixed Deposit	37,67,538	(7,08,32,355)	22,74,113	23,31,07,044
<b>Net Cash Generated From Financing activities</b>	(C)	(7,08,32,355)		23,31,07,044
<b>[4] Net Increase/(Decrease in cash)</b>	(A+B+C)	1,50,22,286		95,70,485
Cash and Cash Equivalents at the beginning of the year		4,63,67,280		3,67,96,792
Round Off		(1)		3
<b>[5] Cash and Cash Equivalents at the end of the year (VIII+IX)</b>		6,13,89,564		4,63,67,280
<b>Components of the Cash and Cash Equivalents:</b>				
Cash on Hand	1,08,72,175		27,16,526	
With Banks - in form of current accounts	71,23,483		1,44,00,113	
With Banks - in form of demand deposits	4,32,93,906	6,13,89,564	2,92,50,641	4,63,67,280

For ZEAL AQUA LIMITED

Sd/-  
ROHAN P. NAVIK  
Director  
(DIN: 02533248)  
Date: 30/05/2018  
Place: Surat

Sd/-  
JWANIKA GANDHARVA  
Company Secretary

Sd/-  
SHAIKENDRASINGH PATIL  
C.F.O.

In Terms Of Our Attached Report Of Even Date

FOR PARY AND CO.  
CHARTERED ACCOUNTANTS  
FRN : 007286C

Sd/-  
AKASH RAIKANT GAGLANI  
PARTNER

MEM. NO. : 114255  
9005, WORLD TRADE CENTRE,  
UDHNA DARIWAJA, RING ROAD SURAT-395002.

## Notes to financial statements for the year ended March 31st 2018

PARTICULARS	31.03.2018		31.03.2017	
	Amount in Rs.	Amount in Rs.	Amount in Rs.	Amount in Rs.
<b>Note 1 : Share Capital:</b>				
<b>Authorised :</b>				
50,00,000 Equity Shares of Rs. 10/- each (Previous Year: 50,00,000 Equity Shares of Rs.10/- each)	5,00,00,000		5,00,00,000	5,00,00,000
<b>Issued, Subscribed &amp; Paid up :</b>				
42,02,200 Equity Shares of Rs. 10/- each (Previous Year: 42,02,200 Equity Shares of Rs.10/- each)	4,20,22,000		3,06,72,000	3,06,72,000
<b>Total</b>	<b>4,20,22,000</b>		<b>4,20,22,000</b>	<b>3,06,72,000</b>
<b>No. of shares</b>	<b>42,02,200</b>		<b>42,02,200</b>	<b>30,67,200</b>
<b>- The Details of Shareholders holding more than 5% shares</b>				
Pradeep Ratilal Navik	9.89%	4,15,520	13.55%	4,15,520
Shantilal Ishwarbhai Navik	10.66%	4,47,840	14.60%	4,47,840
Rashmiben S. Patel	9.89%	4,15,680	13.55%	4,15,680
Susanben P. Navik	9.89%	4,15,680	13.55%	4,15,680
Agave Tradecom LLP	15.88%	6,67,200	21.75%	6,67,200
<b>Total</b>	<b>56.21%</b>	<b>23,61,920</b>	<b>77.01%</b>	<b>23,61,920</b>
<b>- Reconciliation Of the Number of Shares Outstanding:</b>				
Equity Shares at the Beginning Of the Year	42,02,200		30,67,200	
Addition / (Deletion)			11,35,000	
Equity Shares at the Closing Of the Year	<b>42,02,200</b>		<b>42,02,200</b>	
<b>Note 2 : Reserves &amp; Surplus:</b>				
<b>Securities Premium Account</b>				
Balance B/F of Premium-	20,70,50,000		7,08,50,000	
Add - Premium on shares issued during the year			13,62,00,000	
Less - Utilised during the year		20,70,50,000		20,70,50,000
<b>Profit &amp; Loss Account</b>				
Balance B/F of Previous Year	11,84,13,792		10,72,29,624	
Add: Profit/(Loss) Of Current Year	4,18,72,159		1,77,48,567	
Add: Excess/(Less) Provision of IT	83,920		(65,64,399)	
Add: Excess/ (Less) Provision of Audit Fees	(49,750)			
Less: Appropriations		16,03,20,121		11,84,13,792
<b>Total</b>	<b>36,73,70,121</b>	<b>36,73,70,121</b>	<b>32,54,63,792</b>	<b>32,54,63,792</b>
<b>Note 3 : Long Term Borrowings</b>				
<b>Unsecured</b>				
Loans & Advances From Directors	2,65,43,388		65,43,388	
Loans & Advances From Others	7,46,57,422	10,12,00,810	10,63,92,805	11,29,36,193
<b>Secured</b>				
Term Loans From Banks	9,72,54,178	9,72,54,178	8,01,59,336	8,01,59,336
<b>Total</b>	<b>19,84,54,988</b>	<b>19,84,54,988</b>	<b>19,30,95,530</b>	<b>19,30,95,530</b>
<b>Note 4 : Deferred Tax Liability/ (Asset)</b>				
Opening Balance	(40,07,703)		(20,34,829)	
Addition/(Deduction)	(16,22,311)	(56,30,014)	(19,72,874)	(40,07,703)
<b>Total</b>		<b>(56,30,014)</b>		<b>(40,07,703)</b>
<b>Note 5 : Other Long Term Liabilities</b>				
Provision for Gratuity	10,50,019		12,36,187	
<b>Total</b>		<b>10,50,019</b>		<b>12,36,187</b>

## Notes to financial statements for the year ended March 31st 2018

PARTICULARS	31.03.2018		31.03.2017	
	Amount in Rs.]	Amount in Rs.]	Amount in Rs.]	Amount in Rs.]
<b>Note 6 : Short-Term Borrowings</b>				
<i>Branch/Division</i>				
Unit-I : Olapd	23,18,69,810		8,21,98,299	
Unit-II : Orma	(23,18,69,810)		(8,21,98,299)	
<b>Short Term Borrowings from Bank</b>				
Bank short term borrowing	68,16,93,853	68,16,93,853	30,04,15,694	30,04,15,694
<b>Total</b>		<b>68,16,93,853</b>		<b>30,04,15,694</b>
<b>Note 7 : Trade Payables</b>				
Creditor for Contract	1,44,000		46,73,673	
Creditor for Goods	88,06,182		2,50,70,366	
Creditors for Exp.	(1,40,26,290)		(1,05,85,981)	
Creditors for Capital Goods	(5,81,523)		(47,58,465)	
Creditor for Goods - Others	5,07,70,203	4,51,12,572	8,38,28,448	9,82,28,041
<b>Total</b>		<b>4,51,12,572</b>		<b>9,82,28,041</b>
<b>Note 8 : Other Current Liabilities</b>				
<i>Current Maturity of Long Term Debts:</i>				
Loans & Advances From Directors				
Loans & Advances From Others				
Term Loans From Banks	1,16,47,943	1,16,47,943	11,17,570	11,17,570
<i>Statutory Remittances</i>				
Professional Tax			5,150	
GST Payable/(Receivable)	(34,50,000)			
Provident Fund Payable			81,724	
TDS Payable	12,60,141		10,42,615	
Service Tax Payable			15,90,900	
<b>Total</b>		<b>(21,89,859)</b>		<b>27,20,389</b>
<b>Note 9 : Short Term Provisions</b>				
Provision - Income Tax	82,00,000		1,17,00,000	
Provision - Statutory Audit Fees	1,47,500		2,12,750	
Provision - IT Return Fees Payable	1,30,000		55,000	
Provision - ROC Fees			10,000	
Provision - Sales Tax Consultancy Fees	17,000		17,000	
Provision - Sales Tax Audit Fees	15,000		15,000	
Provision - Gratuity	48,660		23,155	
Provision - Wages Payable				
Provision - Salary Payable				
Provision - Remuneration Payable	12,98,464		45,15,599	
Provision - Internet Charges		98,36,624		1,65,48,504
<b>Total</b>		<b>98,36,624</b>		<b>1,65,48,504</b>
<b>Note 11 : Non Current Investments</b>				
Investment in NSC	20,000		20,000	
Investment in Gold Coins	10,09,257	10,29,257	10,09,257	10,29,257
<b>Total</b>		<b>10,29,257</b>		<b>10,29,257</b>
<b>Note 12 : Long Term Loans and Advances</b>				
<i>Unsecured, Considered Good</i>				
<i>Security Deposits</i>				
Executive Eng KRBC Division Surat(FD)PNB	7,07,479		7,07,479	
GEB Deposit	69,21,982		69,12,400	
Shri Laxmi Jyot (Gas Deposit)	12,900		12,900	
House Deposit for Guru	15,000		15,000	
Oxygen Cylinder Deposit	15,000		15,000	
Telephone Deposit	1,500	76,73,861	1,500	76,64,279

## Notes to financial statements for the year ended March 31st 2018

PARTICULARS	31.03.2018		31.03.2017		Total
	(Amount in Rs.)	(Amount in Rs.)	(Amount in Rs.)	(Amount in Rs.)	
<b>Trade Deposits</b>					
Roostard India Ltd-D	15,000		15,000		
General Aqua Feed Dealers Association	3,50,000		3,50,000		
Srinivasa Custom(Trade Deposit)	10,00,000	13,65,000	10,00,000	13,45,000	13,65,000
<b>Total</b>		<b>90,18,861</b>		<b>90,29,279</b>	<b>90,29,279</b>
<b>Note 13 : Other Current Assets</b>					
<b>Demand Deposits</b>					
FD 200% B/G for 3rd EPFC	1,23,99,270		1,17,19,328		
FD B/G 10/2018	22,460		22,460		
FD B/G 13/2018	1,51,835		1,51,835		
FD B/G 20/2018	2,77,587		2,77,587		
Margin Money- FD (Intra & Narsingi)	18,66,881		17,35,799		
Margin of B/G for 3rd EPFC 15% FD	4,35,297		4,08,638		
Margin of B/G for CT FD (BC)	2,56,288		2,21,967		
Margin of B/G for FIC & GEA FD	2,41,758		2,27,038		
Margin of B/G for PT FD (BC)	35,768		33,583		
PNB FD Margin Money of CT & Guntur 4143	92,07,173		92,07,173		
<b>Misc. Expenditures (Assets)</b>					
Farmer Compensation	9,00,000				
Preliminary Expenses	22,97,374		28,71,717		
Pre-Operative Expense	61,72,347	2,89,44,132	68,58,163	2,87,55,382	
<b>Total</b>		<b>2,89,44,132</b>		<b>2,87,55,382</b>	<b>2,87,55,382</b>
<b>Note 14 : Inventories</b>					
<b>A. Finished Goods</b>					
Proxins (F, G - Unit I)					
Waxamine	23,32,83,801				
<b>B. Raw Materials/ Traded Items</b>					
Proxins (B, M - Unit I)	3,72,89,423				
Bleaching	3,64,234		3,28,353		
Feed	50,58,852		59,93,508		
Pond Machinery	15,63,084				
Feed Supplement	1,40,50,913				
<b>C. Work in Process</b>					
Seed Live Stock - WIP (As taken valued and certified by the Management)	5,12,23,026	34,27,91,223	34,27,91,223	1,38,09,905	1,91,11,858
<b>Total</b>		<b>34,27,91,223</b>		<b>1,91,11,858</b>	<b>1,91,11,858</b>
<b>Note 15 : Trade Receivables</b>					
Outstanding for more than 6 Months	6,54,82,993		3,11,43,947		
Within 6 Months	26,67,54,336	33,22,97,330	28,74,08,891	31,85,52,638	
<b>Total</b>		<b>33,22,97,330</b>		<b>31,85,52,638</b>	<b>31,85,52,638</b>
<b>Note 16 : Cash &amp; Cash Equivalents</b>					
<b>Cash Balance on Hand</b> (As Certified by the Management)		1,08,72,145		27,16,526	27,16,526
<b>Balance with Banks :</b>					
<b>- In FD Account</b>					
- Fixed Deposit with Axis Bank-2	85,40,141		80,77,537		
- Fixed Deposit with Axis Bank -1	85,40,141		80,77,537		
- Fixed Deposit with Allahabad Bank	4,49,370		4,49,370		
- Fixed Deposit BQ Bank - B (392)	41,77,185		36,93,685		
- Fixed Deposit with BCI (144)	50,55,496		88,52,532		
- Fixed Deposit with BCI (265)	48,25,869				
- Fixed Deposit with BCI (00463)	3,77,920				
- Fixed Deposit with Axis Bank (7354)	27,07,820				
- Fixed Deposit with Syndicate Bank - 6	87,18,812	4,33,89,534		2,92,50,641	

## Notes to financial statements for the year ended March 31st 2018

PARTICULARS	31.03.2018		31.03.2017		Total
	(Amount in Rs.)	(Amount in Rs.)	(Amount in Rs.)	(Amount in Rs.)	
<b>- In Current Accounts</b>					
- Allahabad Bank	6,10,810		3,08,649		
- Punjab National Bank	1,81,058		3,81,152		
- Bank of India	1,05,865		3,05,865		
- Syndicate Bank (03605181809100002)					
- Syndicate Bank (71701010025620)	62,76,152	71,23,885	5,05,57,819	1,34,04,647	1,44,00,113
<b>Total</b>		<b>8,13,89,563</b>		<b>6,13,88,563</b>	<b>6,63,67,280</b>
<b>Note 17 : Short-term Loans and Advances</b>					
Prepaid Expenses	53,54,366		3,72,200		
Loans & Advances To Employees	78,31,463		34,21,884		
Balance With Government Authorities	1,18,50,081		2,31,35,672		
Advances to Others	38,07,300		44,07,300		
Advances to Suppliers	1,00,00,000		1,09,20,231		
Other Loans and Advances		3,88,45,210		4,22,57,287	
<b>Total</b>		<b>3,88,45,210</b>		<b>4,22,57,287</b>	<b>4,22,57,287</b>



## NATURE OF SECURITIES AND TERMS OF BANK SECURED BORROWINGS

[ Annexure 'A' to Notes to financial statements for the year ended March 31st 2018 ]

[ All Amount in Rs. in decimals; unless stated otherwise ]

### UNIT - I

<b>1</b>	<b>Allahabad Bank - Cash Credit</b>	
Nature of Security	Cash Credit limit from Allahabad Bank amounting to Rs. 13,00,00,000; as primarily secured by a way of first pari passu charge over entire stocks, book-debts and all other current assets of company; both present and future with other consortium members.	Tenure : 1 Year, Repayable on Demand; ROI: 11.90% p.a.
<b>2</b>	<b>Bank of India - Cash Credit</b>	
Nature of Security	Cash Credit limit from Bank of India amounting to Rs. 20,00,00,000; as primarily secured by a way of first pari passu charge over entire stocks, book-debts and all other current assets of company; both present and future with other consortium members.	Tenure : 1 Year, Repayable on Demand; ROI: 12.75% p.a.
<b>3</b>	<b>Punjab National Bank- Cash Credit</b>	
Nature of Security	Cash Credit limit from Punjab National Bank amounting to Rs. 12,00,00,000; as primarily secured by a way of first pari passu charge over entire current assets of company; both present and future including stock of raw materials, stock of finished goods, receivables, stores, spares, consumables etc.	Tenure : 1 Year, Repayable on Demand; ROI: 11.85% p.a.
<b>4</b>	<b>Personal Guarantee</b>	
Nature of Security	Shri Pradip R. Navik , Shri Shanti I Patel , Smt. Susanben P Navik, Rohan Navik and Smt. Rashmiben P Navik; the directors and Relatives of Directors of the Company, have given personal guarantee for all loan facilities of Company.	
<b>5</b>	<b>Term Loans for Vehicles</b>	
Nature of Security	Vehicle Term Loans are secured by hypothecation of respective vehicles, to procure which; loan is obtained. [Total no. of Vehicle Loans outstanding: 6]	Repayable ranging from 36 to 60 equal monthly instalment from the date of disbursement. Where in rate of interest ranges from 9.5% to 10.82%.

### UNIT - II

<b>1</b>	<b>Allahabad Bank - Cash Credit</b>	
Nature of Security	Cash Credit limit from Allahabad Bank amounting to Rs. 5,00,00,000; as primarily secured by a way of first pari passu charge over entire current assets of company; both present and future.	Tenure : 1 Year, Repayable on Demand; ROI: 12.75% p.a.
<b>2</b>	<b>Allahabad Bank - Term Loan</b>	
Nature of Security	Terms loan from Allahabad Bank amounting to Rs. 6,00,00,000 (sub limit: FLC/LOU/ Buyer Credit is Rs. 3,19,00,000); as primarily secured by a first pari passu charge by way of Hypothecation proposed Plant & Machineries of Unit II as per consortium banking agreement.	Principal amount repayable in 75 monthly instalments of Rs. 8,00,000 from the June 2017 to August 2023 with construction period of 7 months and with moratorium of the 9 months from the date of COD.
<b>3</b>	<b>Axis Bank - Term Loan</b>	
Nature of Security	Terms loan from Axis Bank amounting to Rs. 4,75,00,000 (sub limit: Capex BC is Rs. 88,00,000); as primarily secured by a first pari passu charge by way of Hypothecation proposed Plant & Machineries of Unit II as per consortium banking agreement.	Principal amount repayable in 59 monthly instalments of Rs. 9,33,000 and 1 instalment of Rs. 12,53,000 from the April 2018 to March 2023.
<b>4</b>	<b>Axis Bank - Cash Credit</b>	
Nature of Security	Cash Credit limit from Axis Bank amounting to Rs. 17,00,00,000 (Sub Limit: WCCL/LER is Rs. 13,50,00,000); as primarily secured by a way of first pari passu charge over entire current assets of company; both present and future. [16 Crores as Cash Credit and 1 Crores as takeover of BG from Syndicate Bank]	Tenure : 1 Year, Repayable on Demand; ROI: 9.50% p.a.
<b>5</b>	<b>Punjab National Bank - Cash Credit</b>	
Nature of Security	Cash Credit Limit from Punjab National Bank amounting to Rs. 4,00,00,000; as primarily secured by a first pari passu charge by way of hypothecation over entire current assets of Unit - II of company; both present and future including stocks of raw materials, stock in process, finished goods, receivables, store, spares, consumables etc.	Tenure : 1 Year, Repayable on Demand; ROI: 11.85% p.a.
<b>6</b>	<b>Punjab National Bank - Term Loan</b>	
Nature of Security	Term Loan from Punjab National Bank amounting to Rs. 7,00,00,000 (sub limit: FLC/LOU/ Buyer Credit is Rs. 2,75,00,000); as primarily secured by a first pari passu charge by way of Hypothecation proposed Plant & Machineries of Unit II of Rs. 26.81 Crores as per consortium banking agreement.	Principal amount repayable in 74 monthly instalments of Rs. 9,33,000 each and 75th instalment of Rs. 9,58,000, starting from June 2017 to August 2023; after moratorium of the 9 months from COD.

# ZEAL AQUA LIMITED

## Notes to financial statements for the year ended March 31st 2018

PARTICULARS	As at 31st March, 2018			As at 31st March, 2017		
			TOTAL			TOTAL
	[Amount in Rs.]	[Amount in Rs.]	[Amount in Rs.]	[Amount in Rs.]	[Amount in Rs.]	[Amount in Rs.]
<b>Note 18 : Revenue from Operations</b>						
<b>Sale of Product</b>						
<b>A. Manufactured/Processed Goods- Exports:</b>						
Venname Export	17,67,19,977	17,67,19,977	17,67,19,977			
<b>B. Manufactured/Processed Goods- Local Sales:</b>						
Prawns	31,54,65,430	31,54,65,430	31,54,65,430	30,56,26,250	30,56,26,250	30,56,26,250
<b>C. Traded Goods / Satellite Farming - Exports:</b>						
Traded Items						
<b>D. Traded Goods / Satellite Farming - Local Sales:</b>						
Bleaching	1,15,31,862			56,11,312		
Feed	33,43,59,597			21,94,43,255		
Feed Supplement	11,49,88,142			6,03,62,441		
Seed	8,97,57,855			3,75,55,893		
Pond Machinery	8,23,500					
Satellite Products	71,37,76,127	1,26,52,37,083	1,26,52,37,083	1,11,14,87,839	1,43,44,60,739	1,43,44,60,739
Less: (Sales Return)		(23,55,362)	(23,55,362)		(58,37,449)	(58,37,449)
<b>Other Operating Revenues:</b>						
Cash Discount	53,485					
Rate Difference	(23,081)					
Trade Discount	1,33,24,839			2,57,592		
Written Off	4,165			87,36,042		
Turnover Discount	50,83,635	1,84,43,043	1,84,43,043	(18,401)		
<b>Total</b>		<b>1,77,35,10,172</b>	<b>1,77,35,10,172</b>	<b>23,18,605</b>	<b>1,12,93,838</b>	<b>1,12,93,838</b>
					<b>1,74,55,43,379</b>	<b>1,74,55,43,379</b>
<b>Note 19 : Other Income</b>						
<b>Interest:</b>						
Interest on FD	37,67,538					
Duty Drawback	33,49,777			22,74,113		
Foreign Exchange Gain	23,58,165					
Interest Subsidy Income	18,28,797					
Interest from Debtors	80,71,670	1,93,75,947	1,93,75,947	20,54,532		
<b>Total</b>			<b>1,93,75,947</b>		<b>43,28,645</b>	<b>43,28,645</b>
						<b>43,28,645</b>
<b>Note 20 : Cost of Materials</b>						
<b>Purchase</b>						
Prawns	2,00,75,844					
Bleaching	1,22,45,871			64,44,755		
Feed	44,59,75,340			31,11,20,655		
Pond Machinery	62,82,180					
Feed Supplement	13,37,88,052			7,80,99,276		
Seed	12,85,22,287			4,26,09,495		
Satellite Products	91,73,05,926	1,66,41,95,500	1,66,41,95,500	1,10,80,06,281	1,54,62,80,462	1,54,62,80,462
Less: (Purchase Return)		(73,21,060)	(73,21,060)		(1,38,61,150)	(1,38,61,150)
<b>Total</b>		<b>1,65,68,74,440</b>	<b>1,65,68,74,440</b>	<b>1,53,24,19,312</b>	<b>1,53,24,19,312</b>	<b>1,53,24,19,312</b>

## Notes to financial statements for the year ended March 31st 2018

PARTICULARS	As at 31st March, 2018			As at 31st March, 2017		
			TOTAL			TOTAL
	Amount in Rs.]	Amount in Rs.]	Amount in Rs.]	Amount in Rs.]	Amount in Rs.]	Amount in Rs.]
<b>Note 21 : Changes in Inventory</b>						
<b>Inventories at the end of the year:</b>						
<b>A. Finished Goods</b>						
Prawns [F. G. - Unit I]						
Vennameine	23,32,83,891					
<b>B. Raw Materials/ Traded Items</b>						
Prawns [R. M. - Unit II]	3,72,69,423					
Bleaching	3,64,234			3,08,355		
Feed	50,38,652			59,93,508		
Pond Machinery	15,61,084					
Feed Supplement	1,40,50,913					
<b>C. Work in Process</b>						
Seed Live Stock - WIP	5,12,23,026	34,27,91,223	34,27,91,223	1,28,09,995	1,91,11,858	1,91,11,858
<b>Inventories at the beginning of the year:</b>						
<b>A. Raw Materials/ Traded Items</b>						
Bleaching	3,08,355			13,54,451		
Feed	59,93,508			59,53,342		
Seed				48,26,249		
Feed Supplement	1,28,09,995	1,91,11,858	1,91,11,858	90,54,599	2,11,88,641	2,11,88,641
		(32,36,79,365)	(32,36,79,365)		20,76,783	20,76,783
<b>Note 22 : Employee Benefit Expenses</b>						
Salaries and Wages	2,19,19,397			64,85,880		
Director Remuneration	86,00,000			72,00,000		
Bonus Expenses	16,93,200			5,10,500		
Contribution to Employee Provident Fund	9,45,733			4,64,417		
Staff Welfare Expenses	25,43,516			22,65,733		
Compensation Exp.						
Salary Arrears	9,59,000			2,90,840		
Workmen Compensation	2,79,675			6,18,193		
Conveyance Expenses	3,86,479			3,46,834		
Mobile Bill Expenses	4,61,607			4,14,002		
Telephone Expenses	1,649			7,181		
Travelling Expenses	15,64,194			7,40,999		
Vehicle Repair & Maint. Exp.	12,01,252			7,26,230		
Medical exp	1,73,878			2,06,563		
Gratuity	(1,50,663)			3,86,689		
House Rent Allowance	65,428					
Leave Encashment	17,38,496					
Employee Insurance	13,69,977	4,37,42,818	4,37,42,818	40,61,067	2,47,25,128	2,47,25,128
<b>Total</b>			<b>4,37,42,818</b>			<b>2,47,25,128</b>
<b>Note 23 : Financial Costs</b>						
Interest - Vehicle Loan	3,90,298			4,00,624		
Inspection Charges				11,500		
Loan Closer Charges						
Letter of Undertaking Charges	2,05,475					
Loan Processing Charges	10,68,619			13,00,750		
Buyers' Credit Charges	5,85,943					
Lead Bank Charges	14,75,000	37,25,336			17,12,874	

## Notes to financial statements for the year ended March 31st 2018

PARTICULARS	As at 31st March, 2018			As at 31st March, 2017		
			TOTAL			TOTAL
	(Amount in Rs.)	(Amount in Rs.)	(Amount in Rs.)	(Amount in Rs.)	(Amount in Rs.)	(Amount in Rs.)
Interest on Secured Loans	7,61,38,380			3,69,99,474		
Interest - Unsecured Loans	60,04,763			36,94,734		
Interest - Vat						
Bank Charges	20,99,030			24,37,292		
FLC Charges	18,17,204					
Interest-Service Tax	36,821			13,750		
Interest - TDS	38,286	8,61,34,483	8,98,59,819	36,125	4,31,81,375	4,48,94,249
<b>Total</b>			<b>8,98,59,819</b>			<b>4,48,94,249</b>
<b>Note 24 : Other Expenses</b>						
<b>[A] Manufacturing Expenses</b>						
Consumable Expenses	25,50,583			3,80,323		
Contract Farming Charges	70,65,997			60,24,211		
Electrical Exp - Site	54,41,074			16,04,355		
Diesel Exp	1,45,09,600			99,20,132		
Electricity Charges - Site	3,72,44,743			2,25,12,748		
Harvesting Exp	23,46,486			19,78,285		
Ice Exps	27,19,448			8,38,324		
JCB Work Exps	7,11,962			5,20,425		
Labour Work Exps	9,96,737			11,200		
Local Transportation Exps	25,95,650			24,38,036		
Freight & THC Charges	21,73,505					
Oil Expenses						
Pond Cultivation Exps.						
Pond & Culture Exp	29,34,863			30,94,432		
Pond Repairing Expenses	85,99,789			79,73,412		
Purchase of Hapa, Net and Dora				11,07,501		
Purchase Oil	6,81,694			3,49,529		
Direct Transportation Charges	1,81,87,827			1,03,93,164		
Site Labour and Wages Expenses	1,63,96,975			81,37,854		
Rice Powder Expenses				87,720		
Loading Unloading Expenses	6,97,139			2,96,872		
Yest				6,040		
Oxygen Cylinder				8,140		
Water Testing Kits	2,94,448					
Lab Testing Exp.	5,09,559					
Plastic Container Seals	41,706					
Wooden Item Purchase	20,49,512			20,63,879		
Water Exps.	10,59,279	12,98,08,576	12,98,08,576	7,67,825	8,05,14,407	8,05,14,407
<b>Total Manufacturing Expenses</b>		<b>12,98,08,576</b>	<b>12,98,08,576</b>		<b>8,05,14,407</b>	<b>8,05,14,407</b>
<b>[B] Administrative &amp; Selling Expenses</b>						
Administrative Charges of PF	49,382			34,071		
CHA Agency Fees	80,240					
Agent Commission Exp.	20,10,212					
Manpower Supply Charges	15,82,483					
Advertisement Exp.	2,36,000			9,485		
Business Promotion Exp.	2,19,180					
Expo Exp.	80,897					
Meeting Exp.	10,165					
Board & banner Exp.	1,76,175	44,44,734			43,556	

## Notes to financial statements for the year ended March 31st 2018

PARTICULARS	As at 31st March, 2018			As at 31st March, 2017		
			TOTAL			TOTAL
	[Amount in Rs.]	[Amount in Rs.]	[Amount in Rs.]	[Amount in Rs.]	[Amount in Rs.]	[Amount in Rs.]
CSR Exp.	22,06,145	-	-	5,12,500	-	-
Legal Exp.	61,26,207	-	-	(82,766)	-	-
Computer exp	7,46,763	-	-	66,165	-	-
Donation	3,61,000	-	-	53,000	-	-
Stock Insurance Exp	2,92,789	-	-	7,76,087	-	-
Office Exp	65,06,146	-	-	13,65,493	-	-
Tea & Refreshment	2,31,937	-	-	26,335	-	-
Purchase Miscellaneous Exps	7,57,725	-	-	84,256	-	-
Packing & Forwarding Exp	97,63,249	-	-	-	-	-
Professional and Technical Fees	66,52,569	-	-	37,13,213	-	-
Repair and Maintenance Exp	74,51,096	-	-	39,02,336	-	-
Garden Maintenance Exp.	8,82,140	-	-	-	-	-
RDC fees	6,300	-	-	1,80,450	-	-
Stationery and Printing exp	12,18,130	-	-	1,29,441	-	-
Mobile exp	210	-	-	847	-	-
Sweeper Salary	1,00,746	-	-	1,54,500	-	-
Testing Fees	-	-	-	74,295	-	-
Testing Kit Purchase	-	-	-	86,500	-	-
Postage and Courier	18,750	-	-	14,395	-	-
Security Guard Exp.	7,40,356	-	-	-	-	-
Tally Training Charges & Net Subscription	-	-	-	10,800	-	-
Drinking Water	-	-	-	43,206	-	-
Vehicle Insurance Expense	3,69,659	-	-	2,15,358	-	-
Property Insurance Exp	5,09,617	-	-	-	-	-
Container insurance exp.	3,120	-	-	-	-	-
Internet exp	4,93,432	-	-	10,088	-	-
ETP Processing Exp.	4,73,919	-	-	-	-	-
Factory Rent	2,94,000	-	-	-	-	-
Housekeeping Exp.	5,10,200	4,60,16,005	-	-	1,13,36,539	-
<b>Total Administrative &amp; Selling Expenses</b>		<b>5,13,60,739</b>	<b>5,13,60,739</b>		<b>1,13,80,095</b>	<b>1,13,80,095</b>
<b>(C) Rates &amp; Taxes to Government or Local Body</b>						
Village Tax	5,44,865	-	-	59,110	-	-
Property Tax	-	-	-	21,200	-	-
Service Tax	9,01,265	-	-	9,78,094	-	-
Toll Charges	-	14,46,130	14,46,130	-	10,58,404	10,58,404
<b>(D) Auditor Remuneration</b>						
- Statutory Audit Fees	1,47,500	-	-	1,48,750	-	-
- Restated Financial Audit Fees	-	-	-	1,54,575	-	-
- P F Audit Fees	4,000	-	-	-	-	-
- Sales Tax Audit Fees	-	-	-	15,000	-	-
- Other Audit Fees	20,000	-	-	-	-	-
- Internal Audit Fees	1,93,350	-	-	3,61,575	-	-
- Stock Audit Fees	-	3,64,850	3,64,850	-	6,74,900	6,74,900
<b>(E) Tax Consultancy Fees</b>						
- Income Tax Consultancy	55,000	-	-	55,000	-	-
- Sales Tax Consultancy	-	55,000	55,000	17,000	72,000	72,000
<b>Total Other Expenses</b>		<b>18,30,35,294</b>	<b>18,30,35,294</b>		<b>9,36,99,806</b>	<b>9,36,99,806</b>

## Notes to financial statements for the year ended March 31st 2018

PARTICULARS	As at 31st March, 2018			As at 31st March, 2017		
			TOTAL			TOTAL
	[Amount in Rs.]	[Amount in Rs.]	[Amount in Rs.]	[Amount in Rs.]	[Amount in Rs.]	[Amount in Rs.]
<b>Note - 25 : Prior Period Expenses</b>						
Interest on Vehicle Loan	-	-	-	90,303	-	-
Income Tax - FY. 2013-14	-	-	-	53,990	-	-
Income Tax - FY. 2014-15	7,640	-	-	-	-	-
Water Exp.	31,200	-	-	-	-	-
Sweeper Exp.	19,600	-	-	-	-	-
Income Tax Penalty	-	-	-	10,000	-	-
Interest on I T Refund (13-14)	-	58,440	58,440	(70,349)	83,944	83,944









3. CSR Expenses denotes expenses made towards Corporate Social Responsibility as per section 134 of the Companies Act, 2013 read with Schedule VI thereof.
4. Gross amount required to be spent as per aforesaid provision is Rs. 96,13,85,000 amount actually spent towards CSR expenses is Rs. 22,06,245.
5. The amount spent on CSR activity during the financial year 2017-2018, was utilised for promoting and advancement of Rural Development to the tune of 21,06,345 and for promoting and advancement of Education and Education awareness to the tune of Rs. 1,00,000.

#### FOREIGN CURRENCY EXCHANGE & DIVIDEND

Sr	Particulars	2017-2018	2016-2017
1	Value of Imports made by the Company during the financial year calculated on CIF basis in respect of:		
	Capital Goods	35.64	233.70
	Raw Materials	-	-
2	Expenditure in foreign currency on account of:		
	Traveling	-	-
	Other Expenditures	-	-
3	Earnings in foreign exchange		
	Shipping receipts on FOB basis	1,767.20	-
	Other receipts	-	-

#### EARNING PER SHARE

Sr	Particulars	2017-2018	2016-2017
1	Net Profit attributable to Equity Share Holders	4,24,72,119	1,77,44,567
2	Weighted number of Equity Shares	43,02,394	43,02,390
3	Basic and diluted Earning per Equity Share	9.86	4.12
4	Face value per Equity Share	10	10

#### RELATED PARTY DISCLOSURES

##### A. NAMES OF RELATED PARTIES AND RELATED PARTY RELATIONSHIP

##### 1. Associate Companies/Concerns in which Significant Influence is exercised:

- Zeal Foods Private Limited
- Zeal Aqua Private Limited
- Solan Aqua Private Limited
- Agro Teknium LLP
- Agri Aqua Farm
- Marli Aqua Farm
- Chahal Aqua Farm
- Sal Aqua Farm
- Prithvi Aqua Farm
- Deep Aqua Farm
- Dinkar Aqua Farm
- Elips Aqua Farm
- Cartman Aqua Farm
- Preety Aqua Farm
- Shilp Aqua Farm
- Kim Aqua Farm
- Rohan Aqua Farm
- J B Aqua Farm
- Wys Aqua Farm
- Yok Aqua Farm
- Mango Aqua Farm
- Prakash Aqua Farming
- Prakash R Naik HUF
- Shantini J Naik HUF
- Rohini P Naik HUF
- Chand S Naik HUF

##### 2. Key Managerial Personnel

- Dravid S Patel Director
- Prakash R Naik Director
- Shantini J Naik Director
- Rohini P Naik Director
- Shalabhna Patel CFO
- Jayashri Sandhana CS

##### 3. Relatives of Key Managerial Personnel

- Suresh P Naik Relative of Director
- Kim S Patel Relative of Director
- Pranshi Mishra Relative of Director
- Rashmi S Patel Relative of Director
- Lalitha Pratik Naik Relative of Director
- Shravan Naik Naik Relative of Director

##### B. RELATED PARTY TRANSACTIONS AND BALANCES AS AT 31ST MARCH, 2018

The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year:

Sr	Particulars	Key Managerial Personnel/ Their relatives	Companies/Concerns in which Significant Influence is exercised
1	Contract Farming Charges paid	-	36,64,000
2	Factory Rent paid	2,34,000	-
3	Purchase of Fixed Assets	-	3,19,31,358
4	Interest on Unsecured Loan paid	-	39,62,343
5	Unsecured Loan received	3,00,00,000	-
6	Repayment of Unsecured Loan	39,64,304	-
7	Purchase of Goods	-	6,34,34,410
8	Remuneration Paid	96,00,000	-
9	Repair and Maintenance Expense paid	-	21,71,879
10	Salary paid	11,48,217	-
11	Office Expenditure paid	-	1,49,560
12	Advance Factory Rent given	67,230	-
13	Sales of Goods	-	6,05,79,514
	<b>Total</b>	<b>4,19,12,091</b>	<b>19,85,73,969</b>
	<b>Balances as at 31st March, 2018</b>	<b>4,23,93,544</b>	<b>18,84,99,384</b>

#### 5. CONTINGENT LIABILITIES

##### A. CLAIMS AGAINST THE COMPANY NOT ACKNOWLEDGED AS DEBT

1. Doubtful Income tax demand for A.Y. 2022-23 not provided for is Rs. 1,76,78,040/- Appeal against the order is pending before CIT(A)/Mumbai. Income tax is paid in respect of tax due against this order of Rs. 25,00,000/- Management is confident that there will not be outflow of resources to settle the said obligation.
2. Deposited VAT demand of Rs. 774.99 Lakhs and Rs. 408.88 Lakhs for financial year 2010-11 and 2011-12 are respectively pending before appellate authorities. Management has received and confirmation from revenue department about finalisation of management order, following aforesaid demands, which is yet to receive in written form. Till the time said order received in hard written form, it is disclosed in notes as contingent liability.

##### B. GUARANTEE

3. There are following performance bank guarantees in name of company, which may result in outflow of resources to settle the obligation, if counterpart mentioned will not be satisfied till maturity of performance bank, which however is secured against 100% Bank Fixed Deposit with bank/finance bank.

Sr	Date	Term	In Favour of	Payable to	Amount
1	24-10-16	3 Years	-	-	78,82,000
2	11-08-16	3 Years	Loans of Customers, (MCO)	Simplified Bank	1,17,000
3	10-11-16	3 Years	-	-	1,76,79,000
4	09-09-16	3 Years	-	-	14,34,000
			<b>Total</b>		<b>1,00,87,000</b>

40. There is no amount due and outstanding to "Provision Education and Protection Fund."

41. The company has not received balance confirmation at the end of Balance Sheet date from certain sundry creditors and sundry debtors. However, in the opinion of Board of Directors of the Company, all the current assets, loans and advances have value on realisation of an amount at least equal to the amount at which they are stated in the Balance Sheet.

#### 42. MICRO FINANCING

The company has not received any commission from its suppliers being registered under Micro, Small and Medium Enterprises Development Act, 2006 (MSME Act), however, the company generally makes payments to all its suppliers within the agreed credit period. Hence the necessary disclosure under required for MSME under Schedule II of the Companies Act, 2013 are as under:

- As stated above, there is no principal amount and the interest due thereon remained unpaid to any MSME supplier at the year end.
- During the year, interest paid by the bank in terms of section 20 of the Micro, Small and Medium Enterprises Development Act, 2006, nor any amount of the payment was made to the MSME supplier beyond the specified day.
- Since there is no amount payable to MSME supplier therefore no amount of interest was due and payable for the period of delay in making the payment, and any interest thereon specified under the Micro, Small and Medium Enterprises Development Act, 2006.
- As specified in above clauses there is no amount of interest accrued at the end of the year.
- Further there is no amount of interest remain due and payable in the succeeding year for the purpose of discharge of a deductible expenditure under section 22 of the Micro, Small and Medium Enterprises Development Act, 2006.

43. Previous year figures have been regrouped / reclassified, where necessary, to conform to this year's classification.

44. Details of Loans given, Investments made, Guarantees given and securities provided during the year covered under section 289(1) of the Companies Act, 2013:

- Loans given Rs. Nil (Previous Year Rs. Nil)
- Investments made Rs. Nil (Previous Year Rs. Nil)
- Guarantees given and securities provided to the company in respect of loan Rs. Nil (Previous Year Rs. Nil)

45. Company is dealing with leading goods as well as non-leads/foreign goods and at the same time domestic as well as foreign (like U.S. imports). By reason thereof there may be reversal of ITC with respect to inputs used for sales of non-leads/foreign goods and refund of ITC with respect to inputs used for sales of exported goods as per GST Act, 2017.

However, the same can not be verified precisely till the time government issues clarifications as formula to calculate reversal of ITC against non-leads sales and refund of ITC against exports simultaneously is not prescribed clearly in GST Act, 2017.

Hence company has recorded ITC creditable net of reversal on provisional basis of Rs. 84,50,000, which is subject to variation of 10 to 20% of the amount stated, which is not liable with amount standing in Electronic Credit Ledger of Rs. 85,31,600, in it to be adjusted.

For ZEAL AQUA LIMITED

Sd/-

ROHAN P. NAIK

Director

(CIN: 0751149)

Date: 30/05/2018

Place: Surat

Sd/-

JAYASHRI SANDHANA

Company Secretary

Sd/-

DRAVILKUMAR S. PATEL

Director

(CIN: 0238167)

Sd/-

SHANKERKUMAR PATEL

CFO

Sd/-

AAASH RANJAN DASLANI

Partner

(MCA 21: 11425)

1005, WORLD TRADE CENTRE,

10TH FLOOR, 1005, ROAD 13/047, 395013.

In Terms Of Our Attested Report Of Even Date  
FOR PARTY AND CO.  
CHARTERED ACCOUNTANTS  
FNN - 007080



# ZEAL AQUA LIMITED

Regd. Office: AT Olpad GIDC, PL. No. 4,5, Ta.: Olpad, Dist.:Surat- 394540, Gujarat, India  
Website: www.zealaqua.com, E-mail: zealaqua@gmail.com, Phone: +91 02621 220047  
CIN: L05004GJ2009PLC056270,

## FORM NO. MGT-11

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

### PROXY FORM

Name of member(s): \_\_\_\_\_

Registered address: \_\_\_\_\_

Email ID: \_\_\_\_\_

Folio Number/ DP ID- Client ID: \_\_\_\_\_

I / We, being the Member(s) holding \_\_\_\_\_ shares of Zeal Aqua Limited, hereby appoint:

1. Name: \_\_\_\_\_

Address: \_\_\_\_\_

Email ID: \_\_\_\_\_

Signature: \_\_\_\_\_, or failing him / her

2. Name: \_\_\_\_\_

Address: \_\_\_\_\_

Email ID: \_\_\_\_\_

Signature: \_\_\_\_\_, or failing him / her

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the 10<sup>th</sup> Annual General Meeting of Zeal Aqua Limited to be held on Monday, 24<sup>th</sup> September, 2018, at 11:30 a.m. at Olpad GIDC, PL. No. 4,5, Ta.: Olpad, Dist.:Surat- 394540 and at any adjournment(s) thereof, in respect of such resolutions as are indicated below:

Sr. No.	Ordinary Business	For	Against
1	Adoption of Annual Accounts, Auditor's & Director's Report. (Ordinary Resolution)		
2	Re-appointment of Mr. Mr. Shantilal Ishwarbhai Patel, Executive Director, as a whole time director, retire by rotation. (Ordinary Resolution)		
3	Ratification of appointment of M/s PARY & Co., Chartered Accountant, as a statutory auditor. (Ordinary Resolution)		
Special Business			
4	Appointment of Mr. Cyrus Dinsha Bhatena as an Independent Director. (Ordinary Resolution)		
5	Appointment of Mr. Shahzad Yazdi Gandhi as an Independent Director. (Ordinary Resolution)		
6	Appointment of Mrs. Sharmin Mehernosh Dordi as an Independent Director. (Ordinary Resolution)		
7	To increase authorized capital of the Company and amend the capital clause in the Memorandum of Association. (Special Resolution)		
8	To issue Bonus shares. (Special Resolution)		

Signed this.....day of ....., 2018

Signature of Shareholder: .....

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

Affix  
Revenue  
Stamp

**Note:** This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

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## ATTENDANCE SLIP

(To be handed over at the registration counter situated near the entrance of the meeting venue)

1. Full name and Registered address of the member attending (in BLOCK LETTERS)	
2. Full name of the joint-holder (To be filled in if first named Joint – holder does not attend meeting) (in BLOCK LETTERS)	
3. Full Name of Proxy (To be filled in if Proxy Form has been duly deposited with the Company) (in BLOCK LETTERS)	
4. Folio No. / DP ID – Client ID*	
5. Number of Share(s) held	

I / We being the registered shareholder / proxy for the registered shareholder\*\* of the Company, hereby record my / our presence at the 10<sup>th</sup> Annual General Meeting of the Company held on Monday, the 24<sup>th</sup> September, 2018 at 11:30 a.m. at AT Olpad GIDC, PL. No. 4,5, Ta.: Olpad, Dist.:Surat- 394540 and at any adjournment(s) thereof.

\_\_\_\_\_  
Member's / Proxy's Signature

\* Applicable for members holding shares in electronic form.

\*\* Strike-off whichever is not relevant

### NOTES:

1. Please read the instructions to exercise e-voting option printed under Note Number 21 to the Notice convening the 10<sup>th</sup> Annual General Meeting of the Company printed in the accompanying Annual Report for 2018.
2. Members are requested to bring their copy of the Annual Report and this Attendance Slip at the Annual General Meeting of the Company.

## BALLOT FORM

1. Name(s) of Member(s) :  
(Including joint holders, if any)
2. Registered address of the :  
Sole/first named Member
3. Registered folio No./ :  
DP ID No./Client ID No.\*  
(\*Applicable to investors holding  
Shares in dematerialized form)
4. Number of Shares held :
5. I/We hereby exercise my/our vote in respect of the Resolution to be passed through Postal Ballot for the Business stated in the Postal Ballot Notice and Explanatory Statement annexed thereto by sending my/our assent (FOR) or dissent (AGAINST) to the said resolution by placing the tick (✓) mark at the appropriate box below:

Item No.	Item	Nature of Resolution	No. of shares	I/We Assent to the Resolution (FOR)	I/We dissent to the Resolution (AGAINST)	(ABSTAIN)
1	Adoption of Accounts	Ordinary				
2	Appointment of Director Mr. Shantilal Ishwarbhai Patel liable to retire by rotation	Ordinary				
3	Ratification of Appointment of Statutory Auditors	Ordinary				
4	Appointment of Mr. Cyrus Dinsha Bhathena as an Independent Director	Ordinary				
5	Appointment of Mr. Shahzad Yazdi Gandhi as an Independent Director	Ordinary				
6	Appointment of Mrs. Sharmin Mehernosh Dordi as an Independent Director	Ordinary				
7	To increase authorized capital of the Company and amend the Capital clause in the Memorandum of Association	Special				
8	To issue Bonus Shares	Special				

Place:

Date:

\_\_\_\_\_  
(Member)

### ELECTRONIC VOTING PARTICULAR

EVSN (E VOTING SEQUENCE NUMBER)

180824074

E-Voting shall remain open from Friday, 21<sup>st</sup> September, 2018 till the close of working hours of Sunday 23<sup>rd</sup> September, 2018 (i.e. 17:00 hours).

Note: Please read the instructions printed carefully before exercising your vote.

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THE MINISTRY OF CORPORATE AFFAIRS HAS TAKEN A "GREEN INITIATIVE IN THE CORPORATE GOVERNANCE" BY ALLOWING PAPERLESS COMPLIANCES BY THE COMPANIES AND HAS ISSUED CIRCULAR STATING THAT SERVICE OF NOTICE/DOCUMENTS INCLUDING ANNUAL REPORT CAN BE SENT BY E-MAIL TO ITS MEMBERS. TO SUPPORT THIS GREEN INITIATIVE OF THE GOVERNMENT, MEMBERS WHO HAVE NOT REGISTERED THEIR E-MAIL ADDRESS, SO FAR, ARE REQUESTED TO GET THEIR E-MAIL ADDRESSES, IN RESPECT OF ELECTRONIC HOLDING WITH DEPOSITORY THROUGH THEIR CONCERNED DEPOSITORY PARTICIPANTS. MEMBERS, WHO HOLD SHARES IN PHYSICAL FORM, ARE REQUESTED TO GET THEIR SHARES DEMATERIALIZED.