

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



Date: 25/08/2021

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

Script Code : ZEAL | 539963  
Subject : Annual Report for the year ended as on 31st March, 2021  
Reference No.: Regulation 34(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Dear Sir/ Madam,

Pursuant to Regulation 34(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith Annual Report of the company for the financial year 2020-21 and is also available on the website of the company at <https://www.zealaqua.com/>.

This is for your information and record.

Thanking You.

Yours Faithfully,

**For Zeal Aqua Limited**

  
**Pradip Kumar Ratilal Navik**  
**Wholtime Director**  
DIN: 01067716



Place: Surat

Encl.: Annual Report



# Zeal Aqua Limited

Annual Report 2020-21 •••





## CONTENTS ...

---

<b>Chairman’s Speech</b>	<b>02</b>
<b>Corporate Information</b>	<b>03</b>
<b>Notice to 13<sup>th</sup> Annual General Meeting</b>	<b>06</b>
<b>Directors’ Report with Annexures</b>	<b>18</b>
<b>Corporate Governance Report</b>	<b>27</b>
<b>Secretarial Audit Report</b>	<b>56</b>
<b>Management Discussion and Analysis</b>	<b>59</b>
<b>Corporate Social Responsibility</b>	<b>69</b>
<b>Auditors’ Report</b>	<b>77</b>
<b>Financial Statements</b>	<b>89</b>

---



## CHAIRMAN'S MESSAGE ● ● ●

Dear Shareholders,

I hope that you, your families, and loved ones are safe and doing well. I write to you amidst uncertain times. The global spread of COVID-19 and India's lockdown have created an economic environment filled with uncertainty and risk. The COVID-19 pandemic has touched every aspect of our lives across the world. It has altered mindsets, perceptions and strategies for businesses and beyond.

The world has been fighting the COVID-19 pandemic for more than a year now and the struggle has had deleterious economic effects. In 2020, the global economy contracted by 3.3%, the largest contraction on record, at least since World War II. Much of it was concentrated in the first half of our fiscal year FY21, as several countries enforced strict lockdowns. Economies bounced back – albeit at differentiated speeds – in subsequent quarters, on the back of large fiscal stimulus packages, especially in the developed countries, restocking demand after dilution of lockdowns, and improved confidence levels following the start of vaccination programmes.

I am pleased to share with you our Company's performance for FY2021. The year saw a challenging business environment with lower GDP growth, compared to the previous years and witnessed a slowdown in consumption. The virus has affected not just human health but severely impacted businesses and the society at large. Against this backdrop, your Company has delivered competitive, profitable and responsible growth.

The fiscal 2020-21 witnessed significant challenges as the global as well as the Indian economy continued to be affected by several macroeconomic factors. Amidst a challenging environment, your company continues to grow, backed by a robust business model and its strategic ability to navigate through troubled times. To retain our competitive advantage and consistently deliver value to all our stakeholders, we continue to focus on investments for research and development, technological enhancement and quality improvement to sustain profit margins and increase operational efficiency. Overcoming the pandemic, company continues to level up the revenue close to what it earned in the previous financial year.

The numeric highlights of the company showed Total Revenue of 30,282.61 Lacs in Financial Year 2020-21 as compared to Total Revenue of 24,961.02 Lacs in Financial Year 2019-2020 and Profit before Tax for the year 2020-21 stood at 503.95 Lacs as compared to Profit before Tax of 602.98 Lacs in Financial Year 2019-2020. Profit after Tax for the current year stood at 424.96 Lacs as compared to Profit after Tax of 529.53 Lacs in financial year 2019-2020.

Our Buyer includes companies from countries like Europe, US, UAE, Saudi Arabia, Vietnam, Australia, Japan, Neitherlands, South Africa, China and South Korea. We are BRC certified and HACCP which enables us to 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.

I am grateful to you, our shareholders, who have shown unwavering faith in our strategy. I value their dedication and commitment to the tasks at hand towards the pursuit of our short and long-term goals. Also, I would also like to thank our regulators, esteemed partners, and everyone of our customers for placing their trust in us. Finally, I would like to thank all my colleagues and their families, who have been true warriors during these most challenging times. We reaffirm our commitment to delivering quality growth and look forward to continuing the momentum we have built over these years.

Thank you all.

Sd/-

**Shantilal Ishwarlal Patel**  
Chairman  
DIN: 01362109

## CORPORATE INFORMATION

### BOARD OF DIRECTORS

**Mr. Shantilal Ishwarlal 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

**Mr. Cyrus Dinsha Bhathena**

Independent Director (Non-Executive)  
DIN: 07967136

**Mr. Shahzad Yazdi Gandhi**

Independent Director (Non-Executive)  
DIN: 08013857

**Mrs. Sharmin Mehernosh Dordi**

Women Independent Director (Non-Executive)  
DIN: 08193337

### **REGISTERED OFFICE**

CIN: L05004GJ2009PLC056270  
At Olpad, GIDC, Pl No. 4.5, Ta Olpad Surat  
394540

Scrip ID/Code: ZEAL/539963

ISIN: INE819S01017

Tel: 02621-220047

Email: cs@zealaqua.com

Website: [www.zealaqua.com](http://www.zealaqua.com)

### **REGISTRAR & SHARE TRANSFER AGENT**

**M/s. Bigshare Services Pvt. Ltd.**

1<sup>st</sup> Floor, Bharat Tin Works Building,  
Opp. Vasant Oasis, Makwana Road,  
Marol, Andheri East,  
Mumbai-400059

Tel. : +91-022-62638200

Fax: +91-022-62638299

Email: [info@bigshareonline.com](mailto:info@bigshareonline.com)

Website: [www.bigshareonline.com](http://www.bigshareonline.com)

### **CHIEF FINANCIAL OFFICER**

Mr. Shailendrasingh Chatarsingh Patil

### **COMPANY SECRETARY & COMPLIANCE OFFICER**

Ms. Priyanka Jain (Appointed w.e.f 02/08/2021)

### **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

Website: [www.paryca.org](http://www.paryca.org)

### **BANKER TO THE COMPANY**

#### **Allahabad Bank**

Alaknanda Apartment 864,  
Athugar Street, Nanpura, Surat-395001  
Ph. No.: +91-261-2461879  
Fax: +91-261-2461156

#### **Bank of India**

Bank of India Building, 1st Floor,  
Ghod dod Road, Surat-395001  
Ph. No.: +91-261-2240012/14  
Fax : +91-261-2240013

#### **Punjab National Bank**

First Floor, Meghani Tower,  
Station Road, Delhi Gate, Surat-395 002  
Ph. No.: +91-261-2411038  
Fax: +91-261-2422112

#### **Axis Bank**

Digvijay Towers, Opp. St. Xaviers School,  
Ghod Dod Rd, Surat, Gujarat 395001  
Tel: +91- 0261-4082300/4082341

### **BOOK CLOSURE**

Date: 11/09/2021 – 17/09/2021

(both days inclusive)

### **13<sup>TH</sup> ANNUAL GENERAL MEETING**

**Date:** 17<sup>th</sup> September, 2021, Friday

**Time:** 11.00 A.M.

**Venue:** Through Video Conferencing (VC) or  
Other Audio Visual Means (OACM)











## **13<sup>th</sup> NOTICE**

**NOTICE** is hereby given that the **13<sup>th</sup> Annual General Meeting** of the Members of **Zeal Aqua Limited** will be held on **Friday, the 17<sup>th</sup> September, 2021 at 11:00 a.m.** through Video Conferencing (VC) or Other Audio Visual Means (OACM) to transact the following businesses:-

### **ORDINARY BUSINESS**

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

To receive, consider and adopt the Audited Financial Statements of the company for the financial year ended on 31<sup>st</sup> March, 2021, together with the Reports of the Board of Directors and Auditors' thereon:.

**“RESOLVED THAT** the Audited Balance Sheet, Profit and loss account and Cash Flow Statement for the year ended 31<sup>st</sup> March, 2021 along with the Auditors report and 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. Rohan Pradipkumar Navik (DIN: 02531248), Whole Time 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. Rohan Pradipkumar Navik (DIN: 02531248)**, an Executive Director, be and is hereby re-appointed as a Director of the Company liable to retire by rotation.”

### **SPECIAL BUSINESS**

#### **3. Item No. 3 - Approve Sub-Division of Equity Shares of the Company**

To consider and, if thought fit, to pass the following resolution as an Special Resolution

**“RESOLVED THAT** pursuant to the provisions of Section 61 and any other applicable provisions, if any, of the Companies Act, 2013 and Rules made thereunder (including any statutory modification(s) or reenactment thereof for the time being in force) read with applicable provisions of SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, and other applicable laws, rules and regulations for the time being in force, if any, prescribed by any relevant authorities from time to time, to the extent applicable, subject to the provisions of the Memorandum and Articles of Association of the Company and subject to such other approvals, permissions and sanctions as may be necessary, approval of the members of the company be and is hereby accorded for sub-division of 1 (One) Equity Share of the Company having Face Value of Rs 10/- each (Rupees Ten) into 10 (ten) Equity Shares having Face Value of Rs 1/- (Rupee One) each.

**Regd. Office:** At Olpad GIDC Pl No. 4, 5, Ta Olpad, Surat 394540 Gujarat, India, **Tel.:** +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)



**RESOLVED FURTHER THAT** pursuant to the sub-division of Equity Shares of the Company from Face Value Rs 10/- each (Rupees Ten) to Face Value of Rs. 1/- (Rupees One), the existing Authorized and Paid up Equity Share Capital of the company as on record date as may be decided by the Board (which shall include any Committee thereof) shall stand sub-divided as given below:

Particulars	Pre-sub division of Equity Shares			Post-sub division of Equity Shares		
	No. of Shares	Face Value (In Rs.)	Total Share capital (In Rs.)	No. of Shares	Face Value (In Rs.)	Total Share capital (In Rs.)
Authorized Share capital	1,30,00,000	10/-	13,00,00,000	13,00,00,000	1/-	13,00,00,000
Issued, Subscribed and Paid up share Capital	1,26,06,600	10/-	12,60,66,000	12,60,66,000	1/-	12,60,66,000

**RESOLVED FURTHER THAT** pursuant to the sub-division of the Face Value of Equity Shares as mentioned above, the existing share certificate(s) in relation to the existing issued Equity Shares having Face Value of Rs 10/- each (Rupee Ten) held in the physical form shall be deemed to have been automatically cancelled with effect from the record date to be fixed by the board, and the board be and is hereby authorized, without requiring to surrender the existing issued share certificate(s) by the members, to issue new share certificate in lieu of the existing share certificate(s), with regard to the sub-divided shares, and in case of Equity Shares held in the dematerialized form, the number of sub-divided Equity Shares be credited to the respective beneficiary accounts of the members with the Depository participants, in lieu of existing credits in their beneficiary accounts representing the equity shares of the company before subdivision.

**RESOLVED FURTHER THAT** the Board of Directors and/or Company Secretary of the Company be and are hereby authorized to take all such steps as may be required to obtain approvals in relation to above and do all such further acts, deeds or things as may be required to give effect to the sub-division of Equity Shares of the Company.

**RESOLVED FURTHER THAT** the Board of Directors of the Company and Company Secretary be and are severally authorized to (a) delegate execution and filing of necessary applications, declarations, and other documents with stock exchanges, depositories, Registrar & Transfer agent and/or any other statutory authority(ies), if any; (b) cancel the existing physical share certificates; (c) settle any question or difficulty that may arise with regard to the sub-division of the shares as aforesaid or for any matters connected herewith or incidental thereto and (d) do all such acts, deeds, things, including all the matters incidental thereto in order to implement the foregoing resolution.”

**4. Item No. 4- Approve the alteration in Capital Clause V of the Memorandum of Association of the Company**

To consider and, if thought fit, to pass the following resolution as a Special Resolution:

“**RESOLVED THAT** pursuant to the provisions of Sections 13, 61, 64 and other applicable provisions of the Companies Act, 2013 and Rules made thereunder (including any statutory modification(s) or reenactment(s) thereof for the time being in force) and upon sub-division of Equity Shares, consent of the Members of the Company be and is hereby accorded to alter and substitute the existing Clause V of Memorandum of Associations of the Company with the following new Clause V as under:

***The Authorised Share Capital of the Company is Rs. 13,00,00,000 (Rupees Thirteen Crores) divided into 13,00,00,000 (Thirteen Crore) Equity Shares of Rs. 1/- (Rupees One) each.”***

**RESOLVED FURTHER THAT** the Board of Directors and/or Company Secretary of the Company be and are hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, proper or desirable for the purpose of giving effect to this resolution.”

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

Sd/-

Date : 19/08/2021  
Place : Surat

**Priyanka Jain**  
**Company Secretary & Compliance Officer**

**NOTES:**

1. In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and pursuant to the Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020 issued by the Ministry of Corporate Affairs followed by Circular No. 20/2020 dated May 05, 2020 and Circular No. 02/2021 dated January 13, 2021 and all other relevant circulars issued from time to time, physical attendance of the Members to the AGM venue is not required. In compliance with the provisions of the Companies Act, 2013 (“Act”), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) and MCA Circulars, the AGM of the Company is being held through VC / OAVM. The deemed venue for the 13<sup>th</sup> AGM of the Company shall be the registered office of the Company.
2. In terms of the MCA circular, since this AGM is being held through VC / OAVM pursuant to the MCA’s circulars, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies under section 105 of the Act by the Members will not be available for this AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
3. Corporate Members pursuant to Section 113 of the Companies Act, 2013 intending to attend the Annual General Meeting through their authorized representatives, are requested to send to the Company, a certified copy of relevant Board resolution together with the respective specimen signatures of those representative(s) authorized under the said resolution to attend the AGM through VC / OAVM on its behalf and to vote through remote e-voting.
4. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
5. In compliance with the aforesaid MCA Circulars and SEBI Circular SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 and SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021, Notice of the AGM along with the Annual Report 2020-21 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ RTA/ Depositories. Members may note that the Notice and Annual Report 2020-21 will also be available on the Company’s website at [www.zealaqua.com](http://www.zealaqua.com) , on website of BSE Limited at [www.bseindia.com](http://www.bseindia.com) and on the website of NSDL <https://www.evoting.nsdl.com>.
6. Members who have not yet registered their email addresses are requested to register the same with their DPs in case the shares are held by them in electronic form and with the Company/RTA in case the shares are held by them in physical form.
7. Members may note that the VC/OAVM Facility, provided by NSDL, allows participation upto 1,000 Members on a on a first-come-first-served basis. The large shareholders (i.e. shareholders holding 2% or more shareholding), promoters, institutional investors, directors, key managerial personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, auditors, etc. can attend the 13th AGM without any restriction on account of first-come first-served principle.
8. Register of Members and Share Transfer Books of the Company shall remain closed from 11<sup>th</sup> day of September, 2021 to 17<sup>th</sup> day of September, 2021 (both day inclusive) for determining the names of



Members eligible for e-voting for Annual General Meeting.

9. Members seeking any information/document as referred in the notice are requested to write to the Company on or before 17<sup>th</sup> September, 2021 through email at [cs@zealaqua.com](mailto:cs@zealaqua.com). The same will be addressed by the Company suitably.
10. Equity shares of the Company are under compulsory demat trading by all Investors.
11. Members who have not registered their e-mail addresses so far, are requested to register their e-mail address for receiving all communication from the company electronically and quicker response to their queries to RTA or Company.
12. Additional information, pursuant to Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, in respect of the directors seeking appointment/re- appointment at the AGM, is furnished as annexure to the Notice. The directors have furnished consent / declaration for their appointment/ re-appointment as required under the Companies Act, 2013 and the Rules there under.
13. The voting rights of Shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on Friday, 10<sup>th</sup> September, 2021.
14. Since this AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.
15. **Information and other instructions relating to e-voting are as under:**

- I. Pursuant to provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote at the 13<sup>th</sup> Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM (“remote e-voting”) will be provided by National Securities Depository Limited (NSDL).
- II. The members who are entitled to vote and participate in the AGM through VC / OAVM, and have not cast their vote on the resolutions through remote e-voting shall be eligible to vote through e-voting system during the AGM.
- III. The members who have voted though e-voting are also entitled to attend/ participate in the AGM through VC / OAVM but not entitled to cast their vote during the meeting.
- IV. Shri Ranjit Binod Kejriwal, Practicing Company Secretary has been appointed to act as a scrutinizer to scrutinize the e-voting during the Annual General Meeting and the remote e-voting process in a fair and transparent manner.
- V. The e-voting facility will start from 14<sup>th</sup> day of September, 2021 at 9:00 a.m. and will end on 16<sup>th</sup> day of September, 2021 on 5:00 p.m.
- VI. The Scrutinizer, after scrutinizing the votes cast at the meeting and through remote e-voting, will, not later than 2 working days of conclusion of the Meeting, make a consolidated scrutinizer’s report and submit the same to the Chairman. The results declared along with the consolidated scrutinizer’s report shall be placed on the website of the Company. The results shall be communicated to the Stock Exchanges.
- VII. Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the Meeting, i.e. Friday, 17<sup>th</sup> September, 2021.
- VIII. **Instructions to Members for e-voting are as under:**

The voting period starts on Tuesday 14<sup>th</sup> September, 2021 on open of working hours (i.e 9:00 hours) and ends on the close of working hours (i.e. 05:00 hours), Thursday, 16<sup>th</sup> September, 2021. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. 10<sup>th</sup> September, 2021 may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off

date, being 10<sup>th</sup> September, 2021.

### **Step 1: Access to NSDL e-Voting system**

#### **A) Login method for e-Voting for Individual shareholders holding securities in demat mode**

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"><li>1. If you are already registered for <b>NSDL IDeAS facility</b>, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com/">https://eservices.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “<b>Beneficial Owner</b>” icon under “Login” which is available under “<b>IDeAS</b>” section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on options available against company name or <b>e-Voting service provider – NSDL</b> and you will be redirected to NSDL e-Voting website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li><li>2. If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select “<b>Register Online for IDeAS</b>” Portal or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li><li>3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on options available against company name or <b>e-Voting service provider - NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li></ol>



<p>Individual Shareholders holding securities in demat mode with <b>CDSL</b></p>	<ol style="list-style-type: none"> <li>1) Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System Myeasi.</li> <li>2) After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of <b>e-Voting service provider i.e. NSDL</b>. Click on <b>NSDL</b> to cast your vote.</li> <li>3) If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>4) Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. <b>NSDL</b> where the e-Voting is in progress.</li> </ol>
<p>Individual Shareholders (holding securities in demat mode) login through their <b>Depository Participants</b></p>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Once login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on options available against company name or <b>e-Voting service provider-NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p>

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

**Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.**

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022-23058738 or 022-23058542-43



**B) Login Method for e-Voting shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.**

**How to Log-in to NSDL e-Voting website?**

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.  
*Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.*
4. Your User ID details are given below :

<b>Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical</b>	<b>Your User ID is:</b>
a) For Members who hold shares in demat account with <b>NSDL</b> .	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with <b>CDSL</b> .	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in <b>Physical Form</b> .	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 117015 then user ID is 117015001***

5. Password details for shareholders other than Individual shareholders are given below:
  - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
  - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the ‘initial password’ which was communicated to you. Once you retrieve your ‘initial password’, you need to enter the ‘initial password’ and the system will force you to change your password.
  - c) How to retrieve your ‘initial password’?
    - (i) If your email ID is registered in your demat account or with the company, your ‘initial password’ is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your ‘User ID’ and your ‘initial password’.
    - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**





6. If you are unable to retrieve or have not received the “ Initial password” or have forgotten your password:
  - a) Click on “**Forgot User Details/Password?**”(If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - b) **Physical User Reset Password?**” (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
  - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
8. Now, you will have to click on “Login” button.
9. After you click on the “Login” button, Home page of e-Voting will open.

### **Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.**

#### **How to cast your vote electronically and join General Meeting on NSDL e-Voting system?**

1. After successful login at Step 1, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select “EVEN” of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on “VC/OAVM” link placed under “Join General Meeting”.
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
5. Upon confirmation, the message “Vote cast successfully” will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

#### **General Guidelines for shareholders**

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [rbksurat@gmail.com](mailto:rbksurat@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “**Forgot User Details/Password?**” or “**Physical User Reset Password?**” option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to Ms. Sarita Mote at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

**Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:**

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to [cs@zealaqua.com](mailto:cs@zealaqua.com)
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to (Company email id). If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.
3. Alternatively shareholder/members may send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

**THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-**

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

**INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:**

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for Access to NSDL e-Voting system. After successful login, you can see link of “VC/OAVM link” placed under “Join General meeting” menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name, demat account number/folio number, email id, mobile number at [cs@zealaqua.com](mailto:cs@zealaqua.com) . The same will be replied by the company suitably.



**Please note the following:**

A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.

A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through polling paper. A person who is not a Member as on the cut-off date should treat this Notice of AGM for information purpose only.

**Other information:**

- Your login id and password can be used by you exclusively for e-voting on the resolutions placed by the companies in which you are the shareholder.
- It is strongly recommended not to share your password with any other person and take utmost care to keep it confidential.

**By order of the Board of Directors  
For Zeal Aqua Limited  
Sd/-**

Date : 19/08/2021  
Place : Surat

**Priyanka Jain  
Company Secretary & Compliance Officer**

## ANNEXURE TO NOTICE

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

(Pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015) and Secretarial Standard 2 issued by the Institute of Company Secretaries of India)

**Mr. Rohan Pradeep Navik**, is proposed to be re- appointed as Director, who is liable to retire by rotation and as per the Regulation 36(3) of SEBI (Listing Obligations And Disclosure Requirements), Regulations 2015 and Secretarial Standards his details are as under:

<b>Particulars</b>	Rohan Pradipkumar Navik
<b>DIN No.</b>	02531248
<b>Date of birth</b>	03/12/1986
<b>Qualification</b>	Master of International Business
<b>Expertise in specific functional areas</b>	He has more than 11 years experience in the field of Aquaculture
<b>Terms and Conditions of Appointment/Reappointment</b>	As per the resolution at Item No. 2 of the Notice convening this meeting, Rohan Pradipkumar Navik is liable to retire by rotation at the meeting
<b>Remuneration last drawn</b>	Rs. 2,00,000 P.M.
<b>Remuneration proposed</b>	Rs. 2,00,000 P.M.
<b>Date of First Appointment</b>	06/06/2011
<b>Relationship with Directors/Key managerial Personnel</b>	Mr. Rohan Pradipkumar Navik is son of Mr. Pradipkumar Ratilal Navik and Son in law of Mr. Shantilal Ishwarlal Patel
<b>List of Companies/LLP in which directorship is held as on 31st March, 2021</b>	As per detailed below
<b>Chairman / Member of the Committee of other Company</b>	None
<b>No. of Meetings of the Board Attended during the year</b>	12

#### 1. List of Companies/LLP in which Mr. Rohan Pradipkumar Navik holds directorship as on 31<sup>st</sup> March, 2021:

Sr. No.	Name of the Company	Nature of Interest	Shareholding	Date on which interest arose/changed
1.	Zeal Aqua Limited	Whole Time Director	1,44,480	06/06/2011
2.	Mahesh Aqua Farm Private Limited	Director	NIL	05/04/2013
3.	Rati Aqua Private Limited	Director	1,03,400	18/06/2010
4.	Agave Tradecom LLP	Designated Partner	0.09%	16/03/2015
5.	Bright Commotrade LLP	Designated Partner	9.26%	17/07/2015

### Item No. 3 & 4:

Presently the Authorized Share Capital of the Company is Rs. 13,00,00,000/- (Rupees Thirteen Crore) divided into 1,30,00,000 (One Crore Thirty Lakh) Equity Shares of Rs. 10/- (Rupees Ten) each and its Paid up Share Capital is Rs. 12,60,66,000 (Twelve Crore Sixty Lakh Sixty Six Thousand) divided into 1,26,06,600 (One Crore Twenty Six Lakh Six Thousand Six hundred) Equity Shares of Rs. 10/- each.

The Market price of the Company's Equity Shares has increased significantly during the last few years. In order to improve the liquidity of the Company's Equity Shares and to make these equity shares more affordable/accessible for the small retail investors to invest in the Company's shares, the Board of Directors ("hereinafter referred as Board") at its meeting held on 19/08/2021 recommended the Sub-Division of 1 (One) Equity Share having a Face Value of Rs 10/- (Rupees Ten) into 10 (ten) Equity Shares having Face Value of Rs 1/- (Rupees One ) each, for the approval of Shareholders.

Further Article 15 of the Article of Association permits sub-division of shares subject to the approval of members. The Record Date for the aforesaid Sub-Division of Equity Shares will be fixed by the Board of Directors of the Company after obtaining approval of members. Pursuant to the aforesaid sub-division of Equity Shares and as per Section 13 & 61 of the Companies Act, 2013 and the rules made thereunder, it is required to alter the existing Capital Clause V of the Memorandum of Association of the Company.

Accordingly, your Directors recommend the passing of Special Resolution set out at Item no. 3 and Item no. 4 of the Notice for approval of Shareholders in the interest of the company.

None of the Directors, Key Managerial Personnel or their relatives are in any way concerned or interested in the above resolution, except to the extent of equity shares held by them in the Company.

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

**Sd/-**

Date : 19/08/2021  
Place : Surat

**Priyanka Jain  
Company Secretary & Compliance Officer**





## DIRECTORS' REPORT ●●●

To,  
The Members of  
Zeal Aqua Limited

Your Directors take pleasure in submitting the 13<sup>th</sup> Annual Report of the Business and operations of your Company and the Audited Financial Statements for the financial year ended 31st March, 2021.

### 1. FINANCIAL HIGHLIGHTS/STATE OF AFFAIRS

The Company's financial performance for the year ended on 31<sup>st</sup> March, 2021 is summarized below:

Financial Results and Appropriations	Year Ended	Year Ended
	31.03.2021	31.03.2020
Gross Income from Operations	29,747.42	23,851.88
Other Income	535.18	1,109.14
<b>Total Revenue</b>	<b>30,282.61</b>	<b>24,961.02</b>
<b>Profit Before Tax and Exceptional items</b>	<b>503.95</b>	<b>602.98</b>
<b>Less:</b>		
Exceptional items	-	-
<b>Profit Before Tax (PBT)</b>	<b>503.95</b>	<b>602.98</b>
<b>Less: Taxation</b>	78.99	73.45
<b>Net Profit after Tax (PAT)</b>	<b>424.96</b>	<b>529.528</b>

*Figures regrouped wherever necessary*

The Company discloses financial results on quarterly 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.zealaqua.com](http://www.zealaqua.com).

### 2. FINANCIAL PERFORMANCE

During the year, your Company recorded total revenue of 30,282.61 Lacs in financial year 2020-21 as compared to total revenue of 24,961.02 Lacs in financial year 2019-2020 and Profit before Tax for the year 2020-21 stood at 503.95 Lacs as compared to Profit before tax of 602.98 Lacs in financial year 2019-2020. Profit after Tax for the current year stood at 424.96 Lacs as compared to Profit after Tax of 529.528 Lacs in financial year 2019-2020. A detailed analysis on the Company's performance is included in the "Management's Discussion and Analysis" Report, which forms part of this Report.

### 3. ROAD AHEAD

The Company is moving forward towards vertical integration with EU Markets. The company is already **ASC Certified** and aiming to obtain certificates from The **BRC Food**, **H.A.C.C.P. Food Safety** and others. Another Species is added to its product line. Previously the company had only Vannamei and now added SPF Tiger- **P Monodone**. The company is considering to add some more to the list. The Board is very well structured and oriented towards investing new capabilities ensuring the growth of the company and forwarding such to the stakeholders in the form of increased percentage of profit.

### 4. 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 ongoing project. Your Directors do not recommend any dividend for the year ended 31<sup>st</sup> March, 2021.

### 5. UNCLAIMED DIVIDEND

There is no balance lying in unpaid dividend account.



## 6. TRANSFER TO RESERVES

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

## 7. ANNUAL RETURN

Pursuant to Section 92(3) read with Section 134(3)(a) of the Companies Act, 2013 the Annual Return as on March 31, 2021 is available on the Company's website and accessible through weblink at [https://www.zealaqua.com/downloads/Form\\_MGT-7%20\(Revised\).pdf](https://www.zealaqua.com/downloads/Form_MGT-7%20(Revised).pdf).

## 8. CORPORATE GOVERNANCE

Your Company has incorporated the appropriate standards for corporate governance. Pursuant to Regulation 15(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Company is filing Corporate Governance Report to stock exchange quarterly. However, as per Regulation 34(3) read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 company is giving report on corporate governance report in annual report of the company. Corporate Governance Report is as per **Annexure – 1**. 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.

## 9. DETAILS OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

In accordance with Section 152(6) of the Companies Act, 2013 read with the Articles of Association of the Company, Mr. Rohan Pradipkumar Navik (DIN:02531248), Whole time Director, retire by rotation and is being eligible has offered himself for re-appointment at the ensuing Annual General Meeting. Company's policy on directors' appointment and remuneration is available on the website of the company at <http://www.zealaqua.com/policy.php>


Based on the confirmations received from Directors, none of the Directors are disqualified from appointment under Section 164 of the Companies Act, 2013.

The following are the List of Directors and KMP of the Company during the year:

Name of Directors	Category & Designation	Appointment date	Change in designation	Resignation date
Shantilal Ishwarlal Patel	Executive/ Managing Director	06.03.2009	25.03.2015	-
Pradipkumar Ratilal Navik	Executive/ Whole-time Director	06.03.2009	25.03.2015	-
Rohan Pradipkumar Navik	Executive/ Whole-time Director	06.06.2011	25.03.2015	-
Dhaval Kumar Shantilal Patel	Executive/ Whole-time Director	22.09.2017	-	-
Naginbhai Paragbhai Patel	Non Executive/ Independent Director	25.03.2015	-	-
Cyrus Dinsha Bhathena	Non Executive/ Independent Director	14.10.2017	24.09.2018	-
Shahzad Yazdi Gandhi	Non Executive/ Independent Director	29.12.2017	24.09.2018	-
Sharmin Mehernosh Dordi	Non Executive/ Independent Director	24.09.2018	-	-
Shailendrasingh Chatarsingh Patil	Chief Financial Officer	25.03.2015	-	-
Khushboo Vaishnav	Company Secretary	02.09.2019	-	16.06.2021
Priyanka Jain	Company Secretary	02.08.2021	-	-

*\*Shantilal Patel, Pradipkumar Navik, Rohan Navik and Naginbhai Patel were reappointed in AGM held on 30th September, 2019 for further period of five years commencing from 25th March, 2020.*

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.

#### **10. NUMBER OF MEETING HELD DURING THE YEAR**

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 *Annexure 1* in the Corporate Governance Report.

#### **11. COMPOSITION OF BOARD AND ITS COMMITTEE**

The detail of the composition of the Board and its committees thereof and detail of the changes in their composition if any is given in *Annexure 1* in the Corporate Governance Report. The composition of the Board and its committee is also available on the website of the company at [www.zealaqua.com](http://www.zealaqua.com).

#### **12. 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 performance of the board was evaluated by the board after seeking inputs from all the directors on the basis of the criteria such as the board composition and structure, effectiveness of board processes, information and functioning, etc.

The performance of the committees was evaluated by the board after seeking inputs from the committee members on the basis of the criteria such as the composition of committees, effectiveness of committee meetings, etc.

The board and the nomination and remuneration committee reviewed the performance of the individual directors on the basis of the criteria such as the contribution of the individual director to the board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc. In addition, the chairman was also evaluated on the key aspects of his role.

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, performance of Board as a whole including Chairman was carried out by the Independent Directors at a separate meeting of the Independent Directors on 14th February, 2020.

Performance evaluation of independent directors was done by the entire board, excluding the independent director being evaluated.

#### **13. DECLARATION BY INDEPENDENT DIRECTORS**

Company has received declaration from all the independent directors duly signed by them stating that they meet the criteria of independence as provided in section 149(6) of the Companies Act, 2013.

There has been no Change in the circumstances affecting their status as Independent Directors of the Company so as to qualify themselves to be appointed as Independent Directors under the provisions of the Companies Act, 2013 and the relevant regulations. All the independent directors have enrolled with the Indian Institute of Corporate Affairs at Manesar for exam "Online Self Assessment Test".

#### **SEPARATE MEETING OF INDEPENDENT DIRECTORS**

In terms of requirement of Schedule IV of the Companies Act, 2013, the Independent Directors of the company have complied with the code of Independent Director. Independent Directors met separately on 13<sup>th</sup> February, 2021 to inter alia review the performance of Non-Independent Directors (Including the Chairman), the entire Board and the quality, quantity and timeliness of the flow of the information between the Management and the Board.



#### **14.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 2**.

#### **15.PARTICULARS OF EMPLOYEES AND OTHER ADDITIONAL INFORMATION**

There was no employee drawing remuneration in excess of limits prescribed under section 197(12) of the Companies Act, 2013 read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. The Disclosures pertaining to remuneration as required under section 197(12) of the companies act' 2013 read with rules 5 of the companies (appointment and remuneration of managerial personnel) Rules, 2014 are annexed in **Annexure 3** to this report and form part of this Report.

#### **16.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.

The Policy on Related Party Transactions is uploaded on the website of the company. The web link is <http://www.zealaqua.com/policy.php>. 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 4**.

#### **17.AUDITORS**

##### **Statutory Auditors**

**M/s PARY & Co.**, Chartered Accountant are Statutory Auditors of the Company, who were re appointed in 11<sup>th</sup> Annual General Meeting on 30.09.2019 to hold the office until the conclusion of the 15th Annual General Meeting.

##### **Internal Auditor**

**M/s. GRR & Co.**, Chartered Accountants, Surathas been internal Auditor of the Company for the period of five years from Financial Year 2019-20 to 2023-24. 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.

##### **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 period of Five years from Financial Year 2019-20 to 2023-24. The Secretarial Audit Report for the Financial Year 2020-21 is annexed to this Report as **Annexure 5**.

#### **18.COMMENTS ON AUDITOR'S REPORT**

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.

#### **19.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 6**.

## **20. 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, 2021 is attached herewith as **Annexure 7**.

## **21. 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, 2021 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.

## **22. SUBSIDIARY, JOINT-VENTURE AND ASSOCIATES COMPANIES**

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

## **23. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE**

There was no significant material order passed by the regulators or courts or tribunals impacting the going concern status and company's operation in nature.

## **24. 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.

Details of Money received from Directors:

Sr. No.	Name of Directors	o/s Amount as on year end (Amount in Lacs)
1	Dhaval Patel	20.25
2	Pradipkumar Navik	228.74
3	Rohan Navik	9.73
4	Shantilal Patel	73.46

## **25. LISTING AT STOCK EXCHANGE**

The Annual Listing Fee for the current year has been paid to the BSE Limited.

## **26. 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, 2021 in the Board meeting duly held on 30<sup>th</sup> June, 2021, 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.

## **27. DISCLOSURES**

### **Share Capital**

The paid up Equity Share Capital of the Company as on March 31, 2021 was Rs. 1260.66 Lacs. Apart from this company has not issued any shares with differential voting rights, sweat equity shares or employee stock options.

### **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 1**.

### **Composition of Board and its Committee**

The detail of the composition of the Board and its committees thereof and detail of the changes in their composition if any is given in **Table 1 of Annexure 1** in the Corporate Governance Report.

## **28. MATERIAL CHANGES AND COMMITMENT AFFECTING FINANCIAL POSITION OF THE COMPANY**

### **COVID-19:**

The outbreak of Novel Corona Virus in late 2019, lockdown and curfews imposed in the country during 2020 and the unexpected second wave in the late 2020 has altogether disturbed the economies of scale throughout the country and in various other parts of the globe.

The majority of Shrimp production in India is driven by Vannamei, accounting for 90% of total production. COVID-19 induced lockdowns and disruptions in supply chain affected the entire Shrimp culture activities right from availability of Shrimp larvae, commencement of Shrimp culture non availability of raw materials in time for Feed production, fall in attendance of labour etc. There was all round skepticism on future of shrimp culture as the farm gate prices declined and de-growth due to closure of restaurant and food services in the Country. However as the product was considered a necessity, the production and further trading took a pace steadily.

As a precautionary measure to prevent the spread further, public entry was restricted and staff and people within the organization followed COVID precaution protocols like frequent washing of hands, using sanitizers, wearing mask, maintain social distancing, etc.

The company is able to cope up the loss faced earlier and has reached a level which is way better than the previous year in terms of revenue.

The company continued to work with 50% capacity at its workstation. As the COVID-19 scenario is still evolving, the Company is mapping the developments on a real-time basis to ensure the health and safety of all its stakeholders. The impact of the lockdown disruption is being constantly assessed.

There have been no material changes and commitments, which affect the financial position of the company which have occurred between the end of the financial year to which the financial statements relate and the date of this Report

## **29. 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. The company has added more items to its product line.

## **30. 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 8**.







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>

### **31. 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>

### **32. 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>

### **33. 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.

### **34. INTERNAL FINANCIAL CONTROL SYSTEM**


The Company has a well placed, proper and adequate internal financial control system which ensures that all the assets are safeguarded and protected and that the transactions are authorized recorded and reported correctly. The internal audit covers a wide variety of operational matters and ensures compliance with specific standard with regards to availability and suitability of policies and procedures. During the year no reportable material weakness in the design or operation were observed.

### **35. 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 2019-20.

### **36. 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 9*.

### **37. CODE OF CONDUCT**

Board of Directors has revised and adopted Code of Conduct for Board of Directors and Senior Management Personnel in the meeting of Board held on 14th February, 2020. During the year, Board of Directors and Senior Management Personnel has complied with general duties, rules, acts and regulations. In this regard certificate from Managing Directors as required under Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 has been received by the Board and the same is attached herewith as per *Annexure 10*.

The Code of Conduct from Board of Directors and Senior Management Personnel is available on link:  
<http://www.zealaqua.com/policy.php>

### **38. 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.

### **39. 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.

### **40. SECRETARIAL STANDARDS ISSUED BY THE INSTITUTE OF COMPANY SECRETARIES OF INDIA (ICSI)**

The Company complies with all applicable mandatory Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI).

### **41. PREVENTION OF INSIDER TRADING**

The Company has adopted a Code Of Internal Procedures and Conduct for Regulating, Monitoring and Reporting of trading by Insiders and Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive 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 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 Policy on Prohibition of Insider Trading and the same has been posted on the website of the Company at <http://www.zealaqua.com/policy.php>

#### **42.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. The company keeps reviewing the insurance amount every year as per requirement.

#### **43.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.

#### **44.FRAUD REPORTING**

During the year under review, no fraud has been reported by Auditors under Section 143(12) of the Companies Act, 2013.

#### **45.OPINION OF BOARD**

During the year No Independent Director was appointed in the company The Board of directors consists of independent Director having integrity, relevant expertise and experience.

#### **46.APPRECIATION**

Your Directors place on record their deep appreciation to employees at all levels for their hard work, dedication and commitment and express their sincere thanks and appreciation to all the employees for their continued contribution, support and co-operation to the operations and performance of the company.

#### **47.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 : 19/08/2021  
Place : Surat

**Sd/-**  
**Shantilal Ishwarlal Patel**  
**Managing Director**  
**(DIN: 01362109)**

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



## Annexure – 1 ●●●

### CORPORATE GOVERNANCE REPORT

Report on Corporate Governance pursuant to Regulation 34(3) and Schedule V (C) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and forming Part of the Directors' Report for the year ended 31<sup>st</sup> March, 2021. The Company has complied with the corporate governance requirements specified in regulation 17 to 27.

#### 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 Four Executive Non Independent Directors and Four 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 7 listed 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.

##### (a) Board Strength and representation:

As of March 31, 2021, the Board consisted of eight members. The Composition and the category of Directors on the Board of the Company were as under:

Category	Name of Director
<b>Managing Director</b>	Mr. Shantilal Ishwarlal Patel
<b>Executive Director</b>	Mr. Pradipkumar Ratilal Navik
	Mr. Rohan Pradipkumar Navik
	Mr. Dhavalkumar Shantilal Patel
<b>Non Executive Independent Director</b>	Mr. Naginbhai Paragbhai Patel
	Mr. Cyrus Dinsha Bhathena
	Mr. Shahzad Yazdi Gandhi
	Mrs. Sharmin Mehernosh Dordi

##### (b) The Details of Directorship held by the Directors as on 31st March, 2021 and their attendance at the Board meetings during the year are as follows:

(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, 2021)
--	---------------------------------	---------------------	--	---	------------------------	----------------------------	--

Mr. Shantilal Ishwarlal Patel Chairman & Managing Director 64 Years	Executive Promoter Director	06/03/2009	3	2	12	Yes	13,43,520 (10.66%)
Mr. Pradipkumar Ratilal Navik Whole Time Director 59 Years	Executive Promoter Director	06/03/2009	2	1	12	Yes	12,46,560 (09.89%)
Mr. Rohan Pradipkumar Navik Whole Time Director 34 Years	Executive Director	06/06/2011	2	NIL	12	Yes	1,44,480 (01.15%)
Mr. Dhavalkumar Shantilal Patel Wholesale Director 30 years	Executive Director	22/09/2017	2	NIL	12	Yes	48,000 (0.38%)
Mr. Naginbhai Paragbhai Patel 69 Years	Non-Executive Independent Director	25/03/2015	1	4	12	Yes	---
Mr. Cyrus Dinsha Bhathena 64 Years	Non-Executive Independent Director	14/10/2017	NIL	3	12	Yes	3000 (0.02%)
Mr. Shahzad Yazdi Gandhi 30 years	Non-Executive Independent Director	29/12/2017	NIL	2	12	Yes	199 (0.00%)
Mrs. Sharmin Mehernosh Dordi 51 Years	Non-Executive Independent Director	24/09/2018	NIL	NIL	12	Yes	---

**Notes:**

- (1) Disclosure of Chairmanship & Membership includes membership of Committees in Public Limited Companies only.
- (2) 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 or Managing 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.

(6) None of the director holds directorship in other listed company.

**(c) Details of the Directors seeking appointment/re-appointment in forthcoming Annual General Meeting**

The information as required by the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in relation to appointment/reappointment of Directors of the Company are given in the Annexure of the Notice of the Annual General Meeting.

**(d) 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 Twelve (12) times during the financial year 2020-21 on the following dates:

**(Table 2)**

Sr. No.	Date of Meeting	Board Strength	No. of Directors present
1.	01/06/2020	8	8
2.	30/06/2020	8	8
3.	17/07/2020	8	8
4.	31/07/2020	8	8
5.	27/08/2020	8	8
6.	15/09/2020	8	8
7.	14/10/2020	8	8
8.	14/11/2020	8	8
9.	05/01/2021	8	8
10.	13/02/2021	8	8
11.	01/03/2021	8	8
12.	24/03/2021	8	8

**(e) Disclosure of Relationships between Directors inter-se:**

Mr. Pradipkumar Ratilal Navik is father of Mr. Rohan Pradipkumar Navik, Mr. Shantilal Ishwarlal Patel is father of Mr. Dhavalkumar Shantilal Patel. Mr. Shantilal Ishwarlal Patel is father in law of Mr. Rohan Pradipkumar Navik.



**(f) Number of shares and convertible instruments held by non-executive Directors**

Except as disclosed below none of the Non-Executive Directors hold any share in the Company.

Sr. No.	Name of Non Executive Director	No. of Shares Held
1.	Cyrus Dinsha Bhathena	3,000
2.	Shahzad Yazdi Gandhi	199

**(g) Familiarization to Independent Directors:**

The Independent Directors of the Company are familiarized with the various aspects of the Company provided with an overview of the requisite criteria of independence, roles, rights, duties and responsibilities of directors, terms of appointment of the Company and policies of the Company and other important regulatory aspects as relevant for directors.

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

The Company, through its Executive Director or Manager as well as other Senior Managerial Personnel, conducts presentations/programs to familiarize the Independent Directors with the strategy, operations and functions of the company inclusive of important developments in business. The details of number of programs attended and the cumulative hours spent by an independent director are uploaded on the website of the company. The web link is <https://www.zealaqua.com/downloads/Familiarization%20program.pdf>

The terms and conditions of independent directors is available on the website of the company [www.zealaqua.com](http://www.zealaqua.com)

**(h) Confirmation by Independent Directors**

Company has received declaration from all the independent directors under provision of section 149(6) of the Companies Act, 2013 and under provisions of regulation 16(1)(b) of SEBI (Listing Obligations and Disclosure requirements), Regulations, 2015 confirming that they are satisfying the criteria of independence as prescribed under the said Act & Regulations. The Board of Directors of the company confirms that they satisfying the criteria of independence under the said act and regulations and is independent of the management.

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.

All the independent directors have enrolled with the Indian Institute of Corporate Affairs at 'Manesar' for exam of "Online Self Assessment Test".

During the financial year 2020-21, One (1) meeting of the Independent Directors was held on 13/02/2021

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. NaginbhaiParagbhaiPatel	Chairman	1
Mr. Cyrus Dinsha Bhathena	Member	1
Mr. Shahzad Yazdi Gandhi	Member	1
Mrs. Sharmin Mehernosh Dordi	Member	1

(i) **Matrix highlighting core skills/expertise/competencies of the Board of Directors:**

The Board of Directors of the company possesses required skills, knowledge and experience of various aspects which brings effective contribution to the Board for decision making. The Board of Directors has identified the following skills required for the Company and the availability of such skills with the Board:

Sr. No.	Essential skills/expertise/competencies required for the Company	Core skills/expertise/competencies of the Board of Directors
1.	<b>Strategic and Business Leadership in Aquaculture</b>	The Directors have eminent experience in production and trading of Aquaculture Products.
2.	<b>Finance expertise</b>	The Board has eminent business leaders with deep Knowledge of finance and business.
3.	<b>Personal Values</b>	Personal characteristics matching the Company's values, such as integrity, accountability, and high performance standards.
4.	<b>Good Corporate Governance</b>	Experience in developing and implementing good Corporate Governance practice, maintaining Board and Management accountability, managing stakeholder's interest and Company's responsibility towards customer's employees, supplier, regulatory Bodies and the community in which it operates.
5.	<b>Sales, Marketing and Export</b>	Experience in developing strategies to grow sales, market share, Export, build brand awareness and enhance enterprise reputation.

Name of Directors	Strategic and Business Leadership in Aquaculture	Finance expertise	Personal Values	Good Corporate Governance	Sales, Marketing and Export
Mr. Shantilal Ishwarlal Patel Chairman & Managing Director	√	√	√	√	√
Mr. Pradipkumar Ratilal Navik Whole Time Director	√	√	√	√	√
Mr. Rohan Pradipkumar Navik Whole Time Director	√	√	√	√	√
Mr. Dhavalkumar Shantilal Patel Wholetime Director	√	√	√	√	√
Mr. Naginbhai Paragbhai Patel Independent Director	-	√	√	√	-
Mr. Cyrus Dinsha Bhatena Independent Director	-	√	√	√	√
Mr. Shahzad Yazdi Gandhi Independent Director	-	√	√	√	√
Mrs. Sharmin Mehernosh Dordi Independent Director	-	√	√	√	-

### **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.

### **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 Company Secretary 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. Modified Opinion(s) in the draft audit report.
5. Reviewing, with the management, the quarterly/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 review the functioning of the whistle blower mechanism
  19. Approval of appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate;
  20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
  21. Monitoring the end use of funds raised through public offers and related matters.
  22. Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision
  23. Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.

**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.
- f. statement of deviations:
  - (a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
  - (b) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

## 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 Bhathena	Member	Independent Director
Mr. Shantilal Ishwarlal Patel	Member	Managing Director

During the financial year 2020-21, Six (6) meetings of Audit Committee were held on following dates:

01/06/2020, 30/06/2020, 27/08/2020, 15/09/2020, 14/11/2020, 13/02/2021

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	6
Mr. Cyrus Dinsha Bhathena	Member	6
Mr. Shantilal Ishwarlal Patel	Member	6

## 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 Remuneration Committee Policy" approved at the Board Meeting held on February 14, 2020. The detailed Nomination & Remuneration Policy is uploaded on the website of the Company. The web link is <https://www.zealaqua.com/policy.php>

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>

### **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.
- (6) recommend to the board, all remuneration, in whatever form, payable to senior management

### 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. Cyrus Dinsha Bhathena	Member	Independent Director
Mr. Shahzad Yazdi Gandhi	Member	Independent Director

During the financial year 2020-21, Three (3) meetings of the Nomination & Remuneration Committee were held on following dates:

30/06/2020, 27/08/2020, 13/02/2021

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	3
Mr. Cyrus Dinsha Bhathena	Member	3
Mr. Shahzad Yazdi Gandhi	Member	3

### 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 Ishwarlal 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	24.00

#### **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 <https://www.zealaqua.com/policy.php>.

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. The other matters like service contract, notice period, severance fees etc may be decided by board from time to time.

### **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.

### 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. Cyrus Dinsha Bhathena	Chairman	Independent Director
Mr. Naginbhai Paragbhai Patel	Member	Independent Director
Mr. Shahzad Yazdi Gandhi	Member	Independent Director

During the financial year 2020-21, Four (4) meetings of Stakeholders, Shareholders'/ Investors Grievance Committee were held on following dates:

30/06/2020, 27/08/2020, 14/11/2020, 13/02/2021

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. Cyrus Dinsha Bhathena	Chairman	4
Mr. Naginbhai Paragbhai Patel	Member	4
Mr. Shahzad Yazdi Gandhi	Member	4

### Name & Designation and address of the Compliance Officer

**Ms. Khushboo Vaishnav (Appointed w.e.f. 02.09.2019 & Resign w.e.f. 16.06.2021)**  
Company Secretary & Compliance Officer

**Mr. Shailendrasingh Chatarsingh Patil (Appointed w.e.f. 16.06.2021 & Resign w.e.f. 02.08.2021)**  
Compliance Officer

**Ms. Priyanka Jain (Appointed w.e.f. 02/08/2021)**  
Company Secretary & Compliance Officer

### Zeal Aqua Limited

At Olpad GIDC PI No. 4,5,  
Ta Olpad Surat-394540  
Email ID.: [zealaqua@gmail.com](mailto:zealaqua@gmail.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:

The composition of CSR Committee has been as under;

Name of Directors	Categories	Nature of Directorship
Mr. Pradipkumar Ratilal Navik	Chairman	Whole time Director
Mr. Shantilal Ishwarlal Patel	Member	Managing Director
Mr. Naginbhai Paragbhai Patel	Member	Independent Director

During the financial year 2020-21, Two (2) meetings of Corporate Social Responsibility committee ("CSR Committee") was held on following date:

14/11/2020, 13/02/2021

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 Ishwarlal Patel	Member	2
Mr. Naginbhai Paragbhai Patel	Member	2

### CSR Policy

The company's policy disseminated at <https://www.zealaqua.com/policy.php>.

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. 14,38,528/- is to be spent towards Corporate Social Responsibility Activities. The detailed Report on the CSR Activities is annexed at **Annexure 8**.

## 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
2017-2018	Monday, 24 <sup>th</sup> September, 2018 at 11:30 A.M.	At Olpad GIDC Pl No. 4,5, Ta Olpad Surat - 394540 Gujarat
2018-2019	Monday, 30 <sup>th</sup> September, 2019 at 11:30 A.M.	At Olpad GIDC Pl No. 4,5, Ta Olpad Surat - 394540 Gujarat
2019-2020	Tuesday, 29 <sup>th</sup> September, 2020 at 11:30 A.M.	At Olpad GIDC Pl 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
24 <sup>th</sup> September, 2018	Adoption of Annual Accounts, Auditor's Report and Directors Report	Ordinary	1808130	1136410	0	0
	Re-appointment of Director liable to retire by rotation	Ordinary	180250	17250	0	0
	Ratification of Appointment of Statutory Auditors	Ordinary	1808130	1136410	0	0
	Appointment of Mr. Cyrus Dinsha Bhathena as an Independent Director	Ordinary	1808130	1136410	0	0
	Appointment of Mr. Shahzad Yazdi Gandhi as an Independent Director	Ordinary	1808130	1136410	0	0
	Appointment of Mrs. Sharmin Mehernosh Dordi as an Independent Director	Ordinary	1808130	1136410	0	0
	To Increase authorized Capital and amend the capital clause in the Memorandum of Association	Special	1808130	1136410	0	0
	To Issue of Bonus Shares	Special	1808130	1136410	0	0
30 <sup>th</sup> September, 2019	Adoption of Annual Accounts, Auditor's Report and Directors Report	Ordinary	5525640	282000	0	0
	Re-appointment of Director liable to retire by rotation	Ordinary	153000	282000	0	0
	Re-appointment of Appointment of Statutory Auditors	Ordinary	5525640	282000	0	0
	Re-appointment of Mr. Shantilal Ishwarlal Patel (DIN: 01362109), as the Managing Director of the Company for a further period of 5 years	Ordinary	153000	282000	0	0
	Re-appointment of Mr. Pradipkumar Ratilal Navik (DIN: 01067716), as the Whole-time Director of the Company for a further period of 5 (Five) years	Ordinary	153000	282000	0	0
	Re-appointment of Mr. Rohan Pradipkumar Navik (DIN: 02531248), as the Whole-time Director of the Company for a further period of 5 (Five) years	Ordinary	153000	282000	0	0
	Re-appointment of Mr. Naginbhai Paragbhai Patel (DIN: 01675923), as the Independent Director of the Company for a further period of 5 (Five) years	Special	5525640	282000	0	0



29 <sup>th</sup> September, 2020	Adoption of Annual Accounts, Auditor's Report and Directors Report	Ordinary	0	3016574	0	0
	Re-appointment of Director liable to retire by rotation	Ordinary	0	282014	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.

Emai : [rbksurat@gmail.com](mailto:rbksurat@gmail.com)

Ph: +91-261-2331123

**8. Extraordinary General Meeting (EGM)**

There was no Extraordinary General Meeting was held during the year 2020-21.

**Postal Ballot**

During the year 2020-21, Company has not passed resolutions through postal ballot. As per amended Companies Act, 2013, Company is not proposing Postal Ballot for 13<sup>th</sup> AGM and thus procedure for postal ballot is not applicable.

**9. MEANS OF COMMUNICATION**

**Financial Results:**

ZEAL AQUA LIMITED believes in to publish all the financial information to stakeholders within the stipulations provided under the law. During the year, Company has declared all financial results within the timeline provided under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**Yearly/Quarterly/Half yearly financial results:**

The yearly/Quarterly/Half yearly financial results of the Company are normally published in website of the Company i.e. on <https://www.zealaqua.com>/Financial results for the year 2020-21 have been submitted to stock exchange within 30 minutes from the conclusion of Board Meeting in which financial results have been approved. During the year, following Quarterly/half yearly and yearly financial results have been submitted on BSE portal.

Period of Financial Results	Date
Unaudited Financial Results for the Quarter and half year ended 30/06/2020	15/09/2020
Unaudited Financial Results for the Quarter ended 30/09/2020	14/11/2020
Unaudited Financial Results for the Quarter ended 31/12/2020	13/02/2021
Audited Financial Results for the Quarter and year ended 31/03/2021	30/06/2021

The company has published the Financial Results in “Free Press Gujarat” (English) and Lokmitra (Gujarati) Newspapers and intimated the same to the stock exchange and posted on the website of the company at [www.zealaqua.com](http://www.zealaqua.com).

### News Release/ Presentation made to the Investors:

All the Press Release and the presentation made to Institutional Investor/ Analysts are uploaded on the official website of the company <https://www.zealaqua.com/>

### Website:

Company's official website <https://www.zealaqua.com/> contains separate tab "Corporate Corner" for investors, in which notices of the Board Meetings, Annual Reports, Investor Presentations, Shareholding Pattern and other announcements made to stock exchange are displayed in due course for the shareholders information.

### Email IDs for investors:

The Company has formulated separate email id [cs@zealaqua.com](mailto:cs@zealaqua.com) for investor service, investor can also contact share Registrar and Transfer Agent (RTA) of the Company on their email id [info@bigshareonline.com](mailto:info@bigshareonline.com) and the same is available on website of the Company <https://www.zealaqua.com/>

### SEBI SCORES:

For investor compliant redressal SEBI has developed SCORES platform in which investor can lodged any complaint against the Company for any grievance. The Company also uploads the action taken report in the SCORES platform for redressal of investor complaint.

## 10. GENERAL SHAREHOLDERS' INFORMATION

### Annual General Meeting

<b>1</b>	<b>Date, Time and Venue</b>	Friday, 17 <sup>th</sup> September, 2021 at 11.30 A.M. through VC or OAVM
<b>2</b>	<b>Financial Year</b>	The Financial year of the Company is From 1 <sup>st</sup> April, 2020 to 31 <sup>st</sup> March 2021
<b>3</b>	<b>Date of Book Closure</b>	September 11, 2021 to September 17, 2021 (both days inclusive)

### Listing on Stock Exchange

The Company confirms that it has paid Annual Listing Fee for the Financial Year 2020-21 to the BSE Limited.

### Stock Code of the Company

ISIN : INE819S01017  
Scrip Name : ZEAL  
Security Code : 539963  
Type of Shares : Equity Shares  
No. of paid up shares: 1,26,06,600

### Name of the Stock Exchange

#### **BSE Limited**

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

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

Data of market price high, low for the year 2020-21 is given below:

Month & Year	High Price	Low Price	Volume* (No. of shares)
April, 2020	90.50	45.35	878
May, 2020	79.35	66.35	519
June, 2020	74.80	60.95	1054
July, 2020	72.00	48.25	1217
August, 2020	77.00	54.00	1152
September, 2020	75.40	57.50	1561
October, 2020	67.95	55.35	728
November, 2020	66.00	58.05	587
December, 2020	78.20	56.10	3125
January, 2021	71.90	52.55	833
February, 2021	80.00	56.60	1942
March, 2021	82.40	59.70	1799

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

### PERFORMANCE IN COMPARISON TO OTHER INDICES

Table below gives the performance comparison of M/s. Zeal Aqua Limited to BSE Sensex for the F.Y.2020-21 on month to month closing figures:

Month	BSE Sensex	Change in %	ZEAL (Closing Price at BSE)	Change in %
April, 2020	33717.62	14.42	73.50	46.41
May, 2020	32424.10	-3.84	69.50	-5.44
June, 2020	34915.80	7.68	65.70	-5.47
July, 2020	37606.89	7.71	59.85	-8.90
August, 2020	38628.29	2.72	63.70	6.43
September, 2020	38067.93	-1.45	65.25	2.43
October, 2020	39614.07	4.06	58.30	-10.65
November, 2020	44149.72	11.45	64.40	10.46
December, 2020	47751.33	8.16	68.80	6.83
January, 2021	46285.77	-3.07	63.60	-7.56
February, 2021	49099.99	6.08	71.90	13.05
March, 2021	49509.15	0.83	65.45	-8.97

### In Case The Securities Are Suspended From Trading, The Director's Report Shall Explain The Reason There Of

Securities of the company are not suspended from trading.

### Registrar and Share Transfer Agent

#### Bigshare Services Private Limited

1<sup>st</sup> Floor, Bharat Tin Works Building,  
Opp. Vasant Oasis, Makwana Road,  
Marol, Andheri East,  
Mumbai-400059

Tel. : +91-022-62638200

Fax: +91-022-62638299

Email: [info@bigshareonline.com](mailto:info@bigshareonline.com)

Website: [www.bigshareonline.com](http://www.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 Regulation 40(9) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company has also carried out Quarterly 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. Priyanka Jain  
Company Secretary & Compliance Officer

### Distribution of Shareholding (as on 31st March, 2021)

#### a. On the basis of Shareholdings

Shareholding of Nominal Value in Shares.	No. of Shareholders	% of Total Shareholders	Shares	% of Shares
1 to 500	719	73.67	65903	0.52
501 to 1000	63	6.45	50989	0.40
1001 to 2000	29	2.97	42798	0.34
2001 to 3000	25	2.56	71177	0.57
3001 to 4000	5	0.51	18171	0.15
4001 to 5000	5	0.51	23204	0.18
5001 to 10000	22	2.25	169043	1.34
10001 to 999999999	108	11.07	12165315	96.50
<b>TOTAL</b>	<b>976</b>	<b>100.00</b>	<b>12606600</b>	<b>100.00</b>

#### b. On the basis of Category

Sr. No.	Description	No. of members		No. of shares	
		Nos.	%	Nos.	%
<b>A</b>	<b>Promoters Holding</b>				
	Directors & Relatives	7	0.72	5516640	43.76
	Bodies Corporate	5	0.51	3108480	24.66
<b>B</b>	<b>Non Promoter Holding</b>				
	<u>Institutions</u>				
	Mutual Funds				
	<u>Non-Institutions</u>				
	Resident Individual	917	93.95	3080827	24.44
	HUF	16	1.64	130050	1.03
	Foreign Individuals or NRI	8	0.82	3997	0.03
	Bodies Corporate				
Clearing member	15	1.54	764866	6.07	
		8	0.82	1740	0.01
	<b>Total:</b>	<b>976</b>	<b>100.00</b>	<b>12606600</b>	<b>100.00</b>

### **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 further share during the year.

### **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**

#### **(a) Registrar & Transfer Agents:**

#### **Bigshare Services Private Limited**

1st Floor, Bharat Tin Works Building,  
Opp. Vasant Oasis, Makwana Road,  
Marol, Andheri-East, Mumbai-400059  
Email: [info@bigshareonline.com](mailto:info@bigshareonline.com)  
Website: [www.bigshareonline.com](http://www.bigshareonline.com)  
Ph: No. +91-022-62638200.  
Fax: +91-022-62638299

#### **(b) Registered Office:**

#### **Zeal Aqua Limited**

At Olpad GIDC Pl No. 4, 5,  
Ta Olpad, Surat-394540  
Email: [cs@zealaqua.com](mailto:cs@zealaqua.com)  
Website: [www.zealaqua.com](http://www.zealaqua.com)  
Phone No. +91-2621-220047  
Fax: +91-2621-220047

### **CREDIT RATINGS:**

Long Term Borrowing: CRISIL BB+  
Short term borrowing: CRISIL A4+

## **11. OTHER DISCLOSURES**

### **Disclosure of Accounting Treatment In Preparation Of Financial Statement**

In preparation of the financial statements, the Company has followed the Indian Accounting Standards (Ind As) 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.

### **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.

#### Material Subsidiary

The Company does not have any material subsidiary.

#### Certification from Company Secretary in Practice

Mr. Ranjit Binod Kejriwal, Practicing Company Secretary has issued a certificate required under the listing regulations, confirming that none of the Directors on the Board of the company has been debarred or disqualified from being appointed or continuing as director of the company by SEBI/Ministry of Corporate Affairs or any such statutory authority. The certificate is enclosed as **Annexure 11**.

#### 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. The certificate is enclosed as **Annexure 12**.

#### Vigil Mechanism/Whistle Blower Policy

The Company has implemented a Vigil Mechanism/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 Vigil Mechanism/Whistle Blower Policy as approved by the Board is available on the website of the Company at <https://www.zealaqua.com/policy.php>.

#### 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 4**.

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 list of related party transactions entered into by the company during the year is mentioned in Note No. 32 of Significant Accounting Notes to the Financial Statement. The Board has approved a policy for related party transactions which is available on the website of the Company at <https://www.zealaqua.com/policy.php>.

#### Fees to Statutory Auditor

Company has paid total fees paid by the company to the Statutory Auditor as mentioned below:

Payment to Statutory Auditor	Amount in Rs.
	FY 2020-21
Statutory Audit Fees	2,50,000

#### Disclosures in relation to the sexual harassment of women at workplace (prevention, prohibition and redressal) act, 2013

The details of complaints filed, disposed & pending are given below:

Number of Complaints during the year	NIL
--------------------------------------	-----



Number of complaints disposed of during the year	NIL
Number of complaints pending as on end of the financial year	NIL

### **Statutory Compliance, Penalties and Strictures**

The Company has complied with the requirements of the Stock Exchanges / Securities and Exchange Board of India (SEBI) / and Statutory Authorities to the extent applicable, and accordingly no penalties have been levied or strictures have been imposed on the Company on any matter related to capital markets during the year.

### **Mandatory & Non Mandatory Requirements**

The Company has complied with all the mandatory requirements of Corporate Governance and endeavors to adopt good corporate governance practices which help in adoption of non mandatory requirements.

### **Update E-Mails for Receiving Notice/Documents in E-Mode**

The Ministry of Corporate Affairs (MCA) has through its circulars issued in 2011, allowed service of documents by companies including Notice calling General Meeting(s), Annual Report etc. to their shareholders through electronic mode. This green initiative was taken by MCA to reduce paper consumption and contribute towards a green environment. As a responsible citizen, your company fully supports the MCA's endeavor.

In accordance of the same, your company had proposed to send Notice calling General Meetings, Annual Report and other documents in electronic mode in future to all the shareholders on their email addresses. It was also requested to inform the Company in case the shareholders wish to receive the above documents in physical form. Accordingly, the Annual Report along with Notice will be sent to the shareholders in electronic mode at their email addresses.

The shareholders may register their email addresses with their Depository through Depository Participant.

### **Update your correspondence address/ bank mandate/pan/ email id**

Shareholder(s) holding shares in dematerialized form are requested to notify changes in Bank details/ address/ email ID directly with their respective DPs.

### **Quote Folio No. / DP Id No.**

Shareholders/ Beneficial owners are requested to quote their DP ID no. in all the correspondence with the Company.

Shareholders are also requested to quote their Email ID and contact number for prompt reply to their correspondence.

## **12. Discretionary Requirements**

### **The Board**

The chairman 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.

### **Shareholder Rights**

Quarterly, Half yearly and Yearly declaration of financial performance is uploaded on the website of the company <https://www.zealaqua.com/policy.php> as soon as it is intimated to the stock exchange.

### **Modified Opinion(s) in Audit Report**



Standard practices and procedures are followed to ensure unmodified financial statements.

**Reporting of Internal Auditor**

The Internal Auditors M/s GRR & Co., Chartered Accountants have reported directly to the Audit Committee of the Company.

**13. The disclosures of the compliance with corporate governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46**

The company has complied with the provisions of regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015.

**By order of the Board of Directors**

Date : 19/08/2021

Place : Surat

For, **Zeal Aqua Limited**

Sd/-

**Shantilal Ishwarlal Patel**  
**Managing Director**  
**(DIN: 01362109)**

Sd/-

**Pradipkumar Ratilal Navik**  
**Whole Time Director**  
**(DIN: 01067716)**

## ANNEXURE - 2 ●●●

### 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

**A Conservation of Energy** NIL

- (i) the steps taken or impact on conservation of energy
- (ii) the steps taken by the company for utilizing alternate sources of energy
- (iii) the capital investment on energy conservation equipment

**B Technology absorption** NIL

- (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.

**C Foreign Exchange**

**Details of Earning in Foreign Exchange**

	<u>Current Year</u>	<u>Previous Year</u>
Export of goods calculated on FOB basis	95,75,93,023	1,14,77,62,845
Interest and dividend		
Royalty		
Know- how		
Professional & consultation fees		
Other income		
<b>Total Earning in Foreign Exchange</b>	<b>95,75,93,023</b>	<b>1,14,77,62,845</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	-	-
Expenditure on account		



of  
(i) Royalty  
(ii) Know- how  
Professional & consultation fees  
Interest  
Other matters  
Dividend paid  
**Total Expenditure in foreign exchange**

-

-

**By order of the Board of Directors**

Date : 19/08/2021

Place : Surat

**For, Zeal Aqua Limited**

Sd/-

**Shantilal Ishwarlal Patel**  
**Managing Director**  
**(DIN: 01362109)**

Sd/-

**Pradipkumar Ratilal Navik**  
**Whole Time Director**  
**(DIN: 01067716)**

## ANNEXURE - 3

### 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 2020-21, ratio of the remuneration of the employees of the Company for the financial year 2020-21 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 F.Y. 2020-21 (in rupees)	% increase in Remuneration in the F.Y. 2020-21	Ratio of Remuneration of each Director/to median remuneration of employees
1.	Shantilal Ishwarlal Patel Executive Director & Chairman	24,00,000	NIL	10.15:1
2.	Pradipkumar Ratilal Navik Executive Director	24,00,000	NIL	10.15:1
3.	Rohan Pradipkumar Navik Executive Director	24,00,000	NIL	10.15:1
4.	Dhavalkumar Shantilal Patel Executive Director	24,00,000	NIL	10.15:1
5.	Naginbhai Paragbhai Patel Non-Executive Director	N.A.	N.A.	N.A.
6.	Cyrus Dinsha Bhathena Non- Executive Director	N.A.	N.A.	N.A.
7.	Shahzad Yazdi Gandhi Non- Executive Director	N.A.	N.A.	N.A.
8.	Sharmin Mehernosh Dordi Non- Executive Director	N.A.	N.A.	N.A.
9.	Shailendra Chatarsingh Patil Chief Financial Officer	5,43,644	-0.57%	N.A.
10.	Khushboo Vaishnav Company Secretary & Compliance Officer	1,80,000	N.A	N.A.

- b) The median remuneration of employees of the Company during the Financial Year 2020-21 is Rs.19,700/-
- c) The percentage increase in the median remuneration of employees in the Financial year 2020-21: 2.07%
- d) The number of permanent employees on the rolls of the Company as on 31<sup>st</sup> March, 2021: **Eighty (102) Employees (excluding KMP)**
- e) The explanation on the relationship between median increase in remuneration and Company performance: **The average percentage Increase/decrease in the median employee remuneration of the Company in the Financial Year 2020-21 is 2.07%. During the year, the Company has reported Net Profit after tax amounting 424.96 lacs as against Net profit after tax amounting 529.528 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 Rs.)	% Change in Remuneration	Profit/(Loss) After Tax	Change in Profit/(Loss) after Tax
Mr. Shantilal Ishwarlal Patel	Managing Director	24,00,000	--	424.96 lacs	The Company reported profit amounting 529.527 lacs during the F.Y. 2019-2020.
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	24,00,000	--		
Mr. Shailendrasingh Chatarsingh Patil	Chief Financial Officer	5,43,644	-0.57%		
Ms. Khushboo Vaishnav	Company Secretary & Compliance Officer	1,80,000	--		

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, 2021	As on 31 <sup>st</sup> March, 2020
1.	Market Capitalization	8251.02 Lacs	6328.51 Lacs
2.	P/E Ratio	19.71	11.95
3.	Market Price of Equity Shares at i. BSE	65.45	50.20

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

Sr. No.	Particulars	Percentage Increase /(Decrease)
1.	Salaries of the Employees other than Managerial Remuneration	4.36
2.	Managerial Remuneration	0.30

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 Permanent Employee in terms of remuneration drawn from the Company in the financial year 2020-21:**



Sr. No	Name Designation & Number of Shares Held	Qualification and Experience	Remuneration (Amount in Rs.) per Month	Date of Appointment	Age (in Years)	Particulars of Last Employment	Relative of Director / Manager
1	Dhaval Shantilal Patel WholeTime Director holding 48000 shares	Commerce Graduate and than 6 years experience in Aquaculture business and in business of Fabrication	2,00,000 Per Month	September, 2017	30 years	NA	Mr. Dhavalkumar S. Patel is son of Mr. Shantilal I. Patel
2	Pradip Ratilal Navik, Whole Time Director holding 1246560 shares	H.Sc and having more than 25 years of experience in Aquaculture industry	2,00,000 Per Month	June, 2009	61 years	King Marine Product Pvt Ltd as Director in Surat	Mr. Rohan P. Navik is son of Mr. Pradipkumar R. Navik
3	Rohan Pradip Navik, Whole Time Director holding 144480 shares	MBA Marketing more than 11 years of experience in Aquaculture Industry	2,00,000 Per Month	June, 2011	34 years	NA	Mr. Shantilal I. Patel is father in law of Mr. Rohan P. Navik
4	Shantilal Ishwarlal Patel, Managing Director holding 1343520 shares	H.Sc and having more than 16 years of experience In the field of aquaculture	2,00,000 Per Month	June, 2009	65 years	Sr. Accountant in King Marine Product Pvt Ltd in Surat	Mr. Dhavalkumar S. Patel is son of Mr. Shantilal I. Patel and Mr. Rohan Pradip Navik is son in law of Mr. Shantilal I. Patel
5	Guruprasad Shashishekhar Byndoor, Production Manager	BFSC (Bachelor of Fisheries Science) and having 28 yrs. experience	1,17,150 per Month	July, 2013	52 years	As a General manager in Stellar Marine Foods, Mumbai	No
6	Bomi Parvez Olpadwala, Trading Manager	B.Com. and 21 years experience in the field of Aquaculture and 9experience year in the field of automobiles	78,134 per Month	March 2009	59 years	As a partner in automobile business in name of Shafna Automobiles	No
7	Shailendra Singh Patil,	MBA and experience of 18 years	45,303 per	March, 2015	39 years	1. Gardren Silk Mills	No

	CFO		Month			2. King Marine Products Private Limited	
8	Ravindrasingh Roopsingh Solanki, Farm Technician	Master of Fisheries science and 12 years experience in the field of aquaculture	45, 150 per month	December, 2010	34 years	As a Technologist QC/QA in King Fisheries, Veraval	No
9	Dev Vijaykumar Ganpatrao, Farm Technician	Bachelor of Fisheries Science and 15 years experience in the field of aquaculture	41, 011 per month	March, 2015	38 years	As a Technologist in Inde Pesca Aquaculture, Mumbai	No
10	Vimmy Prakashkumar Biscuitwala, QC Manager	M.sc Biotechnology and 9 years experience in the field of aquaculture	34, 000 per month	May, 2017	30 years	As a Senior QA/QC Assistant in West coast Frozen Foods Pvt. Ltd. Surat	No

**By order of the Board of Directors**

Date : 19/08/2021

Place : Surat

**For, Zeal Aqua Limited**

**Sd/-**

**Sd/-**

**Shantilal Ishwarlal Patel  
Managing Director  
(DIN: 01362109)**

**Pradipkumar Ratilal Navik  
Whole Time Director  
(DIN: 01067716)**

## Annexure - 4 ●●●

### 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 contracts/arrangements/transactions	Duration of the contracts / arrangements/transactions	Salient terms of the contracts or agreement or transactions including the value, if any	Justification for entering into such contracts 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	Rs. 2,00,000	25/03/2015	NIL
			Interest	On Demand	Interest@12 P.A.	01/06/2020	NIL
2	Pradipkumar R. Navik-HUF	Director's HUF	Sales	Annually	At prevailing market rate	01/06/2020	NIL
3	Shantilal I Patel	Director	Factory Rent	Annually	Rs. 2,45,700	01/06/2020	NIL
			Nursery Rent	Annually	Rs. 2,58,000	01/06/2020	NIL
			Remuneration	Monthly	Rs. 2,00,000	25/03/2015	NIL
			Interest	On Demand	Interest@12 P.A.	01/06/2020	NIL
4	Rohan P Navik	Director	Remuneration	Monthly	Rs. 2,00,000	25/03/2015	NIL
			Nursery Rent	Annually	Rs. 2,58,000	01/06/2020	NIL
			Interest	On Demand	Interest@12 P.A.	01/06/2020	NIL
5	Susan P Navik	Relative of Director	Interest	On Demand	Interest@12 P.A.	01/06/2020	NIL



6	Dhaval S. Patel	Director	Remuneration	Monthly	Rs. 2,00,000	26/08/2017	NIL
			Interest	On Demand	Interest@12 P.A.	01/06/2020	NIL
7	Dhaval S. Patel HUF	Director's HUF	Sales	Annually	At prevailing market rate	01/06/2020	NIL
8	Kimi S Patel	Relative of Director	Salary	Annually	Rs. 3,24,294	01/06/2020	NIL
			Interest	On Demand	Interest@12 P.A.	01/06/2020	NIL
9	Preety Mistry	Relative of Director	Salary	Annually	Rs. 3,24,294	01/06/2020	NIL
			Interest	On Demand	Interest@12 P.A.	01/06/2020	NIL
10	Jacob Foods Pvt Ltd	Common Director	Purchase	Annually	At prevailing market rate	01/06/2020	NIL
			Sales				
11	Susan Aqua Pvt Ltd.	Common Director	Interest on Unsecured Loan	On Demand	Interest@12 P.A.	01/06/2020	NIL
			Sales	Annually	At prevailing market rate	01/06/2020	NIL
			Purchase	Annually	At prevailing market rate	01/06/2020	NIL
12	Rohan Aqua Farm	Associate concern	Purchase	Annually	At prevailing market rate	01/06/2020	NIL
13	Manju Aqua Farm	Director is prop	Purchase	Annually	At prevailing market rate	01/06/2020	NIL
			Sale				
14	Navik Aqua Pvt Ltd	Common Director	Purchase	Annually	At prevailing market rate	01/06/2020	NIL
			Sale				
15	Mahesh Aqua farm Pvt Ltd.	Common Director	Purchase	Annually	At prevailing market rate	01/06/2020	NIL
			Sale	Annually	At prevailing market rate	01/06/2020	NIL
			Transport Charges rec	Annually	Rs. 2,000	01/06/2020	NIL
16	Agni Aqua Farm	Associate concern	Contact Farming Charges	Annually	At prevailing market rate	01/06/2020	NIL
17	Akash Aqua Farm	Associate concern	Contact Farming Charges	Annually	At prevailing market rate	01/06/2020	NIL
18	Dhaval Aqua farm	Associate concern	Contact Farming Charges	Annually	At prevailing market rate	01/06/2020	NIL
19	Jal Aqua Farm	Associate concern	Contact Farming Charges	Annually	At prevailing market rate	01/06/2020	NIL
20	Pruthvi Aqua Farm	Associate concern	Contact Farming Charges	Annually	At prevailing market rate	01/06/2020	NIL
21	Deep Aqua Farm	Associate concern	Contact Farming Charges	Annually	At prevailing market rate	01/06/2020	NIL
22	Dinkar Aqua Farm	Associate concern	Contact Farming Charges	Annually	At prevailing market rate	01/06/2020	NIL
23	Divya Aqua Farm	Associate concern	Contact Farming	Annually	At prevailing market rate	01/06/2020	NIL

			Charges				
24	Darshan Aqua Farm	Associate concern	Contact Farming Charges	Annually	At prevailing market rate	01/06/2020	NIL
25	Preety Aqua	Associate concern	Contact Farming Charges	Annually	At prevailing market rate	01/06/2020	NIL
26	Dilip Aqua Farm	Associate concern	Contact Farming Charges	Annually	At prevailing market rate	01/06/2020	NIL
27	Kimi Aqua	Associate concern	Contact Farming Charges	Annually	At prevailing market rate	01/06/2020	NIL
28	S. R Aqua Farm	Associate concern	Contact Farming Charges	Annually	At prevailing market rate	01/06/2020	NIL
29	Vayu Aqua Farm	Associate concern	Contact Farming Charges	Annually	At prevailing market rate	01/06/2020	NIL
30	Tapi Aqua Farm	Associate concern	Contact Farming Charges	Annually	At prevailing market rate	01/06/2020	NIL
31	Dhaval Aqua Engineering	Associate concern	Capital exp.	Annually	At prevailing market rate	01/06/2020	NIL
			Repair & Maintenance Exp.				
32	Bharat Ratilal Navik	Relative of Director	Interest on Unsecured Loan	On Demand	Interest@12 P.A.	01/06/2020	NIL
33	Rashmi Patel	Relative of Director	Interest on Unsecured Loan	On Demand	Interest@12 P.A.	01/06/2020	NIL
34	Agave Tradecom LLP	Associate concern	Interest on Unsecured Loan	On Demand	Interest@12 P.A.	01/06/2020	NIL
35	Lilavati Ratilal Navik	Relative of Director	Interest on Unsecured Loan	On Demand	Interest@12 P.A.	01/06/2020	NIL
36	Bhanumati Ratilal Navik	Relative of Director	Interest on Unsecured Loan	On Demand	Interest@12 P.A.	01/06/2020	NIL
37	Shailendra Patil	CFO	Salary	Annually	Rs. 5,43,644	01/06/2020	NIL
38	Khushboo Vaishnav	CS	Salary	Annually	Rs. 1,80,000	01/06/2020	NIL

By order of the Board of Directors

Date : 19/08/2021

Place : Surat

For, Zeal Aqua Limited

Sd/-

Sd/-

**Shantilal Ishwarlal Patel**  
**Managing Director**  
**(DIN: 01362109)**

**Pradipkumar Ratilal Navik**  
**Whole Time Director**  
**(DIN: 01067716)**

**Form No. MR-3**  
**SECRETARIAL AUDIT REPORT**  
FOR THE FINANCIAL YEAR ENDED 31.03.2021

*[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,  
**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, 2021** 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:

In the wake of COVID-19 pandemic outbreak, we have relied on management representations, scanned copies and soft copies of documents received by the company for issue of this report. Physical verification was not possible. So to that extent the report may be based on our presumption to the truth of digital documents and representation.

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, 2021** 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, 2018; **the regulation is not applicable during the Financial Year 2020-21**
  - d. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **the regulation is not applicable during the Financial Year 2020-21**
  - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **the regulation is not applicable during the Financial Year 2020-21**
  - 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) (Amendment) Regulations, 2016; **the regulation is not applicable during the Financial Year 2020-21** and
- h. The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018 : **the regulation is not applicable during the Financial Year 2020-21**
- vi. Other Laws Specifically Applicable to Company:
- Income Tax Act, 1961
  - Goods & Service Tax and other Indirect Taxes
  - Labour Laws

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

- 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.
- The Listing Agreements entered into by the Company with BSE Limited Stock Exchange of India and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

- Revised Disclosure of Related Party Transactions has been filed on 03/09/2020 for the period of 31/03/2020 beyond time limit**
- To eliminate typographical error, Revised Outcome of Annual General Meeting was filed.**
- Form DPT-3 for Non- Acceptance of Deposits and Two MGT-14 were filed after the due dates of Filing.**

**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 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: 19/08/2021  
Place: Surat

Signature: Sd/-  
Name of PCS: Ranjit Binod Kejriwal  
FCS No.: 6116  
C P No.: 5985  
UDIN: F006116C000807400  
PR: 12004GJ424500

**This report is to be read with our letter dated 19th August, 2021 which is annexed and forms an integral part of this report.**



To,

The Members

**Zeal Aqua Limited**

(CIN: L05004GJ2009PLC056270)

At Olpad GIDC PI No. 4,5,

Ta Olpad Surat-394540

Our Secretarial Audit report dated 19<sup>th</sup> August, 2021 is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were considered appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed, provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Date: 19/08/2021

Place: Surat

Signature: Sd/-

Name of PCS: Ranjit Binod Kejriwal

FCS No.: 6116

C P No.: 5985

UDIN: F006116C000807400

PR: 12004GJ424500

**MANAGEMENT DISCUSSION AND ANALYSIS**

This Report contains forward-looking statements that involve risks and uncertainties. When used in this Report, the words ‘anticipate’, ‘believe’, ‘estimate’, ‘expect’, ‘intend’, ‘will’ and other similar expressions as they relate to the Company and/or its Businesses are intended to identify such forward-looking statements. The Company undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise. Actual results, performances or achievements could differ materially from those expressed or implied in such forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements that speak only as of their dates. This report should be read in conjunction with the financial statements included and the notes.

**1. Industry Structure And Development**

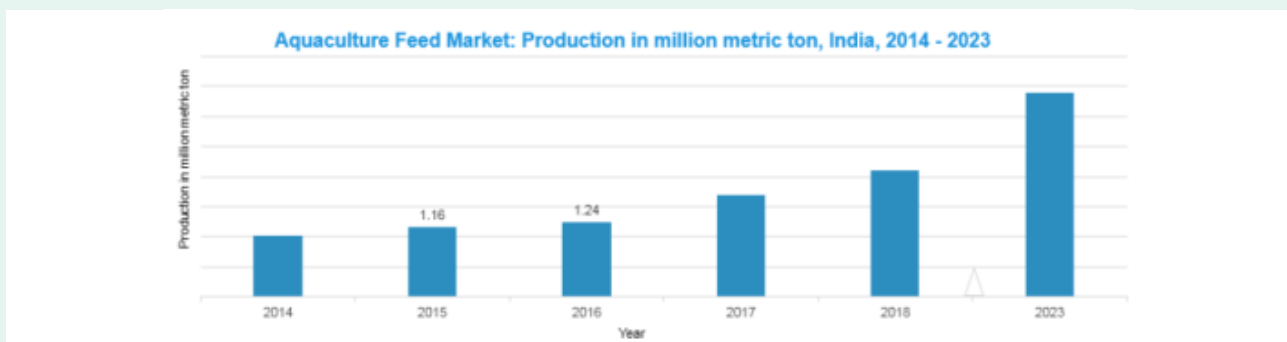
**Overview of Current Trends**

India has an extensive coastline of 8,118 km across nine states and four union territories. The country’s shrimp aquaculture industry is one of its growing, protein-producing sectors which earns India important foreign exchange. Rising demand for animal protein, safe for human consumption, is on the rise due to the corona virus (COVID-19) pandemic, which has not only caused a huge transition in the global economy but also affected the shopping behavior of many people around the world.

India, the world’s top shrimp exporter, had a difficult year in 2020, with production and export performance severely hit by the COVID-19 pandemic. The South Asia nation is estimated to have produced between 650,000 and 700,000 metric tons (MT) of shrimp last year, down from 780,000 to 800,000 MT in 2019.

Shrimp is considered one of the most commonly consumed seafood. In recent years, it gets popular among seafood lovers. Shrimp belong to the family Malacostraca, available in freshwater lakes and streams and deep and shallow waters. It is an invertebrate marine animal with a flattened and elongated body with long legs and antennae. Shrimps are a rich source of phosphorus, antioxidants, proteins, selenium, copper, iron, magnesium, omega-3 fatty acids, vitamin B and D. It is also preferred for losing weight, relieving eye fatigue, lowering blood pressure, improving bone and brain health, and minimizing the chances of developing cardiovascular diseases. According to Renub Research report, Global Shrimp Market is expected to be US\$ 23.4 Billion by 2026.

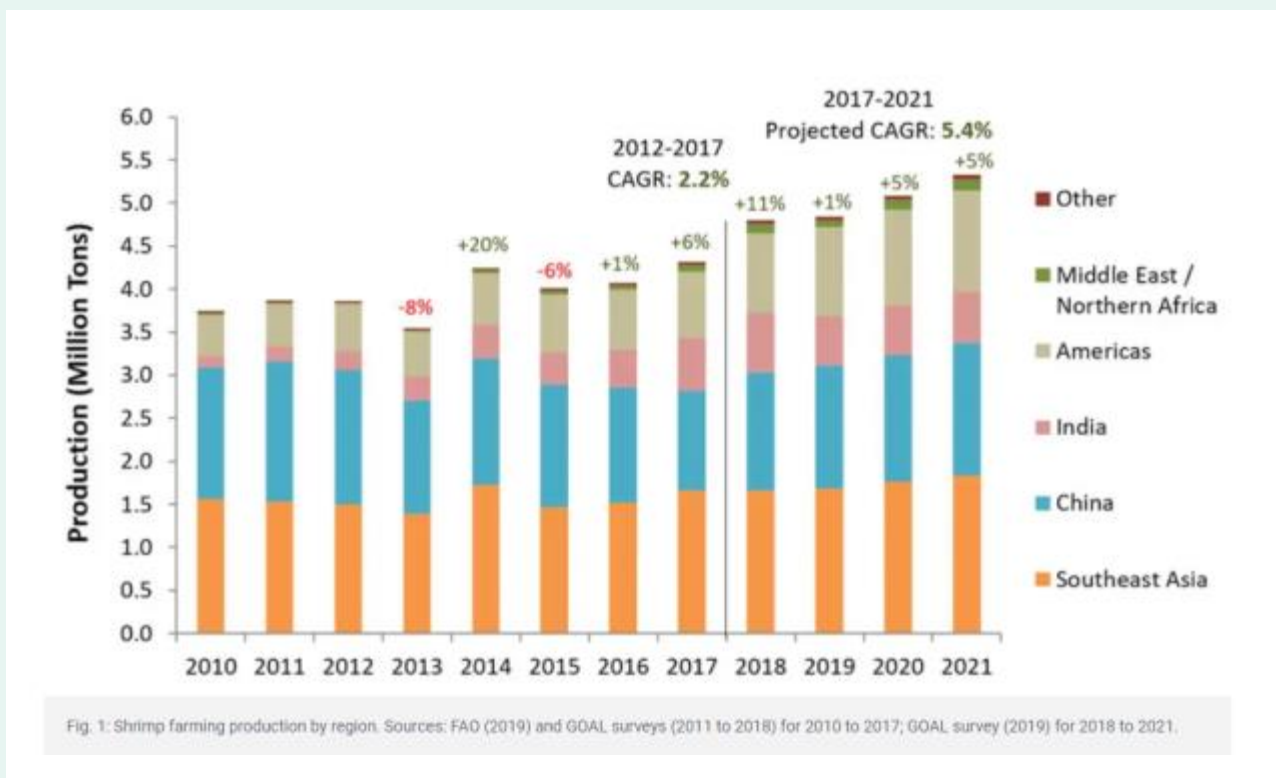
Although imports slowed down or came to a standstill in most countries especially in April, it seems that they recovered quickly in May and June. This quick recovery was the result of the close cooperation between broodstock suppliers and their customers in finding solutions to keep business going. Broodstock suppliers and buyers initially decided to use charter flights or, when cargo space was available, used regular cargo flights to keep their supplies going. While Covid-19 has certainly had an impact on broodstock logistics, broodstock suppliers and their customers have shown flexibility and have been able to adapt to the situation rapidly. As a result, in most countries, hatcheries have been able to continue or restart production and to supply farmers with enough post-larvae so that they were able to start a new crop, or will do so soon.





## Global Scenario

Globally, shrimp are available in numerous species such as *L. vannamei*, *P. monodon*, and *M. rosenbergii*; these all are sold under the single term – pawns. These are popular in the international market, and many countries are encouraging shrimp production by giving incentives to farmers and offering fiscal reliefs. India, China, Vietnam, Indonesia, Thailand and Ecuador are some major shrimp producing country. Shrimp is a highly imported seafood from China because of farm-raised shrimp aquaculture. As per our study, The Worldwide Shrimp Market was US\$ 18.30 Billion in 2020.



## Indian Scenario

The majority of Shrimp production in India is driven by *Vannamei*, accounting for 90% of total production. COVID-19 induced lockdowns and disruptions in supply chain affected the entire Shrimp culture activities right from availability of Shrimp larvae, commencement of Shrimp culture non availability of raw materials in time for Feed production, fall in attendance of labour etc. In addition, the global Shrimp prices reduced due to reduction in demand in overseas markets like USA. As a result, the Shrimp exports from India went down by about 10%-12% compared to the FY 2019-20.

The ripple effect of COVID19 pandemic has struck the marine products export sector also, as the markets faced lock down. The market situation and sentiments were clearly depicted in exports, which declined 34.78% in quantity and 20.82% in the USD earnings as the first quarter figures for FY 2020-21 were compiled. During April - June 2020, India has exported 2, 09,327 MT of marine products worth USD 1.22 billion. USA and China remained the major importers of Indian seafood as in the previous year, and frozen shrimp maintained its status as the prime item of export, followed by frozen fish.

India has been the one of the largest producers and exporters for Aquaculture Shrimps, but the percentage for value addition in the overall exports is only 6%. Most of the Seafood exports from India are happening in the raw form, which has less risk and is easy for sending huge volumes. Although the unit value realization from these raw products is less, the bulk exports will ensure more turnovers.

India is exporting aquacultured products to almost 76 countries among the total 113 countries that consume Indian marine products. The top ten countries that purchase 95% of cultured marine products are USA, China, Japan, Vietnam, Canada, UAE, UK, Belgium, Netherlands & Russia.

Shrimp being a premium product is been preferred by the developed and developing economies and efforts are being made to build the brand image of Indian shrimp across the nations through international TV commercials, print or digital media, social media handles of MPEDA and by organising virtual webinars & buyer seller meets with importers in countries other than top ten aquaculture products importing nations for promoting the shrimp exports.

Hon'ble Prime Minister of India launched the Pradhan Mantri Matsya Sampada Yojana (PMMSY) on 10th September 2020 to “transform” the fisheries sector and add strength to the efforts of building an ‘Aatmanirbhar Bharat’. The PMMSY is a flagship scheme for focused and sustainable development of the fisheries sector in the country with an estimated investment of Rs 20,050 crore comprising Central share of Rs 9,407 crore, State share of Rs 4,880 crore and Beneficiaries contribution of Rs 5,763 crore. PMMSY will be implemented over a period of 5 years from FY 2020-21 to FY 2024- 25 in all States/Union Territories. This is the highest ever investment in the fisheries sector that will result in doubling export earnings to Rs 1,00,000 crore and generate about 55 lakhs direct and indirect employment opportunities in the fisheries sector over a period of next five years. The scheme is aiming to support farmers with various assistance and hence it is envisaged that the scheme will help in doubling the income of farmers.

### *Shrimp Farms*

In India’s shrimp farming industry, the first quarter (Q1) and early second quarter (Q2) of the year are commonly referred to as the summer crop, and this is the most active season for PL stocking. During February and March 2020, farmers were preparing to stock their ponds based on a normal PL supply situation. However, the official COVID-19 lockdown at the end of March significantly impacted the supply of PLs and the subsequent stocking of ponds, which resulted in a drastic fall in raw material prices.

Because of the resulting uncertainty in international markets and also disease outbreaks, farmers carried out emergency harvests of ponds. Most farmers that stocked their ponds between January to early March have harvested their shrimp even at very small sizes. As a result, about 70 percent of the shrimp aquaculture area is now ready for stocking. Based on our own data gathered across the key aquaculture zones, the pond area presently stocked is approximately 30 percent.

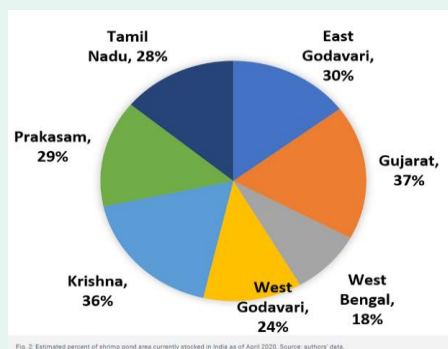


Fig. 2: Estimated percent of shrimp pond area currently stocked in India as of April 2020. Source: authors' data.

## Shrimp exports

India's shrimp exports contracted 23 per cent in calendar 2020 due to subdued demand in key export markets because of lockdowns and disruptions in brood-stock supplies from the US, which impacted the domestic shrimp harvest cycle. The good part is, the second wave of the pandemic has not led to stringent curbs on the movement of raw materials and stock, so it won't be as disruptive as the first wave. Shrimp exports are expected to grow by 20 per cent to about USD 4.3 billion in 2021, driven by a revival in demand and restoration of supply chains that were disrupted last year by the COVID-19 Pandemic. It should help India wrest global leadership in shrimp exports after slipping to the second spot in 2020, rating agency Crisil said in the report.

The top export destinations for India in Q1 2020 was the United States, with about 68,894 MT, followed by 24,848 MT to China, which resumed its shrimp imports from India. Though Ecuador is currently the major supplier to China, India is next in terms of volume with a contribution of 22 percent of the overall imports of shrimp in China. Based on our internal data, approximately 25,000 MT of shrimp were in cold storage for future orders, and the Government of Andhra Pradesh supported the industry by opening major ports like Vizagapatnam, Kakinada and Krishnapatnam to resume exports.

*(source: aquaculturereliance.org)*

## 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
- ✓ 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 exports the shrimp from the processing unit. Thus, they will be exposed to the risk from foreign exchange fluctuations to the extent its export. The lockdowns implemented by some countries have resulted in logistical difficulties in seafood trade, particularly in relation to transportation and border restrictions.
- ✓ 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 2020-21. 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 our business model will completely change from being farmer to shrimp processor. Also, we are in process of getting an allocation of 350 Ha of land for aquaculture cultivation from Government which we will develop in phased manner to fulfill our future raw product requirement.

The company has successfully implemented the nursery project which has resulted immense benefits to the company. Due to this project the production cycle of the shrimp has reduced resulting in the more production.

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 bottom line 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. The company's operations might be adversely impacted due to incapacitation of sections of the global workforce due to exposure to the pandemic COVID 19, reduced productivity due to employee stress and impact on emotional well being while under local lockdowns or quarantines, inability to provide work from home access to some employees due to logistical or security or contractual reasons. Demand for the company's product may be adversely affected not only in industry segments directly impacted by the pandemic – like hotels and hospitality, but across other segments as well due to a sharp slowing down of the world's major economies. This is likely to affect the company's earnings in the short and medium term.

#### 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. Discussion On Financial Performance With Respect To Operational Performance

The Company's financial performance for the year ended on 31<sup>st</sup> March, 2021 is summarized below:

Financial Results and Appropriations	Year Ended	Year Ended
	31.03.2021	31.03.2020
Gross Income from Operations	29,747.42	23,851.88
Other Income	535.18	1,109.14
<b>Total Revenue</b>	<b>30,282.61</b>	<b>24,961.02</b>
<b>Profit Before Tax and Exceptional items</b>	<b>503.95</b>	<b>602.98</b>
<b>Less:</b>		
Exceptional items	-	-
<b>Profit Before Tax (PBT)</b>	<b>503.95</b>	<b>602.98</b>
<b>Less: Taxation</b>	78.99	73.45
<b>Net Profit after Tax (PAT)</b>	<b>424.960</b>	<b>529.53</b>



During the year, your Company recorded total revenue of 30,282.61 Lacs in financial year 2020-21 as compared to total revenue of 24,961.02 Lacs in financial year 2019-2020 and Profit before Tax for the year 2020-21 stood at 503.95 Lacs as compared to Profit before tax of 602.98 Lacs in financial year 2019-2020. Profit after Tax for the current year stood at 424.960 Lacs as compared to Profit after Tax of 529.53 Lacs in financial year 2019-2020.

## 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.

## 9. Details Of Significant Changes In Key Financial Ratios

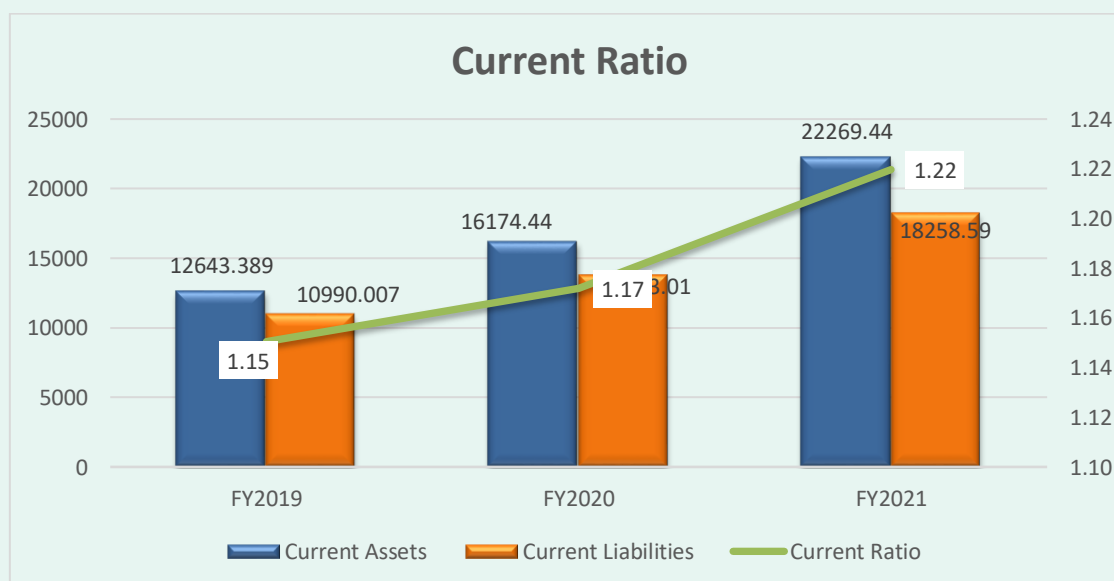
### Interest Coverage Ratio

The company's Interest Coverage ratio of 1.41 during the current financial year (FY2021) which indicates that the Company has more than enough earnings to cover interest payments. This further indicates a sound financial health of the company.

### Current Ratio

The company is well able to maintain its Current Ratio above 1 which it intended to in order to make sure it has enough resources to meet its short-term obligations.

In Lakhs (INR)	Current Assets	Current Liabilities	Current Ratio
<b>FY2019</b>	12643.389	10990.007	1.15
<b>FY2020</b>	16174.44	13803.01	1.17
<b>FY2021</b>	22269.44	18258.59	1.22

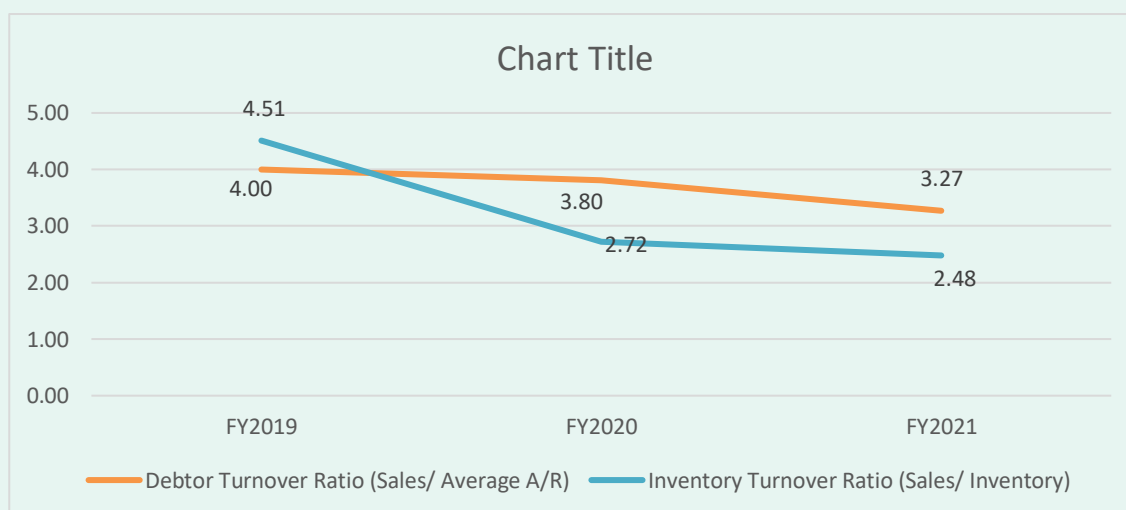


## Debtor's and Inventory Turnover Ratio

Debtor's Turnover Ratio measures how many times a business can turn its accounts receivable into cash during a period. The company has been able to maintain a ratio of more than 3 in the past couple of years, indicating good liquidity.

The inventory turnover ratio is an important measure as well which measures how well a company generates sales from its inventory.

Year	Debtor Turnover Ratio (Sales/ Receivable)	Inventory Turnover Ratio (Sales/ Inventory)
<b>FY2019</b>	4.00	4.51
<b>FY2020</b>	3.80	2.72
<b>FY2021</b>	3.27	2.48



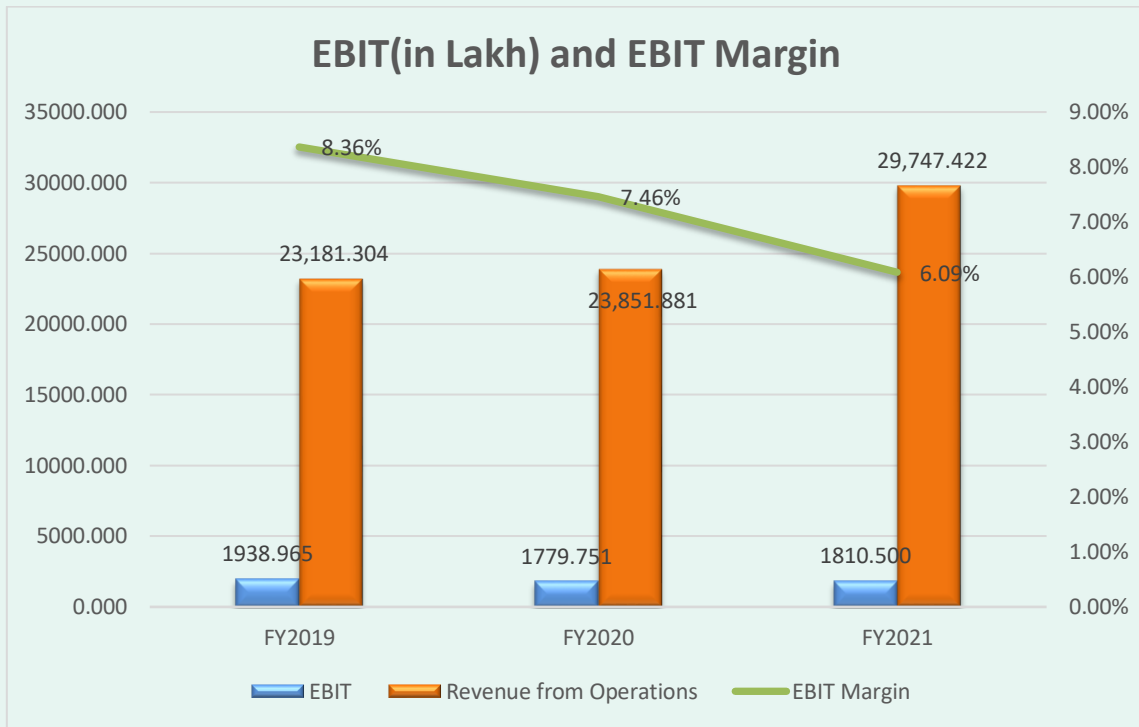
## Debt to Equity

The Debt Equity Ratio for the current financial year (FY 2021) is 1.93. The FY2021 Debt- to Equity ratio of the company is indicating that it is gradually moving to a stable capital structure, and is able to maintain its ratio well below the Industry average.

## Operating Profit Margin (%)

The Company is moving towards a stable Operating Margin Ratio; after witnessing a couple of years of fluctuating margins.

In Lakhs (INR)	EBIT	Revenue from Operations	EBIT Margin
<b>FY2019</b>	1938.965	23,181.304	8.36%
<b>FY2020</b>	1779.751	23,851.881	7.46%
<b>FY2021</b>	1810.500	29,747.422	6.09%

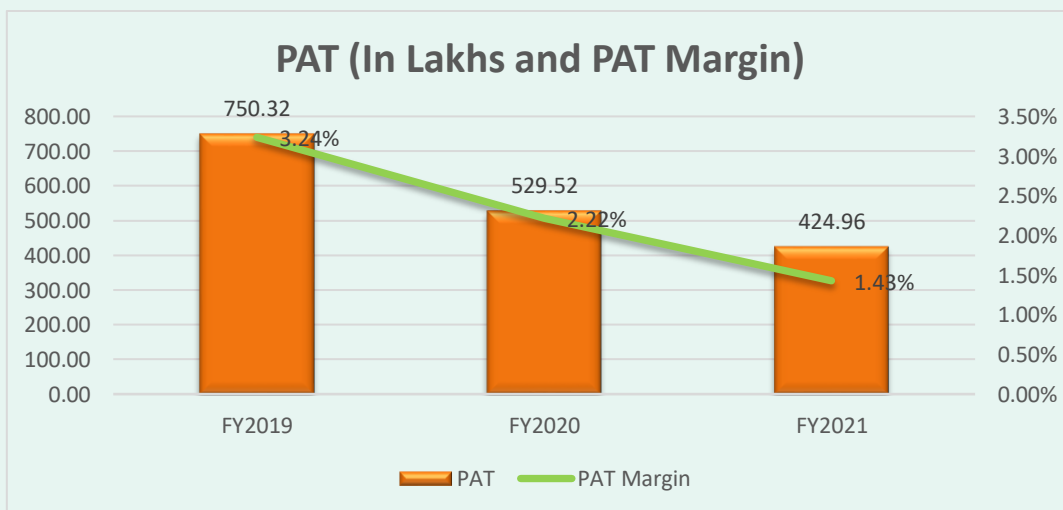


*\*\*Legal Processing Charges and Bank Charges have been deducted while arriving at EBIT*

#### Net Profit Margin (%)

The company's FY2021 Net Profit declined by 32.88% as compared to the previous year, with understandable decline in the margin.

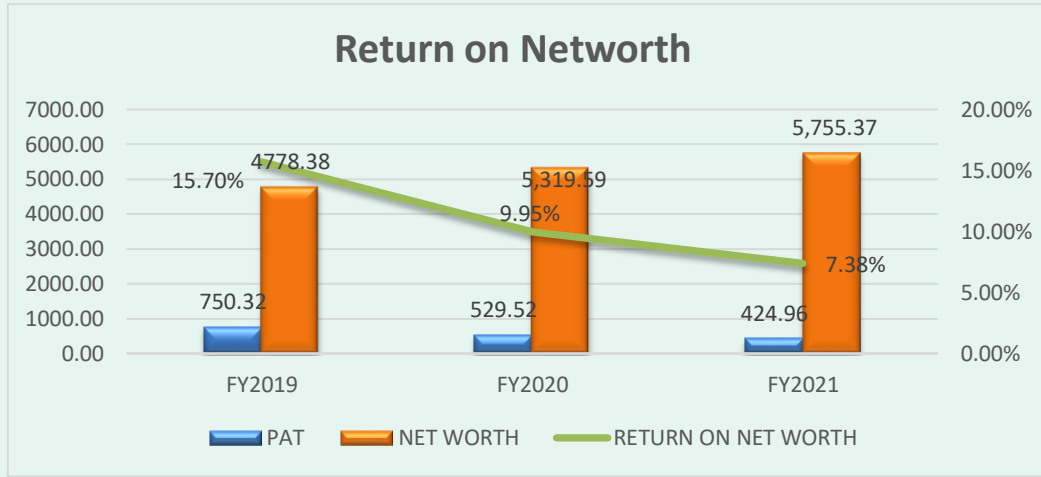
In Lakhs (INR)	Net Profit	Revenue From Operations	Net Profit Margin
<b>FY2019</b>	750.33	23,181.30	3.24%
<b>FY2020</b>	529.52	23,851.88	2.22 %
<b>FY2021</b>	424.96	29,747.42	1.43 %



#### Return on Net Worth

The company has maintained positive Return on Equity since long years. During the year company has attained positive return on equity of 7.38 % which shows that the company is efficient to utilize the capital and investments so as to maximize the shareholders wealth.

In Lakhs (INR)	PAT	NET WORTH	RETURN ON NET WORTH
<b>FY2019</b>	750.33	4778.382	15.70%
<b>FY2020</b>	529.52	5319.59	9.95 %
<b>FY2021</b>	424.960	5755.37	7.38%



**By order of the Board of Directors**

Date : 19/08/2021

Place : Surat

For, **Zeal Aqua Limited**

**Sd/-**

**Shantilal Ishwarlal Patel**  
**Managing Director**  
**(DIN: 01362109)**

**Sd/-**

**Pradipkumar Ratilal Navik**  
**Whole Time Director**  
**(DIN: 01067716)**



## ANNEXURE - 7 ●●●

### **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 of Zeal Aqua Limited for the year ended on 31<sup>st</sup> March 2021 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.

Date : 30/06/2021  
Place : Surat

**By order of the Board of Directors**

**For, Zeal Aqua Limited**

**Sd/-  
Shailendrasingh Chatarsingh Patil  
Chief Financial Officer**

## ANNEXURE - 8 ●●●

### 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. Brief outline on CSR policy of the Company:

**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 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.

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

Name	Designation	Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
Mr. Pradipkumar Ratilal Navik	Chairman	Executive Director	2	2
Mr. Shantilal Ishwarlal Patel	Member	Executive Director	2	2
Mr. Naginbhai Paragbhai Patel	Member	Non-Executive Independent Director	2	2

#### 3. Web-link where Composition of CSR committee, CSR policy and CSR projects approved by the board of Directors of the company are disclosed on the website of the company:

Web link: <http://www.zealacqua.com/policy.php>

#### 4. Details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable:

NA

#### 5. Details of the amount available for set-off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set-off for the financial year, if any:

Sr. No.	Financial year	Amount available for set-off from preceding financial years (in Rs.)	Amount required to be set-off for the financial year, if any (in Rs.)
---------	----------------	--	---

1	2017-2018	NIL	NIL
2	2018-2019	NIL	NIL
3	2019-2020	NIL	NIL

\* The unspent amount of CSR has been written off as per the provisions of the Companies Act, 2013 and rules thereof.

**6. Average net profit of the Company as per Section 135(5) i.e. for last three financial years:**

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

2017-18	:	Rs. 6,19,49,848/-
2018-19	:	Rs. 9,34,18,231/-
2019-20	:	Rs. 6,04,11,082/-

**Average net profit for 3 years: Rs. 7,19,26,387/-**

**7. (a) Two percent of average net profit of the Company as per Section 135(5) i.e. for last three financial years: Rs. 14,38,528/-**

(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: Rs. 0/-

(c) Amount required to be set-off for the financial year, if any: Rs. 0/-

(d) Total CSR obligation for the financial year (7a+7b- 7c): **Rs. 14,38,528/-**

**8. (a) CSR amount spent or unspent for the financial year:**

Total Amount Spent for the Financial Year (in)	Amount unspent (in Rs.)					
	Total Amount transferred to Unspent CSR Account as per Section 135(6)			Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5)		
	Amount	Date of Transfer	Name of Fund	Amount	Date of Transfer	
Rs. 14,38,528/-	NIL					

**(b) Details of CSR amount spent against ongoing projects for the financial year:**

Sr. No.	Name of Project	Item from the list of activities in schedule VII of the act	Local area yes/no	Location of the project		Project duration	Amount allocated for the project (in Rs.)	Amount spent in the current financial year	Amount transferred to unspent CSR account for the project as per Section 135(6)	Mode of implementation – Direct (yes/No)	Mode of implementation -through implementation agency	
				State	Dist.						Name	CSR regi. No.
NIL												

**(c) Details of CSR amount spent against other than ongoing projects for the financial year:**

Sr. No.	Name of Project	Item from the list of activities in schedule VII of the act	Local area yes/no	Location of the project		Amount allocated for the project (in Rs.)	Amount spent in the current financial year	Amount transferred to unspent CSR account for the project as per Section 135(6)	Mode of implementation – Direct (yes/No)	Mode of implementation -through implementation agency	
				State	Dist.					Name	CSR regINo.
1	Water Workers Compound Wall	(i) Eradicating hunger, poverty and malnutrition, and sanitation and making available safe drinking water	No	Gujarat	Bharuch	5,00,000	5,00,000	5,00,000	Direct	NIL	NIL
2	Water tank for burial ground	(ii) Eradicating hunger, poverty and malnutrition, and sanitation and making available safe drinking water	No	Gujarat	Dandi	9,38,600	9,38,600	9,38,600	Direct	NIL	NIL

(d) Amount spent in Administrative Overheads: Rs. Nil/-

(e) Amount spent on Impact Assessment, if applicable: Rs. Nil/-

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): Rs. 14,38,600/-

(g) Excess amount for set-off, if any

Sr. No.	Particular	Amount in Rs.
1	Two percent of average net profit of the Company as per Section 135(5)	Rs. 14,38,528/-
2	Total amount spent for the Financial Year	Rs. 14,38,600/-
3	Excess amount spent for the financial year [(ii)-(i)]	Rs. 72/-
4	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Rs. Nil/-
5	Amount available for set-off in succeeding financial years [(iii)-(iv)]	Rs. 72/-

9. (a) Details of Unspent CSR amount for the preceding three financial years:

Sr. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under Section 135 (6) (in Rs.)	Amount spent in the reporting Financial Year (in Rs.)	Amount transferred to any fund specified under Schedule VII as per Section 135(6), if any			Amount remaining to be spent in succeeding financial years (in Rs.)
				Name of the Fund	Amount (in Rs.)	Date of Transfer	
1	2017-2018						NIL
2	2018-2019						
3	2019-2020						



(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

Sr. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (In Rs.)	Amount spent on the project in the reporting Financial Year (In Rs.)	Cumulative amount spent at the end of reporting Financial Year (In Rs.)	Status of the project - Completed /Ongoing
1	NIL							

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details): NA

- Date of creation or acquisition of the capital asset(s).
- Amount of CSR spent for creation or acquisition of capital asset.
- Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.
- Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).

11. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per Section 135(5): Not Applicable

By order of the Board of Directors

Date : 19/08/2021  
Place : Surat

For, Zeal Aqua Limited

Sd/-

Sd/-

**Shantilal Ishwarlal Patel**  
Managing Director  
(DIN: 01362109)

**Pradipkumar Ratilal Navik**  
Whole Time Director  
(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**

Date : 19/08/2021

Place : Surat

For, **Zeal Aqua Limited**

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

## ANNEXURE – 10 ●●●

### **DECLARATION BY MANAGING DIRECTOR THAT THE MEMBERS OF BOARD OF DIRECTORS AND SENIOR MANAGEMENT PERSONNEL HAVE AFFIRMED WITH THE CODE OF CONDUCT OF BOARD OF DIRECTORS AND SENIOR MANAGEMENT**

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 31st March, 2021 as applicable to them as laid down in Companies Act, 2013 with the code of conduct of Board members and senior management personnel.

Date : 19/08/2021  
Place : Surat

**By order of the Board of Directors**

**For, Zeal Aqua Limited**

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

## ANNEXURE - 11 ●●●

### CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,  
The Members,  
**ZEAL AQUA LIMITED**  
(CIN: L05004GJ2009PLC056270)  
At Olpad GIDC Pl No. 4,5,  
Ta Olpad Surat-394540

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Zeal Aqua Limited having CIN: L05004GJ2009PLC056270 and having registered office at At Olpad GIDC Pl No. 4,5,TA Olpad Surat-394540 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2021 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

S. No.	Name of Director	DIN	Date of appointment in Company
1.	PRADIPKUMAR RATILAL NAVIK	01067716	06/03/2009
2.	SHANTILAL ISHWARLAL PATEL	01362109	06/03/2009
3.	ROHAN PRADIPKUMAR NAVIK	02531248	06/06/2011
4.	DHAVALKUMAR SHANTILAL PATEL	02961674	22/09/2017
5.	NAGINBHAI PARAGBHAI PATEL	01675923	25/03/2015
6.	CYRUS DINSHA BHATHENA	07967136	14/10/2017
7.	SHAHZAD YAZDI GANDHI	08013857	29/12/2017
8.	SHARMIN MEHERNOSH DORDI	08193337	24/09/2018

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Date: 19/08/2021  
Place: Surat

Sd/-  
Name of PCS: Ranjit Binod Kejriwal  
FCS No.: 6116  
C P No.: 5985  
UDIN: **F006116C000807391**



## ANNEXURE - 12 ●●●

### **PARY AND CO.**

Chartered Accountants

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

Email : paryco@gmail.com, Tel: 0261-3927221

---

---

### **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,**  
**Plot No.4 & 5 GIDC,**  
**Olpad,**  
**Surat - 394540 (Gujarat)**

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 2021 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, and the representations made by the Directors and the Management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, 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)**

PLACE: SURAT  
DATE: 19/08/2021

Sd/-  
**CA Akash Rajnikant Gaglani**  
**Partner**  
**M. No. 114255**  
**UDIN: 21114255AAAACK3538**



## Independent Auditor's Report

---

To,  
The Members of  
**ZEAL AQUA LIMITED**

### **Report on the Financial Statements**

We have audited the accompanying standalone financial statements of the Zeal Aqua Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flow and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information (herein after referred to as "the Standalone Financial Statements").

### **Opinion:**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of the affairs of the Company as at 31<sup>st</sup> March, 2021, the profit and the other comprehensive income, changes in equity and its cash flows for the year ended on that date.

### **Basis for Opinion:**

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



## **Key Audit Matters:**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

<b>S. No.</b>	<b>Key Audit Matter</b>	<b>Auditor's Response</b>
1	<b>Revenue Recognition</b> To ensure accuracy of recognition, measurement, presentation and disclosures of revenues and related accounts.	<b>Principal Audit Procedures</b> <ul style="list-style-type: none"><li>• We have assessed the Company's internal controls surrounding its revenue transactions;</li><li>• We tested the key controls identified;</li><li>• We performed substantive detail testing by selecting a sample of revenue transactions that we considered appropriate to test the evidence of effectiveness of the internal controls and adherence to accounting policies in recognising the revenue, and the rebates and discounts there against.</li></ul>

## **Information Other than the Financial Statements and Auditor's Report Thereon:**

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the Standalone financial statements and our auditor's report thereon.

Our opinion on the Standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



## **Management's and Board of Director's Responsibility for the Standalone Financial Statements:**

The Company's Management and Board of Directors are responsible for the matters stated in the Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs, profit, and other comprehensive income, cash flows and changes in Equity of the company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015 as amended.


This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting 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 adequate 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management and Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. The Board of Directors are also responsible for overseeing the Company's financial reporting process.

## **Auditor's Responsibility for the Audit of the Financial Statements:**

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






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

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

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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



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

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

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

1. As required by Section 143 (3) of the Act, based on our audit we report that:
  - a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Statement of Cash Flow and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid Standalone financial statements comply with the Ind AS specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.
  - e) On the basis of written representations received from the directors as on 31<sup>st</sup> March, 2021 and taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2021, from being appointed as a director in terms of Section 164 (2) of the Act.
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure A".
  - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirement of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid/provided by the Company to its directors during the year is in accordance with the provisions of Section 197 of the Act.



h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanation given to us:

- I. The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements – Refer Note 34 to the standalone Ind AS financial statements;
  - II. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses; and
  - III. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
2. As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters on the matters specified in paragraphs 3 and 4 of the Order.

**For Pary and Co**  
**Chartered Accountants**  
**[FRN :- 007288C]**

**Place :- Surat,**  
**Date :- 30<sup>th</sup> June, 2021**  
**UDIN :- 21114255AAAABW9617**

**Sd/-**  
**Akash Rajnikant Gaglani**  
**Partner**  
**[Membership No 114255]**



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

**(referred to in paragraph f) under 'report on other Legal and regulatory requirements' section 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 the Zeal Aqua Limited ("the Company") as of March 31, 2021 in conjunction with our audit of the 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 Act.

#### **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 deemed to be prescribed under section 143(10) of the Act 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 ICAI. 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 authorisations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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

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



## Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, 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]**

**Place :- Surat,**  
**Date :- 30<sup>th</sup> June, 2021**

**Sd/-**  
**Akash Rajnikant Gaglani**  
**Partner**  
**[Membership No 114255]**



## Annexure B to Independent Auditors' Report

(referred to in paragraph 2 under 'report on other Legal and regulatory requirements' section of our report of even date)

- I.
  - a) The Company is maintaining proper records showing full particulars including quantitative details and situation of fixed assets.
  - b) The fixed assets are physically verified by the Management according to a phased programme designed to cover all the items over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the fixed assets has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.
  - c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties, are held in the name of the Company.
- II. As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals and no material discrepancies were noticed on physical verification.
- III. According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
- IV. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of sections 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
- V. According to the information and explanations given to us, the Company has not accepted any deposit during the year or did not had any unclaimed deposits at the beginning of the year and accordingly reporting under clause (v) of Caro 2016 is not applicable.
- VI. The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013.



VII. According to the information and explanations given to us, in respect of statutory dues:

a) The Company has generally been regular in depositing undisputed statutory dues, including Provident fund, employees' state Insurance, Income-tax, sales Tax, service Tax, Goods and service Tax, Customs Duty, excise Duty, Value Added Tax, cess and other material statutory dues applicable to it to the appropriate authorities. There were no undisputed amounts payable in respect of Provident fund, employees' state Insurance, Income-tax, sales Tax, service Tax, Goods and service Tax, Customs Duty, excise Duty, Value Added Tax, cess and other material statutory dues in arrears as at March 31, 2021 for a period of more than six months from the date they became payable.

b) Details of dues of Income-tax, sales Tax, service Tax, Customs Duty, excise Duty, and Value Added Tax which have not been deposited as on March 31, 2021 on account of disputes are given below:


Name of the statute	Nature of dues	Amount under dispute 31 <sup>st</sup> March, 2021 (Rs In Lacs)	Periods to which the amount relates (A.Y.)	Forum where the dispute is pending	Remarks
Income Tax Act, 1961	Income Tax	176.79	AY 2012-13	CIT (A)	The company has apply for vivad se vishwas scheme and paid full liability as calculated. However, order for the same is pending till 31.03.2021. (Refer Note No. 34)

VIII. In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to banks.

IX. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments). In our opinion and according to the information and explanations given to us, money raised by way of term loans have been applied by the Company during the year for the purposes for which they were raised, other than temporary deployment pending application of proceeds.

X. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.



- 
- XI. In our opinion and according to the information and explanations given to us, the Company has paid/ provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with schedule V to the Companies Act, 2013.
- XII. The Company is not a Nidhi Company and hence reporting under clause (xii) of the Caro 2016 order is not applicable.
- XIII. In our opinion and according to the information and explanations given to us the Company is in compliance with section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the Ind As financial statements as required by the applicable accounting standards.
- XIV. During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of Caro 2016 is not applicable to the Company.
- XV. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with him and hence provisions of section 192 of the Companies Act, 2013 are not applicable.
- XVI. The Company is not required to be registered under section 45-IA of the reserve bank of India Act, 1934.

**For Pary and Co**  
**Chartered Accountants**  
**[FRN :- 007288C]**

**Sd/-**  
**Akash Rajnikant Gaglani**  
**Partner**  
**[Membership No 114255]**

**Place :- Surat,**  
**Date :- 30<sup>th</sup> June, 2021**

<b>ZEAL AQUA LIMITED</b>					
<b>CIN : - L05004GJ2009PLC056270</b>					
<b>BALANCE SHEET AS AT 31 MARCH 2021</b>					
PARTICULARS	NOTE NO	As at 31/03/2021		As at 31/03/2020	
		Rs'. In Lakhs	Rs'. In Lakhs	Rs'. In Lakhs	Rs'. In Lakhs
<b>I ASSETS</b>					
<b>1 Non Current Assets</b>					
(a) Property, Plant & Equipment	1	4,011.681		4,028.970	
(b) Capital Work in Progress	1	-		541.679	
<b>(c) Non-current Assets</b>					
(i) Investments	2	10.093		10.093	
(ii) Trade Receivables		-		-	
(iii) Others	3	160.973		177.383	
(d) Deferred Tax Assets	4	127.641	<b>4,310.388</b>	136.629	<b>4,894.754</b>
<b>2 Current Assets</b>					
(a) Inventories	5	11,992.721		8,774.976	
<b>(b) Financial Assets</b>					
(i) Investments		-		-	
(ii) Trade Receivables	6	9,084.572		6,269.924	
(iii) Cash and Cash Equivalents	7	502.812		496.142	
(iv) Loans and Advances	8	582.727		523.662	
(v) Others	9	67.362		65.933	
(c) Current Tax Assets (Net)	10	-		-	
(d) Other Current Assets	11	39.244	<b>22,269.438</b>	43.808	<b>16,174.445</b>
<b>TOTAL</b>			<b>26,579.826</b>		<b>21,069.199</b>
<b>II EQUITY AND LIABILITIES</b>					
<b>1 Equity</b>					
(a) Equity Share Capital	12	1,260.660		1,260.660	
(b) Other Equity	13	4,545.806	<b>5,806.466</b>	4,126.954	<b>5,387.614</b>
<b>2 Non Current Liabilities</b>					
<b>(a) Financial Liabilities</b>					
(i) Borrowings	14	2,495.180		1,866.974	
(ii) Trade Payables		-		-	
(iii) Others		-		-	
(b) Deferred Tax Liabilities		-		-	
(c) Other Non Current Liabilities	15	19.590	<b>2,514.770</b>	11.601	<b>1,878.575</b>
<b>3 Current Liabilities</b>					
<b>(a) Financial Liabilities</b>					
(i) Borrowings	16	8,682.817		6,957.587	
(ii) Trade Payables					
(A) total outstanding dues of micro enterprises and small enterprises;		-		-	
(B) total outstanding dues of creditors other than micro enterprises and small enterprises	17	8,713.698		6,232.635	
(iii) Others		-		-	
(b) Provisions	18	91.859		55.824	
(c) Other Current Liabilities	19	783.137		610.123	
(d) Current Tax Liabilities (Net)	20	-12.921	<b>18,258.590</b>	-53.159	<b>13,803.010</b>
<b>TOTAL</b>			<b>26,579.826</b>		<b>21,069.199</b>
<b>III The significant accounting policies and accompanying notes forming an integral part of financial statements</b>					
<b>For ZEAL AQUA LIMITED</b>			<b>FOR PARY AND CO.</b>		
			CHARTERED ACCOUNTANTS		
			FRN : 007288C		
Sd/-	Sd/-	Sd/-	Sd/-		
SHANTILAL PATEL	PRADIP NAVIK	SHAILENDRASINGH PATIL	AKASH RAJNIKANT GAGLANI		
MANAGING DIRECTOR	WHOLE TIME DIRECTOR	C.F.O.	PARTNER		
DIN:- 01362109	DIN:- 01067716		MEM. NO. : 114255		
Date : 30/06/2021			9005, WORLD TRADE CENTRE,		
Place : Surat			UDHNA DARWAJA, RING ROAD		
			SURAT-395002		

ZEAL AQUA LIMITED				
CIN : - L05004GJ2009PLC056270				
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2021				
	PARTICULARS	NOTE NO	As at 31/03/2021	As at 31/03/2020
			Rs ` , In Lakhs	Rs ` , In Lakhs
<b>1</b>	<b>Revenue</b>			
	(a) Revenue from operations	21	29,747.422	23,851.881
	(b) Other income	22	535.187	1,109.135
	<b>Total income</b>		<b>30,282.609</b>	<b>24,961.016</b>
<b>2</b>	<b>Expenses</b>			
	(a) Cost of materials consumed and Purchase Stock In Trade	23	28,150.394	22,402.933
	(b) Changes in inventories of finished goods, work-in-progress and stock-in-trade	24	-3,515.781	-3,228.562
	(c) Employee benefit expense	25	698.310	723.508
	(d) Finance costs	26	1,306.547	1,176.779
	(e) Depreciation and Amortisation Expense	27	656.260	719.400
	(f) Other Expenses	28	2,482.931	2,563.981
	<b>Total expenses</b>		<b>29,778.661</b>	<b>24,358.039</b>
<b>3</b>	<b>Total profit before exceptional items and tax</b>		<b>503.948</b>	<b>602.977</b>
<b>4</b>	Exceptional items		-	-
<b>5</b>	<b>Total profit before tax</b>		<b>503.948</b>	<b>602.977</b>
<b>6</b>	<b>Tax expense</b>			
	(a) Current tax	20	70.000	100.000
	(b) Deferred tax		8.988	-26.550
<b>7</b>	<b>Total profit (loss) for period after Tax</b>		<b>424.960</b>	<b>529.527</b>
<b>8</b>	<b>Other comprehensive income</b>			
	(a) Items that will not be reclassified to the Profit or Loss	OCI	-6.108	5.110
	Income tax relating to Items that will not be reclassified			
	(b) to Profit or Loss		-	-
	<b>Total Other comprehensive income</b>		<b>-6.108</b>	<b>5.110</b>
<b>9</b>	<b>Total Comprehensive Income for the period</b>		<b>418.852</b>	<b>534.637</b>
<b>10</b>	<b>Earnings per equity share</b>			
	(a) Basic earnings (loss) per share from continuing and discontinued operations		3.371	4.200
	(b) Diluted earnings (loss) per share from continuing and discontinued operations		3.371	4.200
<b>III</b> The significant accounting policies and accompanying notes forming an integral part of financial statements				
<b>For ZEAL AQUA LIMITED</b>			<b>FOR PARY AND CO.</b>	
			<b>CHARTERED ACCOUNTANTS</b>	
			<b>FRN : 007288C</b>	
Sd/-	Sd/-	Sd/-	Sd/-	
<b>SHANTILAL PATEL</b>	<b>PRADIP NAVIK</b>	<b>SHAILENDRASINGH PATIL</b>	<b>AKASH RAJNIKANT GAGLANI</b>	
<b>MANAGING DIRECTOR</b>	<b>WHOLE TIME DIRECTOR</b>	<b>C.F.O.</b>	<b>PARTNER</b>	
<b>DIN:- 01362109</b>	<b>DIN:- 01067716</b>		<b>MEM. NO. : 114255</b>	
Date : 30/06/2021			9005, WORLD TRADE CENTRE,	
Place : Surat			UDHNA DARWAJA, RING ROAD	
			SURAT-395002.	



**ZEAL AQUA LIMITED**  
CIN : - L05004GJ2009PLC056270  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2021**

PARTICULARS	As at 31st March, 2021		As at 31st March, 2020	
	Rs. In Lakhs	Rs. In Lakhs	Rs. In Lakhs	Rs. In Lakhs
<b>[1] Cash Flow From Operating Activities</b>				
Profit before Tax as per Profit & Loss Account		503.948		602.978
<b>Adjustments for:</b>				
<b>Add : Expenses/ (Incomes) Not Requiring Cash :</b>				
Depreciation and Amortisation of Preliminary and Pre Ope. Expenses	656.260		719.400	
Unrealised Foreign Exchange (Gain)/Loss	-43.332		-130.712	
Interest income	-34.104		-44.865	
Finance Cost	1,306.547	1,885.371	1,176.779	1,720.602
<b>Cash Flow From Operations Before Changes in Working Capital</b>		<b>2,389.319</b>		<b>2,323.580</b>
<b>(Increase)/Decrease in Current Assets:</b>				
Inventories	-3,217.745		-3,636.302	
Trade Receivables [after Adjusting Foreign Exchange Gain/ Loss]	-2,814.648		-473.728	
Other Current Assets	3.135		180.413	
Short-Term Loans and Advances	-59.065	-6,088.323	502.658	-3,426.959
<b>Increase/(Decrease) in Current Liabilities:</b>				
Current Borrowings	1,725.230		562.342	
Trade Payables	2,481.063		2,515.258	
Short-Term Provisions	36.035		-242.726	
Other Current Liabilities	173.014		86.456	
Short-Term Provisions		4,415.342		2,921.330
<b>Cash Flow From Operations after Changes in Working Capital</b>		<b>716.338</b>		<b>1,817.951</b>
<b>Other Adjustments</b>				
Income Tax Paid	-29.762		-217.490	
Adjustment due to OCI	-6.108	-35.870	5.110	-212.380
<b>Net Cash Generated From Operating activities</b>		<b>(A) 680.468</b>		<b>(A) 1,605.571</b>
<b>[2] Cash Flows from Investing Activities</b>				
Sale of Non-current Financial Investments	-		0.200	
Unrealised Foreign Exchange (Gain)/Loss	43.332		130.712	
Interest Income on Fixed Deposit	34.104		44.865	
Purchase of Fixed Assets and Capital Work In Progress	-80.361		-333.263	
		-2.925		-157.486
<b>Net Cash Generated From Investing activities</b>		<b>(B) -2.925</b>		<b>(B) -157.486</b>
<b>[3] Cash Flow From Financing activities</b>				
Proceeds from/(Repayment of) non current borrowing	628.206		-83.713	
Long Term loans and advances/Deposits Given	-0.521		-81.525	
Other Non Current Liabilities	7.989		-1.973	
Finance Cost [Including Interest paid]	-1,306.547	-670.873	-1,176.779	-1,343.990
<b>Net Cash Generated From Financing activities</b>		<b>(C) -670.873</b>		<b>(C) -1,343.990</b>
<b>[4] Net Increase/(Decrease in cash)</b>		<b>(A+B+C) 6.670</b>		<b>(A+B+C) 104.095</b>
Cash and Cash Equivalents at the beginning of the year		496.142		392.050
<b>[5] Cash and Cash Equivalents at the end of the year</b>		<b>502.812</b>		<b>496.145</b>
<b>Components of the Cash and Cash Equivalents:</b>				
Cash on Hand	13.312		27.865	
With Banks - in form of current accounts	23.085		28.175	
With Banks - in form of demand deposits	466.415	502.812	440.102	496.142

The significant accounting policies and accompanying notes forming an integral part of financial statements

For ZEAL AQUA LIMITED

FOR PARY AND CO.  
CHARTERED ACCOUNTANTS  
FRN : 007288C

Sd/  
SHANTILAL PATEL      PRADIP NAVIK  
MANAGING DIRECTOR      WHOLE TIME DIRECTOR  
DIN:- 01362109      DIN:- 01067716  
Date : 30/06/2021  
Place : Surat

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**  
**CIN : - L05004GJ2009PLC056270**  
**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2021**

**A EQUITY SHARE CAPITAL**

Equity shares of Rs. 10/- each, subscribed and fully paid up

Particulars	Rs. In Lakhs	
	No	
As at 31 March 2019	1,26,06,600.00	1,260.660
Increase/(Decrease) during the year	-	-
As at 31 March 2020	1,26,06,600.00	1,260.660
Increase/(Decrease) during the year	-	-
As at 31 March 2021	1,26,06,600.00	1,260.660

**B OTHER EQUITY**

For the Year Ended 31st March 2020 and 31st March 2021

Rs. In Lakhs

Particulars	Rs. In Lakhs	
	Securities Premium	Surplus in P & L
Balance as at 31 March, 2019	1,230.060	2,362.257
Profit for the Year 2019-20	-	534.637
Bonus Share Issued	-	-
Balance as at 31 March, 2020	1,230.060	2,896.894
Profit for the Year 2020-21	-	418.852
Bonus Share Issued	-	-
Balance as at 31 March, 2021	1,230.060	3,315.746

The significant accounting policies and accompanying notes forming an integral part of financial statements

For ZEAL AQUA LIMITED

FOR PARY AND CO.  
 CHARTERED ACCOUNTANTS  
 FRN : 007288C

Sd/- SHANTILAL PATEL  
 MANAGING DIRECTOR  
 DIN:- 01362109  
 Date : 30/06/2021  
 Place : Surat

Sd/- PRADIP NAVIK  
 WHOLE TIME DIRECTOR  
 DIN:- 01067716

Sd/- SHAILENDRASINGH PATIL  
 C.F.O.

Sd/- AKASH RAJNIKANT GAGLANI  
 PARTNER  
 MEM. NO. : 114255  
 9005, WORLD TRADE CENTRE,  
 UDHNA DARWAJA, RING ROAD  
 SURAT-395002.

<b>ZEAL AQUA LIMITED</b>		
<b>CIN : - L05004GJ2009PLC056270</b>		
<b>Other comprehensive income</b>		
<b>Particulars</b>	<b>31.03.2021</b>	<b>31.03.2020</b>
	<b>Rs. In Lakhs</b>	<b>Rs. In Lakhs</b>
<b>Amount of items that will not be reclassified to profit and loss</b>		
(Excess)/Less Provision of IT	-3.280	22.642
(Excess)/Less Provision of Gratuity	-2.065	7.583
Interest on Loan From Directors	-	21.403
Interest on Loan From Others	-	-
Reversal of interest for earlier year on Loan from Others	-	14.265
Interest on Loan to Employees	5.363	5.986
Interest on Loan to Others	1.133	4.765
Provision Writtenoff - Loan from Directors	-	-32.430
Provision Writtenoff - Loan from Others	-	-30.283
Provision Writtenoff - Loan to Employees	-5.838	-5.204
Provision Writtenoff - Loan to Others	-1.421	-3.617
<b>Total Amount of items that will not be reclassified to profit and loss</b>	<b>-6.108</b>	<b>5.110</b>
Income tax relating to items that will not be reclassified to profit or loss	-	-
Amount of items that will be reclassified to profit and loss	-	-
<b>Total Amount of items that will be reclassified to profit and loss</b>	<b>-</b>	<b>-</b>
Income tax relating to items that will be reclassified to profit or loss	-	-
<b>Total Other comprehensive income</b>	<b>-6.108</b>	<b>5.110</b>
The significant accounting policies and accompanying notes forming an integral part of financial statements		
<b>For ZEAL AQUA LIMITED</b>		<b>FOR PARY AND CO.</b>
		<b>CHARTERED ACCOUNTANTS</b>
		<b>FRN : 007288C</b>
Sd/-	Sd/-	Sd/-
<b>SHANTILAL PATEL</b>	<b>PRADIP NAVIK</b>	<b>SHAIENDRASINGH PATIL</b>
<b>MANAGING DIRECTOR</b>	<b>WHOLE TIME DIRECTOR</b>	<b>C.F.O.</b>
<b>DIN:- 01362109</b>	<b>DIN:- 01067716</b>	
Date : 30/06/2021		<b>AKASH RAJNIKANT GAGLANI</b>
Place : Surat		<b>PARTNER</b>
		<b>MEM. NO. : 114255</b>
		9005, WORLD TRADE CENTRE,
		UDHNA DARWAJA, RING ROAD
		SURAT-395002.



**ZEAL AQUA LIMITED**  
CIN : - L05004GJ2009PLC056270

Note-'I'

Property, plant and equipment (owned, unless otherwise stated)

Rs'. In Lakhs

Particulars	Freehold Land	Building and Roads	Furniture and Fixtures	Office Equipments	Plant and Machinery	Vehicles	Computer and Data Processing Unit & Others	Total
<b>Cost</b>								
As at March 31, 2019	207.273	2,366.768	968.034	57.155	3,238.338	327.035	9.444	7,174.047
Additions	-	10.384	0.060	0.874	58.043	29.607	-	98.968
Disposals	-	-	-	-	-	-	-	-
As at March 31, 2020	207.273	2,377.152	968.094	58.029	3,296.381	356.642	9.444	7,273.015
Additions	-	527.741	62.455	-	31.844	-	-	622.040
Disposals	-	-	-	-	-	-	-	-
As at March 31, 2021	207.273	2,904.893	1,030.549	58.029	3,328.225	356.642	9.444	7,895.055
<b>Depreciation</b>								
As at March 31, 2019	-	437.711	481.005	40.343	1,366.465	200.840	7.753	2,534.118
Additions	-	187.347	110.417	7.137	362.094	41.758	1.174	709.927
Disposals	-	-	-	-	-	-	-	-
As at March 31, 2020	-	625.058	591.422	47.480	1,728.559	242.598	8.927	3,244.045
Additions	-	204.915	77.241	4.475	318.158	34.540	-	639.329
Disposals	-	-	-	-	-	-	-	-
As at March 31, 2021	-	829.973	668.663	51.955	2,046.717	277.138	8.927	3,883.374
<b>Net Block</b>								
As at March 31, 2019	207.273	1,929.057	487.029	16.812	1,871.873	126.195	1.691	4,639.929
As at March 31, 2020	207.273	1,752.094	376.672	10.549	1,567.822	114.044	0.517	4,028.970
As at March 31, 2021	207.273	2,074.920	361.886	6.074	1,281.508	79.504	0.517	4,011.681
<b>Capital Work In Progress</b>								
<b>Cost</b>								
As at March 31, 2019	307.384							
Additions	234.295							
Disposals	-							
As at March 31, 2020	541.679							
Additions	-							
Disposals	541.679							
As at March 31, 2021	-							



ZEAL AQUA LIMITED					
CIN : - L05004GJ2009PLC056270					
Notes on Ind - AS Financial Statement for the Year ended on 31st March, 2021				R\$. In Lakhs	
Note No	Particulars	31.03.2021		31.03.2020	
		Total		Total	
	<b>Non-current Assets</b>				
2	<b>Investments</b>				
	(a) Investment in Gold Coins	10.093	10.093	10.093	10.093
3	<b>Others</b>				
	<b>Unsecured Considered Good</b>				
	<b>Security Deposits</b>				
	Excutive Eng KRBC Division Surat(FD) PNB	9.068		8.547	
	GEB Deposit	84.562		84.562	
	Gas Security Deposit & ESD (Gujarat Gas)	0.706		0.706	
	HP Gas Cylinder Deposit	0.051		0.051	
	Shri Laxmi Jyot (Gas Deposit)	0.129		0.129	
	House Depoist for Guru	0.450		0.450	
	Oxygen Cylinder Deposit	0.150		0.150	
	Parth GAS	1.000		1.000	
	Telephone Deposit	0.015	96.131	0.015	95.610
	<b>Trade Deposits</b>				
	Biostand India Ltd-D	0.250		0.250	
	Gujarat Aqua Feed Dealers Association	3.500		3.500	
	Srinivasa Custine(Trade Deposit)	10.000	13.750	10.000	13.750
	<b>Other Non Current Assets</b>				
	Preliminary Expenses	5.743		13.784	
	Pre-Operative Expense	45.349	51.092	54.239	68.023
	<b>Total</b>		<b>160.973</b>		<b>177.383</b>
4	<b>Deferred Tax Assets</b>				
	DTA / (DTL)	127.641	127.641	136.629	136.629
5	<b>Inventories</b>				
	<b>A. Finished Goods</b>				
	Finished Product	11,007.415	11,007.415	7,518.211	7,518.211
	<b>B. Raw Materials/ Traded Items</b>				
	Bleaching	-		1.654	
	Feed	6.084		26.058	
	Pond Machinery	4.528		4.588	
	Feed Supplement	38.623	49.235	37.742	70.042
	(As taken valued and certified by the Management)				
	<b>Biological Assets</b>				
	Prawns	685.590		962.819	
	Seed Live Stock - WIP	250.481	936.071	223.904	1,186.723
	(As taken valued and certified by the Management)				
	<b>Total</b>		<b>11,992.721</b>		<b>8,774.976</b>
	<b>Current Financial Assets</b>				
6	<b>Trade Receivables</b>				
	Outstanding more than 6 Months	488.792		368.565	
	Other	8,595.780	9,084.572	5,901.359	6,269.924

ZEAL AQUA LIMITED					
CIN : - L05004GJ2009PLC056270					
Notes on Ind - AS Financial Statement for the Year ended on 31st March, 2021			Rs. In Lakhs		
Note No	Particulars	31.03.2021		31.03.2020	
		Total		Total	
7	<b>Cash and Cash Equivalents</b>				
	Cash Balance on Hand (As Certified by the Management)	13.312	13.312	27.865	27.865
	Balance with Banks:				
	- Allahabad Bank (i.e. Indian Bank)	281.118		265.273	
	- Bank of India	171.368		162.639	
	- Axis Bank	13.571		11.832	
	- Syndicate Bank (i.e. Canara Bank)	0.358	466.415	0.358	440.102
	<b>- In Current Accounts</b>				
	- Allahabad Bank (i.e. Indian Bank)	-		3.710	
	- Axis Bank (918020087152359)	22.319		16.546	
	- Canara Bank	-		(0.058)	
	- Axis Bank (EEFC USD)	-		5.104	
	- Punjab National Bank	-		1.808	
	- Bank of India	-		1.049	
	- Syndicate Bank (i.e. Canara Bank) (71701010025620)	0.766	23.085	0.016	28.175
	<b>Total</b>		<b>502.812</b>		<b>496.142</b>
8	<b>Loans and Advances</b>				
	Prepaid Expenses (Ann. 6)	18.934		8.192	
	Loans & Advances To Employees	50.012		63.067	
	Advance Salary	0.215		0.184	
	Balance With Government Authorities (Ann. 7)	490.581		430.367	
	Advances to Others (Ann. 8)	22.985		21.852	
	Advances to Suppliers	-	582.727	-	523.662
9	<b>Others</b>				
	Demand Deposits				
	Margin Money FD (Infracra & Namdung)	30.930		30.930	
	Margin of B/G for 3rd EPGC 15% FD	4.353		4.353	
	Margin of B/G for CT FD (BC)	2.363		2.363	
	Margin of B/G for Frick & GEA FD	2.418		2.418	
	PNB FD Margin Money of CT& Guntner 4142	27.298	67.362	25.869	65.933
10	<b>Current Tax Assets</b>				
	Advance Tax Paid	-		-	
	Add :- TDS / TCS	-		-	
	Less:- Current Tax Provision	-		-	
11	<b>Other Current Assets</b>				
	Antidumping & Countervailing Duty (USA)	16.782		15.682	
	Prepaid Expenses - Employees	15.545		19.788	
	Prepaid Expenses - Others	6.917	39.244	8.338	43.808



**ZEAL AQUA LIMITED**

CIN : - L05004GJ2009PLC056270

Notes on Ind - AS Financial Statement for the Year ended on 31st March, 2021

Rs` In Lakhs

Note No	Particulars	31.03.2021		31.03.2020	
		Total		Total	
12	<b>Equity Share Capital</b>				
	<b>Authorised :</b>				
	1,30,00,000 Equity Shares of Rs. 10/- each (Previous Year: 1,30,00,000 Equity Shares of Rs 10/- each)		1,300.000		1,300.000
	<b>Issued, Subscribed &amp; Paid up :</b>				
	1,26,06,600 Equity Shares of Rs. 10/- each (Previous Year: 1,26,06,600 Equity Shares of Rs.10/- each)		<b>1,260.660</b>		<b>1,260.660</b>
	<b>Total</b>		1,260.660		1,260.660
	<b>No.of shares</b>		1,26,06,600		1,26,06,600
	<b>- The Details of Shareholders holding more than 5% shares (No. of Shares)</b>				
	Pradeep Ratilal Navik	9.89%	1246560	9.89%	1246560
	Shantilal Ishwarbhai Patel	10.66%	1343520	10.66%	1343520
	Rashmiben S. Patel	9.89%	1247040	9.89%	1247040
	Susanben P. Navik	11.03%	1391040	9.89%	1247040
	Agave Tradecom LLP	15.88%	2001600	15.88%	2001600
	<b>Total</b>	57.35%	7229760	56.21%	7085760
	<b>- Reconciliation Of the Number of Shares Outstanding:</b>				
		<b>No. of Shares</b>	<b>Amount in Rs</b>	<b>No. of Shares</b>	<b>Amount in Rs</b>
	Equity Shares at the Beginning Of the Year	1,26,06,600	12,60,66,000.000	1,26,06,600	12,60,66,000.000
	Addition / (Deletion)	-	-	-	-
	Equity Shares at the Closing Of the Year	1,26,06,600	12,60,66,000.000	1,26,06,600	12,60,66,000.000
13	<b>Other Equity</b>				
	<b>Securities Premium</b>				
	Opening Balance	1,230.060		1,230.060	
	Add :- Addition	-		-	
	Less :- Appropriation	-		-	
	Closing Balance		1,230.060		1,230.060
	<b>Profit And Loss Account</b>				
	Opening Balance	2,896.894		2,362.257	
	Add :- Addition	418.852		534.637	
	Less :- Appropriation	-		-	
	Closing Balance		3,315.746		2,896.894
	<b>TOTAL</b>		<b>4,545.806</b>		<b>4,126.954</b>
	<b>Non Current Financial Liabilities</b>				
14	<b>Borrowings</b>				
	<b>Secured</b>				
	Term Loan From Bank (Ann. 1)	1,335.283		697.254	
	<b>Unsecured</b>				
	Loans & Advances From Directors (Ann. 2)	332.175		308.468	
	Loans & Advances From Others (Ann. 3)	827.722	<b>2,495.180</b>	861.252	<b>1,866.974</b>
	Term loans from banks are secured primarily on first pari-passu charged by way of hypothecation on plant and machinery as per consortium banking agreement. The aforesaid term loans are opted at interest rates form 10% to 12%(Secured) and 16% to 19% (unsecured). Repayable in 24 to 63 monthly installments.				
15	<b>Others Non Current Liabilities</b>				
	Gratuity Provision	19.590	<b>19.590</b>	11.601	<b>11.601</b>

**ZEAL AQUA LIMITED**  
CIN : - L05004GJ2009PLC056270

Notes on Ind - AS Financial Statement for the Year ended on 31st March, 2021

Rs. In Lakhs

Note No	Particulars	31.03.2021		31.03.2020	
		Total	Total	Total	Total
16	<b>Short Term Borrowings from Bank</b>				
	Bank short term borrowing (Ann. 4)	8,682.817	<b>8,682.817</b>	6,957.587	<b>6,957.587</b>
	Short term borrowings from banks are secured primarily secured on first pari-passu charged over entire inventory book debts and all other current assets of company; both present and future as per consortium banking agreement.				
17	<b>Trade Payables</b>				
	Creditor for Contract			4,784.530	
	Creditor for Goods - Harvesting	5,318.643		180.522	
	Creditors for Exp.	293.248			
	Trade Creditors	3,101.807	<b>8,713.698</b>	1,267.583	<b>6,232.635</b>
	Footnote: In view of the large number of accounts and in absence of segregated information, total outstanding dues to Small Scale Industrial Undertakings as defined under Micro, Small and Medium Enterprises Development Act, 2006 have not been disclosed separately.				
	However, based on the details available with the company, in respect of transactions incurred during the year, there are no overdues as such to Micro, Small and Medium Enterprises as at 31 <sup>st</sup> March, 2021 on account of principal amount together with interest for delayed payment under the Act. The Company has not received any claim for interest from any suppliers under the "Interest on Delayed Payments to Small Scale and Ancillary Industrial Undertaking Act, 1993".				
18	<b>Provisions</b>				
	Provision - Statutory Audit Fees	2.500		3.500	
	Provision - Internal Audit Fees	2.400		2.400	
	Provision - I T Return Fees Payable	0.550		0.550	
	Provision - GST Consultancy Fees	0.250		0.250	
	Provision - Gratuity	0.579		0.283	
	Provision - Labour Welfare Fund	0.058		0.012	
	Provision - Wages Payable	9.200		4.200	
	Provision - Salary Payable	0.146		0.435	
	Provision - Remuneration Payable	76.176		44.194	
	Provision - Internet Charges	-	<b>91.859</b>	-	<b>55.824</b>
19	<b>Other Current Liabilities</b>				
	<b>Current Maturity of Long Term Debts:</b>				
	Term Loans From Banks (Ann. 5)	770.994	770.994	596.048	596.048
	<b>Statutory Remittances</b>				
	Professional Tax	2.688		0.787	
	Provident Fund Payable	4.389		1.902	
	TDS and TCS Payable	5.066		11.386	
	GST Payable	-	12.143	-	14.075
	Total		<b>783.137</b>		<b>610.123</b>
20	<b>Current Tax Liabilities</b>				
	Current Tax Provision	70.000		100.000	
	Less :- Advance Tax Paid	75.000		150.000	
	Less :- TDS / TCS	7.921	<b>(12.921)</b>	3.159	<b>(53.159)</b>

List of Annexures

Rs. In Lakhs

Particulars	2020-21	2019-20
	Total	Total
<b>Term Loan From Bank (Ann. 1)</b>		
<b>Secured Loans From Bank</b>		
Allahabad Bank (i.e. Indian Bank)	116.879	232.439
Allahabad GECL (i.e. Indian Bank)	176.334	-
Axis Bank	112.613	202.015
Bank Of India (270930110000023)	123.950	-
Punjab National Bank (Pnb 043900IC00000774) (GECL)	101.330	-
Punjab National Bank (PNB 04300IL00000225)	522.000	-
Punjab National Bank	145.225	234.382
	<b>1,298.331</b>	<b>668.836</b>
<b>Vehicle Loans</b>		
Innova - Cresta	0.001	-
Omni Car A/c	-	-
Swift Car Loan A/c(Sambit)	-	2.959
Bolero Loan - (Axis Bank)	2.190	4.003
Jeep Compass Loan	12.008	18.442
Truck Loan 4937	5.813	-
Truck Loan 4958	5.624	-
Truck Loan 5371	5.167	-
Truck Loan 5378	5.167	-
Vech. Tractor1	0.491	1.507
Vech. Tractor 2	0.491	1.507
	<b>36.952</b>	<b>28.418</b>
<b>Total Term Loan From Bank (Ann. 1)</b>	<b>1,335.283</b>	<b>697.254</b>
<b>Loans &amp; Advances From Directors (Ann. 2)</b>		
<b>Unsecured Loan From Director</b>		
Dhaval S. Patel (Loan)	20.247	18.802
Pradip R. Navik (Loan)	228.737	212.413
Rohan Pradip Navik (Loan)	9.732	9.037
Shanti I Patel(USL)	73.459	68.216
	<b>332.175</b>	<b>308.468</b>
<b>Loans &amp; Advances From Others (Ann. 3)</b>		
<b>Unsecured Loan From Other</b>		
Agave Trade Com LLP	453.648	431.601
Bajaj Financel	-	4.848
Bhanumati Ratilal Navik	203.441	192.640
Bharat Ratilal Navik	13.129	12.192
Lilavati R Navik	33.793	33.360
Susan Aqua Pvt Ltd	70.504	65.494
Urvara Aqua Farm Pvt Ltd	29.193	29.193
Capital First Ltd	-	10.597
ECL Finance Limited(Edelweiss)	-	6.247
ICICI Bank Ltd	-	9.875
India Infoline Financial Ltd	-	7.008
Jain Sons Finlease Ltd.	-	25.203
Shree Ram City Union Finance Limited	-	6.964
Kimi S Patel	9.922	9.216
Preety Deepak Mistry	10.865	10.093
Rashmiben S. Patel	0.608	0.565
Susanben P. Navik	2.619	6.156
	<b>827.722</b>	<b>861.252</b>
<b>Total Loans &amp; Advances From Others (Ann. 3)</b>		

<b>Current Borrowings</b>		
<b>Bank short term borrowing (Ann. 4)</b>		
<b>Working Capital Limit</b>		
Allahabad Bank (50027286770) (i.e. Indian Bank)	1,961.005	1,626.000
Bank Of India (270930110000023)	2,486.610	2,497.156
Punjab National Bank (0439008700015364)	2,259.868	2,264.294
Allahabad Bank (50402044520) (i.e. Indian Bank)	498.158	469.320
Axis Bank Ltd(917030064972910)	288.970	103.792
Axis Bank PCFC A/c	1,188.496	-
PNB (0439008700016017)	-0.290	-2.975
<b>Total Bank short term borrowing (Ann. 4)</b>	<b>8,682.817</b>	<b>6,957.587</b>
<b>Term Loans From Banks (Ann. 5)</b>		
<b>Current Maturity of non current borrowings</b>		
Allahabad Bank (i.e. Indian Bank)	127.622	114.867
Allahabad GECL (i.e. Indian Bank)	54.923	-
Axis Bank	111.960	111.960
Punjab National Bank	109.700	129.750
Bank Of India (GECL)	127.247	-
Punjab National Bank (Pnb 043900IC00000774) (GECL)	123.979	-
Punjab National Bank (PNB 04300IL00000225)	0.224	-
Duster Loan A/c	-	0.051
Fortuner Loan (6051/68)	0.691	2.618
Bolero Loan - (Axis Bank)	2.171	1.633
Jeep Compass Loan	6.434	5.902
Truck Loan 4937	2.088	-
Truck Loan 4958	2.021	-
Truck Loan 5371	1.856	-
Truck Loan 5378	1.856	-
Innova - Cresta	-0.654	5.653
Omni Car A/c	-	1.086
Swift Car Loan A/c(Sambit)	-	2.270
Vech. Tractor1	1.777	2.268
Vech. Tractor 2	1.777	2.268
Bajaj Financel	6.309	12.969
Capital First Ltd	7.850	28.345
ECL Finance Limited(Edelweiss)	6.247	16.711
ICICI Bank Ltd.	13.327	17.481
India Bulls (IVL Finance)	-	7.772
Jain Sons Finlease Ltd.	30.163	36.697
Shree Ram City Union Finance Limited	12.387	18.551
Tata Capital Finance	7.339	34.679
ZEN LEFIN PRIVATE LIMITED (Capital Flot)	-	9.678
India Infoline Financial Ltd	11.700	18.627
Magma Fincorp Ltd	-	14.212
<b>Total Term Loans From Banks (Ann. 5)</b>	<b>770.994</b>	<b>596.048</b>
<b>Prepaid Expenses (Ann. 6)</b>		
Prepaid Vehicle Insurance	2.740	0.134
Prepaid Employee Insurance	11.448	5.192
Prepaid Insurance (Building And P&M)	4.746	2.866
<b>Total Prepaid Expenses (Ann. 6)</b>	<b>18.934</b>	<b>8.192</b>
<b>Balance With Government Authorities (Ann. 7)</b>		
<b>Balance With Government Authorities</b>		
Income Tax Paid in Protest [A.Y.12-13]	-	119.712
GST Refund Receivable	70.531	4.621
I.T Refund Receivable (AY 15-16)	1.250	1.250
I.T Refund Receivable (AY 20-21)	50.231	-
GST Credit	367.570	303.785
VAT Receivable	0.999	0.999
<b>Total Balance With Government Authorities (Ann. 7)</b>	<b>490.581</b>	<b>430.367</b>
<b>Advances to Others (Ann. 8)</b>		
<b>Advances to Others</b>		
Anjum Zahar	6.616	6.971
K. R. Patel & Associates	16.369	14.881
<b>Total Advances to Others (Ann. 8)</b>	<b>22.985</b>	<b>21.852</b>



**ZEAL AQUA LIMITED**

CIN : - L05004GJ2009PLC056270

Notes on Ind - AS Financial Statement for the Year ended on 31st March, 2021

(Rs In Lakhs)

Note No	Particulars	31.03.2021		31.03.2020	
		Total		Total	
<b>21</b>	<b>Revenue from operations</b>				
	Sale of Product				
	A. Manufactured/Processed Goods:				
	Finished Product Export	9,575.930	9,575.930	11,477.628	11,477.628
	B. Manufactured/Processed Goods- Local Sales:				
	Shrimps/Prawns	75.170	75.170	3,028.920	3,028.920
	C. Traded Goods / Harvested Farming - Local Sales:				
	Bleaching	13.085		5.762	
	Feed	4,718.819		1,455.637	
	Feed Supplement	-		-	
	Seed	326.010		191.558	
	Pond Machinery	148.753		47.519	
	Shrimps	14,871.273	20,077.940	7,615.933	9,316.409
	Less: (Sales Return )	-31.790	-31.790	-19.369	-19.369
	D. Other Operating Revenues:				
	Rate Difference	1.568		3.485	
	Trade Discount	3.264		3.366	
	Written Off	0.021		-0.030	
	Turnover Discount	45.319	50.172	41.472	48.293
	<b>Total</b>		<b>29,747.422</b>		<b>23,851.881</b>
<b>22</b>	<b>Other income</b>				
	Interest:				
	Interest on FD	34.104		41.021	
	Interest on Income Tax Refund	-		3.845	
	Duty Drawback	276.345		306.816	
	Foreign Exchange Gain	43.332		130.712	
	MEIS	181.406	535.187	626.741	1,109.135
<b>23</b>	<b>Cost of materials consumed and Purchase Stock In Trade</b>				
	<b>Inventories at the beginning of the year:</b>				
	Shrimps	962.819		585.232	
	Bleaching	1.654		8.669	
	Feed	26.058		0.090	
	Pond Machinery	4.588		19.261	
	Feed Supplement	37.742	1,032.861	11.871	625.123
	<b>Purchase</b>				
	Prawns	-		-	
	Bleaching	17.612		35.373	
	Feed	5,199.770		2,253.007	
	Pond Machinery	72.967		2.452	
	Feed Supplement	358.002		356.031	
	Seed	346.892		378.170	
	Harvested Products	21,876.716		19,798.339	
	Less : (Purchase Return)	-19.601	27,852.358	-12.701	22,810.671
	<b>Inventories at the end of the year:</b>				
	Shrimps	685.590		962.819	
	Bleaching	-		1.654	
	Feed	6.084		26.058	
	Pond Machinery	4.528		4.588	
	Feed Supplement	38.623	734.825	37.742	1,032.861
	<b>Cost of materials consumed and Purchase Stock In Trade</b>		<b>28,150.394</b>		<b>22,402.933</b>



**ZEAL AQUA LIMITED**  
CIN : - L05004GJ2009PLC056270

Notes on Ind - AS Financial Statement for the Year ended on 31st March, 2021

(Rs In Lakhs)

Note No	Particulars	31.03.2021		31.03.2020	
		Total		Total	
<b>24</b>	<b>Changes in Inventory</b>				
	<b>Inventories at the end of the year:</b>				
	A. Finished Goods				
	Finished Product	11,007.415		7,518.211	
	B. Work in Process				
	Seed Live Stock - WIP	250.481	11,257.896	223.904	7,742.115
	<b>Inventories at the beginning of the year:</b>				
	A. Finished Goods				
	Finished Product	7,518.211		4,256.677	
	B. Work in Process				
	Seed Live Stock - WIP	223.904	7,742.115	256.876	4,513.553
	<b>Changes in Inventory</b>		<b>-3,515.781</b>		<b>-3,228.562</b>
<b>25</b>	<b>Employee benefit expense</b>				
	Salaries and Wages	473.927		453.128	
	Director Remuneration	96.000		96.000	
	Bonus Expenses	23.539		19.272	
	Contribution to Employee Provident Fund	11.519		9.992	
	Staff Welfare Expenses	25.136		41.844	
	Salary Arrears	-		0.133	
	Conveyance Expenses	9.328		9.407	
	Mobile Bill Expenses	0.950		3.467	
	Travelling Expenses	2.116		7.652	
	Vehicle Repair & Maint. Exp.	10.362		16.685	
	Medical exp	0.902		1.404	
	Gratuity	6.219		5.239	
	House Rent Allowance	1.200		1.059	
	Leave Encashment	12.858		13.433	
	Employee Insurance	24.254	<b>698.310</b>	44.793	<b>723.508</b>
<b>26</b>	<b>Finance costs</b>				
	Interest - Vehicle Loan	6.031		5.069	
	BG Commission Charges	1.884		1.113	
	Loan Processing Charges	58.678		41.622	
	Interest on PCFC	29.316		29.688	
	Interest on Secured Loans	1,077.987		868.564	
	Interest - Unsecured Loans	120.368		176.679	
	Bank Charges	11.926		50.988	
	FLC Charges	0.357	<b>1,306.547</b>	3.056	<b>1,176.779</b>
<b>27</b>	<b>Depreciation and Amortisation Expense</b>				
	Depreciation on PPE	639.329		709.927	
	Preliminary Expense Written off	8.041		3.446	
	Preoperative Expense Written off	8.890	<b>656.260</b>	6.027	<b>719.400</b>

**ZEAL AQUA LIMITED**  
CIN : - L05004GJ2009PLC056270

Notes on Ind - AS Financial Statement for the Year ended on 31st March, 2021

Rs In Lakhs)

Note No	Particulars	31.03.2021		31.03.2020	
		Total		Total	
<b>28</b>	<b>Other Expenses</b>				
	<b>[A] Manufacturing Expenses</b>				
	Consumable Expenses	102.170		82.973	
	Contract Farming Charges	23.190		18.706	
	Electrical Exp - Site	16.680		16.865	
	Diesel Exp	87.090		121.980	
	Electricity Charges - Site	405.001		419.171	
	Factory Building Insurance Expenses	26.874		-	
	Harvesting Exp	16.466		12.128	
	Ice Exps	24.848		37.309	
	JCB Work Exps	22.773		37.942	
	Labour Work Exps	244.691		369.415	
	Local Transportation Exps	42.531		43.933	
	Freight & THC Charges	108.458		197.625	
	Pond & Culture Exp	34.005		61.920	
	Pond Repairing Expenses	94.742		128.500	
	Purchase Oil	3.844		4.185	
	Direct Transportation Charges	170.822		49.983	
	Site Labour and Wages Expenses	130.294		122.526	
	Salt Purchase Expenses	-		6.399	
	Loading Unloading Expenses	3.020		2.020	
	Machinery Rent	1.105		-	
	Pre Harvesting Testing Expenses	5.704		4.134	
	Lab Testing Exp./Laboratory Expenses	67.848		77.402	
	Plastic Container Seals	0.140		0.154	
	Wooden Item Purchase	13.537		16.601	
	Water Exps.	10.953	1,656.786	17.673	1,849.544
	<b>[B] Administrative &amp; Selling Expenses</b>				
	Administrative Charges of PF	0.347		0.431	
	CHA Agency Fees	-		4.558	
	Agent Commission Exp.	97.963		104.447	
	Adhesive Stamp	-		0.162	
	Advertisement Exp.	-		0.197	
	Expo Exp.	-		1.519	
	Membership Fees	-		0.500	
	EPCG Processing & Redemption Expenses	0.100		0.050	
	CSR Exp	14.386		-	
	GIDC Tax	0.004		0.001	
	Legal Exp.	64.559		40.337	
	Computer Exp	2.817		1.254	
	Donation	1.363		2.658	
	Office Exp	9.014		12.671	
	Tea & Refreshment	2.597		6.029	
	Packing & Forwarding Exp	261.336		261.893	
	Professional and Technical Fees	79.640		39.712	
	Repair and Maintenance Exp	62.559		116.647	
	Garden Maintenance Exp.	0.004		0.005	
	ROC Fees	0.104		0.195	
	Stationery and Printing exp	28.714		37.877	
	Mobile exp	0.229		0.082	
	Sweeper Salary	0.294		-	
	Testing Fees	0.777		1.726	
	Postage and Courier	3.032		5.170	
	Security Guard Exp.	14.301		14.306	
	Nursery Rent	5.160		4.800	
	Vehicle Insurance Expense	8.354		10.361	
	Property Insurance Exp	-		2.828	
	Internet exp	0.476		-	
	ETP Processing Exp.	5.374		11.925	
	Interest - TDS	1.076		1.001	
	Late Fees of GST	0.028		0.130	
	Factory Rent	2.457		2.340	
	Housekeeping Exp.	20.473	687.538	18.633	704.445



ZEAL AQUA LIMITED					
CIN : - L05004GJ2009PLC056270					
Notes on Ind - AS Financial Statement for the Year ended on 31st March, 2021					
(Rs In Lakhs)					
Note No	Particulars	31.03.2021		31.03.2020	
		Total		Total	
28	<b>Other Expenses (Contd...)</b>				
	<b>[C] Rates &amp; Taxes to Government or Local Body</b>				
	Village Tax	4.106		4.747	
	Value Added Tax	-		0.345	
	Income Tax (AY 2012-13)	129.601		-	
	Toll Charges	-	133.707	-	5.092
	<b>[D] Auditor Remuneration</b>				
	- Statutory Audit Fees	2.500		2.500	
	- Internal Audit Fees	2.400		2.400	
	- Stock Audit Fees	-	4.900	-	4.900
	<b>Total Other Expenses</b>		<b>2,482.931</b>		<b>2,563.981</b>

ZEAL AQUA LIMITED		
CIN : - L05004GJ2009PLC056270		
DEFERRED TAX LIABILITIES AS ON 31-03-2021	31.03.2021 (Rs In Lakhs)	31.03.2020 (Rs In Lakhs)
WDV as per Books	4,011.681	4,023.843
WDV as per IT Act	4,464.273	4,431.881
	-452.592	-408.038
Deferred Tax Liability @ 27.82%	-125.911	-134.897
	-125.911	-134.897
<b>DEFERRED TAX ASSETS AS ON 31-03-2020</b>		
- On provision for Gratuity	6.219	5.239
- On provision for Bonus	-	-
	6.219	5.239
Provision for Employees Benefit	1.730	1.732
	1.730	1.732
<b>Net deferred tax liability</b>	<b>-127.641</b>	<b>-136.629</b>
Add: Deferred Tax Asset due to Ind-AS	-	-
	-	-
Net Deferred Tax Liability as on 31-03-2021	<b>-127.641</b>	<b>-136.629</b>
<b>Deferred Tax Liability/Asset as on Pervious Year</b>	-136.629	-110.079
Additional Provision for Deferred Tax Assets or Liability	8.988	-26.550
Additional Provision for Deferred Tax Asset due to Ind-AS	-	-
<b>Net deferred Tax Liability/(Assets) as on 31.03.2021</b>	<b>-127.641</b>	<b>-136.629</b>



## **Notes to the Financial Statements for the year ended March 31, 2021**

### **29. Basis of Preparation of Financial Statements**

#### **29.1 Corporate Information**

This financial Statement Comprise financial statement of Zeal Aqua Limited (“the Company”) for the year ended 31st March, 2021. The Company was incorporated on 06th March, 2009 under the provision of Companies Act, 1956. The Company is into business of Farming, Developing and Harvesting of Prawns. The Company is listed on BSE Ltd.

#### **29.2 Compliance with Ind AS**

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the ‘Ind AS’) as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 (‘Act’) read with of the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act.

#### **29.3 Basis of preparation and measurement**

The financial statements have been prepared on the historical cost basis, except for certain financial instruments which are measured at fair values at the end of each reporting period. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant’s ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy.



## **Notes to the Financial Statements for the year ended March 31, 2021**

### **29.4 Notes to the Financial Statements for the year ended March 31, 2021**

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is Unobservable

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

### **30. Significant Accounting Policies**

#### **➤ Property, Plant and Equipment (PPE)**

On adoption of Ind AS, the Company retained the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind ASs, measured as per the previous GAAP and used that as its deemed cost as permitted by Ind AS 101 'First-time Adoption of Indian Accounting Standards'.

PPE are initially recognised at cost. The initial cost of PPE comprises its purchase price, including non-refundable duties and taxes net of any trade discounts and rebates. The cost of PPE includes interest on borrowings (borrowing cost) directly attributable to acquisition, construction or production of qualifying assets subsequent to initial recognition, PPE are stated at cost less accumulated depreciation (other than freehold land, which are stated at cost) and impairment losses, if any.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets. However, when there is no reasonable certainty that ownership will be obtained by the end of the lease term, assets are depreciated over the shorter of the lease term and useful lives.

Depreciation is recognised so as to write off the cost of assets (other than freehold land and capital work in progress) less their residual values over the useful lives, using the written down value method ("WDV"). Management believes based on a technical evaluation (which is based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties



## **Notes to the Financial Statements for the year ended March 31, 2021**

and maintenance support, etc.) that the revised useful lives of the assets reflect the periods over which these assets are expected to be used, which are as follows:

<b>Asset</b>	<b>Useful live</b>
Buildings including factory buildings	3-30 years
General Plant and Machinery	5-15 years
Furniture and Fixtures	3-10 years
Office Equipment	3-5 years
Vehicles	4-10 years
Computer and Data Processing Units	3-6 years

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The residual values, useful life and depreciation method are reviewed at each financial year-end to ensure that the amount, method and period of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the items of property, plant and equipment.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on disposal or retirement of an item of property, plant and equipment is determined as the difference between sales proceeds and the carrying amount of the asset and is recognised in profit or loss. Fully depreciated assets still in use are retained in financial statements.

### ➤ **Intangible assets**

Intangible assets are measured on initial recognition at cost and subsequently are carried at cost less accumulated amortisation and accumulated impairment losses, if any.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses on derecognition are determined by comparing proceeds with carrying amount. These are included in profit or loss.

### ➤ **Capital work-in-progress**

Capital work-in-progress are carried at cost, comprising direct cost, related incidental expenses and attributable borrowing cost.

## **Notes to the Financial Statements for the year ended March 31, 2021**

### ➤ **Non-derivative financial instruments**

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

### **Cash and Cash equivalents**

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

### **Financial assets at amortised cost**

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

### **Financial assets at fair value through other comprehensive income (FVTOCI)**

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows that give rise on specified dates to solely payments of principal and interest on the principal amount outstanding and by selling financial assets.

The Company has made an irrevocable election to present subsequent changes in the fair value of equity investments not held for trading in Other Comprehensive Income.

### **Financial assets at fair value through profit or loss (FVTPL)**

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in profit or loss.





## **Notes to the Financial Statements for the year ended March 31, 2021**

### **Financial liabilities**

Financial liabilities are measured at amortised cost using the effective interest method.

### **Equity instruments**

An equity instrument is a contract that evidences residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments recognised by the Company are measured at the proceeds received net off direct issue cost.

### **Off-Setting of Financial Instruments**

Financial assets and financial liabilities are off set and the net amount is reported in financial statements if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

## **➤ Impairment**

### **Financial assets (other than at fair value)**

The Company assesses on a forward-looking basis the expected credit losses associated with its assets carried at amortised cost and FVTOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

### **PPE and intangibles assets**

Property, plant and equipment and intangible assets with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in the Statement of Profit and Loss.



## **Notes to the Financial Statements for the year ended March 31, 2021**

### ➤ **Inventories**

Inventories are valued at lower of cost (on First in First out Basis) and net realisable value after providing for obsolescence and other losses, where considered necessary. Cost includes all charges in bringing the goods to their present location and condition, including all taxes and other levies, transit insurance and receiving charges. Work-in-progress and finished goods include appropriate proportion of overheads and, where applicable, excise duty. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

### ➤ **Revenue recognition**

Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for estimated customer returns, rebates and other similar allowances.

#### **Sale of goods**

Revenue from the sale of goods is recognised when the goods are delivered and titles have passed, at which time all the following conditions are satisfied:

- the Company has transferred to the buyer the significant risks and rewards of ownership of the goods;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the Company; and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue is reported net of discounts including Goods and Service Tax.

#### **Rendering of services**

Revenue from services are recognised on a prorated basis over the period or as per the terms of the contract.

#### **Interest Income**

Interest income from financial assets is recognized when it is probable that economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial assets to that asset's net carrying amount on initial recognition.

## **Notes to the Financial Statements for the year ended March 31, 2021**

### **Dividend**

Dividend income from investments is recognised when the unconditional right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably).

### **Insurance claims**

Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that there is no uncertainty in receiving the claims.

### ➤ **Research and Development expenses**

Research expenditure is charged to the Statement of Profit and Loss. Development costs of products are also charged to the Statement of Profit and Loss unless a product's technical feasibility has been established, in which case such expenditure is capitalised. Tangible assets used in research and development are capitalised.

### ➤ **Leases**

Leases are classified as finance leases whenever the terms of lease transfer substantially all the risks and rewards of ownership to the lessee. Leases where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases.

#### **(i) Operating Lease:**

Operating lease payments are recognized as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term except where another systematic basis is more representative of the time pattern in which economic benefits from leased assets are consumed. The aggregate benefit of incentives (excluding inflationary increases where rentals are structured solely to increase in line with the expected general inflation to compensate for the lessor's inflationary cost increases, such increases are recognised in the year in which the benefits accrue) provided by the lessor is recognized as a reduction of rental expense over the lease term on a straight-line basis.



## **Notes to the Financial Statements for the year ended March 31, 2021**

### **(ii) Finance Lease:**

Assets held under finance leases are initially recognized as assets of the Company at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the Balance Sheet as a finance lease obligation.

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets or, where shorter, the term of the relevant lease. Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability.

Finance expenses are recognized immediately in profit or loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Company's general policy on borrowing costs. Contingent rentals are recognized as expenses in the periods in which they are incurred.

### ➤ **Employee benefit expenses**

Employee benefits consist of contribution to provident fund, superannuation fund, gratuity fund and compensated absences.

#### **Post-employment benefit plans**

##### *Defined Contribution plans*

Payments to defined contribution retirement benefit scheme for eligible employees in the form of superannuation fund are charged as an expense as they fall due. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made.

The Company also makes contribution towards provident fund, in substance a defined contribution retirement benefit plan for qualifying employees. The provident fund is deposited with the Provident Fund Commissioner which is recognized by the Income Tax authorities.

##### *Defined benefit plans*

The liability or asset recognised in the balance sheet in respect of its defined benefit plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the said obligation is determined by discounting the estimated future cash outflows, using market yields of government bonds that have tenure approximating the tenures of the related liability.

The interest income / (expense) are calculated by applying the discount rate to the net defined benefit liability or asset. The net interest income / (expense) on the net defined benefit liability or asset is recognised in the Statement of Profit and loss.

## **Notes to the Financial Statements for the year ended March 31, 2021**

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the Statement of Changes in Equity and in the Balance Sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

Gratuity - The Company has an obligation towards gratuity, a defined benefit plan covering eligible employees. The plan provides for lump sum payment to vested employees on retirement, death while in employment or on separation. Vesting occurs upon completion of five years of service. The liability, which is determined by means of an independent actuarial valuation, is partly funded with LIC by the Company.

### **Short term employee benefit and other long-term employee benefits**

Compensated absences which accrue to employees and which can be carried to future periods but are expected to be encashed or availed in twelve months immediately following the year end are reported as expenses during the year in which the employees perform the services that the benefit covers and the liabilities are reported at the undiscounted amount of the benefits after deducting amounts already paid. Where there are restrictions on availment of encashment of such accrued benefit or where the availment or encashment is otherwise not expected to wholly occur in the next twelve months, the liability on account of the benefit is actuarially determined using the projected unit credit method.

### ➤ **Foreign currency translation**

The functional and presentation currency of the Company is Indian rupee (INR).

On initial recognition, all foreign currency transactions are translated into the functional currency using the exchange rates prevailing on the date of the transaction. As at the reporting date, foreign currency monetary assets and liabilities are translated at the exchange rate prevailing on the Balance Sheet date and the exchange gains or losses are recognised in the Statement of Profit and Loss.

### ➤ **Borrowing cost**

Borrowing costs are interest and ancillary costs incurred in connection with the arrangement of borrowings. General and specific borrowing costs attributable to acquisition and construction of any qualifying asset (one that takes a substantial period of time to get ready for its designated use or sale) are capitalised until such time as the assets are substantially ready for their intended use or sale, and included as part of the cost of that asset. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. Capitalisation of borrowing costs is suspended in the period during which the active development is delayed beyond reasonable time due to other than temporary interruption. All the other borrowing costs are recognised in the Statement of Profit and Loss within Finance costs of the period in which they are incurred.





## **Notes to the Financial Statements for the year ended March 31, 2021**

### ➤ **Segment reporting**

Information regarding primary segment reporting as per Ind-AS 108.

The company is engaged in only one segment of Aqua culture. Accordingly, the segment revenue, segment results, segment assets and segment liabilities are reflected by the financial statement themselves as at and for the financial year ended 31<sup>st</sup> March, 2021.

### ➤ **Income tax**

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year.

Current and deferred taxes are recognised in Statement of Profit and Loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively.

There is disputed Income tax proceeding for the A.Y. 2012-13 of ₹s1,76,78,940/- for which company has opted for the scheme of "Vivad Se Vishwas". As per this scheme, there will be the total liabilities of ₹s 1,29,60,086/- as per Income Tax Officer. Against this demand Income Tax is paid in Protest till date against this order of ₹s 75,00,000/- and Total Refund Adjusted by Income Tax Department is ₹s 44,71,159/-. The Net Liabilities against this demand of ₹s9,88,927/- is paid on 21st January, 2021. The company has already paid the requisite liability and recorded in the financial statement accordingly. However, the order of settlement of the case is not received. The amount of ₹s1,29,60,086 is recorded in financial statement as expenses during the FY 2020-21.

### **Current tax**

Current tax is measured at the amount of tax expected to be payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961.

Current tax assets and current tax liabilities are off set when there is a legally enforceable right to set off the recognized amounts and there is an intention to settle the asset and the liability on a net basis.

### **Deferred tax**

Deferred income tax is recognised using the Balance Sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount, except when the deferred income tax arises from the initial recognition of an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.



## **Notes to the Financial Statements for the year ended March 31, 2021**

Deferred tax assets are recognised only to the extent that it is probable that either future taxable profits or reversal of deferred tax liabilities will be available, against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of a deferred tax asset shall be reviewed at the end of each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax assets and liabilities are off set when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

There was an error in calculation of deferred tax assets during the financial year 2019-20 which has been rectified as if no such error has been occurred. The effect in the financial statement due to such error is mentioned in para 38 of the notes to account.

### ➤ **Accounting of provisions, contingent liabilities and contingent assets**

Provisions are recognized, when there is a present legal or constructive obligation as a result of past events, where it is probable that there will be outflow of resources to settle the obligation and when a reliable estimate of the amount of the obligation can be made. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows. Where the effect is material, the provision is discounted to net present value using an appropriate current market-based pre-tax discount rate and the unwinding of the discount is included in finance costs.

Contingent liabilities are recognised only when there is a possible obligation arising from past events, due to occurrence or non-occurrence of one or more uncertain future events, not wholly within the control of the Company, or where any present obligation cannot be measured in terms of future outflow of resources, or where a reliable estimate of the obligation cannot be made. Obligations are assessed on an on-going basis and only those having a largely probable outflow of resources are provided for.

Contingent assets are not recognised in the financial statements unless an inflow of economic benefits is probable.

### ➤ **Earnings per share (EPS)**

Basic EPS is computed by dividing the profit or loss attributable to the equity shareholders of the Company by the weighted average number of Ordinary equity shares outstanding during the year.

Diluted EPS is computed by adjusting the profit or loss attributable to the ordinary equity shareholders and the weighted average number of ordinary equity shares, for the effects of all dilutive potential Ordinary shares.



## **Notes to the Financial Statements for the year ended March 31, 2021**

### ➤ **Significant accounting judgements, estimates and assumptions**

The preparation of the financial statements in conformity with Ind AS requires the management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

#### **Judgements**

In the process of applying the Company's accounting policies, management has made the following judgements, apart from those involving estimates, which have the most significant effect on the amounts recognised in the financial statements.

#### **Recognition of deferred tax assets**

The extent to which deferred tax assets can be recognized is based on an assessment of the probability that future taxable income will be available against which the deductible temporary differences and tax loss carry- forwards can be utilized. In addition, significant judgment is required in assessing the impact of any legal or economic limits or uncertainties in various tax jurisdictions.

#### **Estimates and assumptions**

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

#### **Impairment of non- financial assets**

In assessing impairment, management estimates the recoverable amount of each asset or cashgenerating units based on expected future cash flows and uses an interest rate to discount them. Estimation uncertainty relates to assumptions about future operating results and the determination of a suitable discount rate.





## **Notes to the Financial Statements for the year ended March 31, 2021**

### **Inventories**

Management estimates the net realizable values of inventories, taking into account the most reliable evidence available at each reporting date. The future realization of these inventories may be affected by future technology or other market-driven changes that may reduce future selling prices.

### **Defined Benefit Obligation (DBO)**

Management's estimate of the DBO is based on a number of critical underlying assumptions such as attrition rate, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

### **Useful lives of depreciable assets**

Management reviews its estimate of the useful lives of depreciable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technological obsolescence that may change the utility of certain assets.

### **Fair value measurement of financial instruments**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- (i) In the principal market for the asset or liability, or
- (ii) In the absence of a principal market, in the most advantageous market for the asset or liability

Management uses valuation techniques to determine the fair value of financial instruments (where active market quotes are not available) and non-financial assets. This involves developing estimates and assumptions consistent with how market participants would price the instrument. Management bases its assumptions on observable data as far as possible but this is not always available. In that case management uses the best information available. Estimated fair values may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

### **Current and non-current classification**

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and time between the acquisition of assets for processing and their realization in cash and cash equivalents, the company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.





**ZEAL AQUA LIMITED**  
CIN: - L05004GJ2009PLC056270

**Notes to the Financial Statements for the year ended March 31, 2021**

**31. Financial instruments – Fair values and risk management**

Particulars	31st March, 2021				Fair Value (Rs In Lakhs)			Total
	FVTPL	FVOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	
<b>Non Current Financial Assets</b>								
Investments	-	-	10.09	10.09	-	10.09	-	10.09
Others	-	-	109.88	109.88	-	-	109.88	109.88
<b>Current Financial Assets</b>								
Trade Receivables	-	-	9,084.57	9,084.57	-	-	9,084.57	9,084.57
Cash and Cash Equivalents	-	-	502.81	502.81	-	-	502.81	502.81
Loans and Advances	-	-	582.73	582.73	-	-	582.73	582.73
Others	-	-	67.36	67.36	-	-	67.36	67.36
	-	-	<b>10,357.44</b>	<b>10,357.44</b>	-	<b>10.09</b>	<b>10,347.35</b>	<b>10,357.44</b>
<b>Non Current Financial Liabilities</b>								
Borrowings	-	-	2,495.18	2,495.18	-	-	2,495.18	2,495.18
<b>Current Financial Liabilities</b>								
Trade Payables	-	-	8,067.80	8,067.80	-	-	8,067.80	8,067.80
Borrowings	-	-	8,682.82	8,682.82	-	-	8,682.82	8,682.82
	-	-	<b>19,245.80</b>	<b>19,245.80</b>	-	-	<b>19,245.80</b>	<b>19,245.80</b>

Particulars	31st March, 2020				Fair Value (Rs In Lakhs)			Total
	FVTPL	FVOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	
<b>Non Current Financial Assets</b>								
Investments	-	-	10.09	10.09	-	10.09	-	10.09
Others	-	-	109.36	109.36	-	-	109.36	109.36
<b>Current Financial Assets</b>								
Trade Receivables	-	-	6,269.92	6,269.92	-	-	6,269.92	6,269.92
Cash and Cash Equivalents	-	-	496.14	496.14	-	-	496.14	496.14
Loans and Advances	-	-	523.66	523.66	-	-	523.66	523.66
Others	-	-	65.93	65.93	-	-	65.93	65.93
	-	-	<b>7,475.10</b>	<b>7,475.10</b>	-	<b>10.09</b>	<b>7,465.01</b>	<b>7,475.10</b>
<b>Non Current Financial Liabilities</b>								
Borrowings	-	-	1,866.97	1,866.97	-	-	1,866.97	1,866.97
<b>Current Financial Liabilities</b>								
Trade Payables	-	-	6,269.92	6,269.92	-	-	6,269.92	6,269.92
Borrowings	-	-	6,957.59	6,957.59	-	-	6,957.59	6,957.59
	-	-	<b>15,094.48</b>	<b>15,094.48</b>	-	-	<b>15,094.48</b>	<b>15,094.48</b>

**Fair value hierarchy**

Ind AS 107, 'Financial Instrument - Disclosure' requires classification of the valuation method of financial instruments measured at fair value in the Balance Sheet, using a three level fair-value-hierarchy (which reflects the significance of inputs used in the measurements). The hierarchy gives the highest priority to un-adjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to un-observable inputs (Level 3 measurements). The three levels of the fair-value-hierarchy under Ind AS 107 are described below:

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices.

## Notes to the Financial Statements for the year ended March 31, 2021

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities included in level 3.

### Financial risk management

"The company" Board of Directors has overall responsibility for the establishment and oversight of the company's risk management framework. Key roles and responsibilities are defined in line with risk management plan and are reviewed at regular interval. This self-regulatory process and procedure ensures efficient conduct of business in micro and macro risk environment.

The Company has exposure to the following risks arising from financial instruments

- Credit risk
- Liquidity risk
- Market risk"

### Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's trade and other receivables and cash and cash equivalents. The maximum exposure to credit risk in case of all the financial instruments covered below is restricted to their respective carrying amount

### Trade receivables

"The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business.

The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix.

Future dues not impaired	Gross carrying amount (₹ In Lakhs)	
	31 <sup>st</sup> March 2021	31 <sup>st</sup> March 2020
Past due 1–180 days	8595.78	5,901.36
More than 180 days	488.79	368.56
<b>Total</b>	<b>9084.57</b>	<b>6269.92</b>

## Notes to the Financial Statements for the year ended March 31, 2021

### Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

### Maturities of financial liabilities

The table below analysis the Company's financial liabilities into relevant maturity groupings based on their contractual maturities:

(₹s In Lacs)

31 <sup>st</sup> March 2021	Carrying Amount	Upto 1 Year	More Than 1 Year
<b>Financial liabilities</b>			
Borrowings	11,178.00	8,682.82	2,495.18
Trade payables	8,713.70	8,713.70	-
Other financial liabilities	-	-	-
<b>Total</b>	<b>19,891.70</b>	<b>17,396.52</b>	<b>2,495.18</b>
31 <sup>st</sup> March 2020	Carrying amount	Upto 1 year	More than 1 year
<b>Financial liabilities</b>			
Borrowings	8,824.55	6,957.58	1,866.97
Trade payables	6,232.64	6,232.64	-
Other financial liabilities	-	-	-
<b>Total</b>	<b>15,057.19</b>	<b>13,190.22</b>	<b>1,866.97</b>



## Notes to the Financial Statements for the year ended March 31, 2021

### Interest rate risk

"Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates.

The Company does not account for any fixed-rate financial assets or financial liabilities at fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect profit or loss."

The interest rate profile of the Company's interest-bearing financial instruments as reported to the management of the Company is as follows.

(₹s In Lacs)

Particulars	31 <sup>st</sup> March 2021	31 <sup>st</sup> March 2020
Fixed-rate Borrowings	152.29	338.63
Floating-rate Borrowings	10,636.80	7,983.00
<b>Total</b>	<b>10,789.09</b>	<b>8,321.63</b>

### Capital Disclosure

"The primary objective of the Company's capital management is to safeguard the Company's ability to continue as a going concern, maintain a strong credit rating and a healthy capital ratio to support the business and to enhance shareholder value.

The Company's policy is to maintain a strong capital base to sustain future development of the business.

**Notes to the Financial Statements for the year ended March 31, 2021**

**32. Related Parties Disclosures**

**A NAMES OF RELATED PARTIES AND RELATED PARTY RELATIONSHIP**

**- Associate Companies/Concerns or over which Significant Influence is exercised**

- Jacob Foods Private Limited
- Rati Aqua Private Limited
- Susan Aqua Private Limited
- Navik Aqua Private Limited
- Mahesh Aqua Farm Pvt. Ltd.
- Agave Tradecom LLP
- Agni Aqua Farm
- Akash Aqua Farm
- Dhaval Aqua Farm
- Jal Aqua Farm
- Prithvi Aqua Farm
- Deep Aqua Farm
- Dinkar Aqua Farm
- Divya Aqua Farm
- Darshan Aqua Farm
- Preety Aqua farm
- Dilip Aqua Farm
- Kimi Aqua Farm
- Rohan Aqua Farm
- S R Aqua Farm
- Vayu Aqua farm
- Tapi Aqua Farm
- Manju Aqua Farm
- Dhaval Aqua Engineering
- PradipkumarNavik HUF
- Shantilal I Patel HUF
- Rohan P Navik HUF
- Dhaval S Patel HUF

**- Key Managerial Personnel**

- |                     |          |
|---------------------|----------|
| - Dhaval S Patel    | Director |
| - Pradeep R Navik   | Director |
| - Shantilal I Patel | Director |
| - Rohan P Navik     | Director |
| - ShailendraPatil   | CFO      |
| - KhushbooVaishnav  | CS       |

**ZEAL AQUA LIMITED**  
**CIN: - L05004GJ2009PLC056270**

**Notes to the Financial Statements for the year ended March 31, 2021**

**- Relatives of Key Managerial Personnel**

-	Susan P Navik	Relative of Director
-	Kimi S Patel	Relative of Director
-	PreetyMistry	Relative of Director
-	Rashmiben S Patel	Relative of Director
-	LilavatiRatilalNavik	Relative of Director
-	BhanumatiRatilalNavik	Relative of Director
-	Bharat RatilalNavik	Relative of Director

**B RELATED PARTY TRANSACTIONS AND BALANCES AS AT 31<sup>ST</sup> MARCH, 2021**

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

(Rs in Lakhs)

Sr	Particulars	Key Managerial Persons/ their relatives	Associate Companies/Concerns or over which Significant Influence is exercised
1	Contract Farming Charges paid	-	12.73
2	Rent paid	7.62	-
3	Purchase of Fixed Assets	-	8.60
4	Interest on Unsecured Loan paid	47.41	37.42
5	Unsecured Loan Taken	-	-
6	Repayment of Unsecured Loan	10.00	7.55
7	Loan & Advances Repaid	0.73	-
8	Purchase of Goods	-	908.75
9	Remuneration paid	96.00	-
10	Repair and Maintenance Expense paid	-	9.91
11	Salary paid	13.72	-
12	Sales of Goods	-	716.74
13	Transportation Charges Received	-	0.02
	<b>Total</b>	<b>175.48</b>	<b>1,701.72</b>
<b>Balances as at 31st March, 2021</b>			
1	Unsecured Loans	606.55	524.15
2	Trade Payables	(11.77)	110.56
3	Contract Farming Charges Payable	-	142.41
4	Repair and Maintenance Expense Payable	-	2.77
5	Director's Remuneration and Salary Payable	76.18	-
5	Rent Expenses Payable	9.88	-
6	Loan & Advances	0.67	-
7	Trade Receivable	-	451.24



**ZEAL AQUA LIMITED**  
CIN: - L05004GJ2009PLC056270

**Notes to the Financial Statements for the year ended March 31, 2021**

**33. Gratuity and Other post employment benefit plans:**

**A Contribution to Defined Contribution Plans, recognised as expense for the year is as under:**

(Rs in Lakhs)

Sr.	Particulars	2020-21	2019-20
1	Employer's contribution to Provident Fund	11.52	9.99

**B. DEFINED BENEFIT PLAN**

The Company operates a defined plans, viz. gratuity for its employees. Under the gratuity plan, every employee who has completed atleast five years of service gets a gratuity on departure @ 15 days of last drawn salary for each completed years of service. The scheme is not funded in form of qualifying insurance policy.

The following table summarize the components of net benefit expense recognized in the statement of profit and loss and the obligation thereof in balance sheet. Reconciliation of opening and closing balances of Gratuity Obligation is as hereunder:

(Rs in Lakhs)

-	Particulars	2020-21	2019-20
-	<b>Statement of profit and loss</b>		
	<b><u>Net employee benefit expenses recognised in employee cost in the Statement of Profit and Loss</u></b>		
	<i>Current service cost</i>	4.93	4.27
	<i>Interest cost on benefit obligation</i>	1.28	0.97
	<i>Net benefit Expenses</i>	6.21	5.24
	<b><u>Net employee benefit expenses recognised in employee cost in Other Comprehensive Income</u></b>		
	<i>Net Actuarial Losses recognised</i>	2.07	(7.58)
	<i>Net benefit Expenses</i>	2.07	(7.58)
-	<b>Balance Sheet</b>		
	<b><u>Present value of defined benefit obligation</u></b>		
	<i>Opening defined benefit obligation</i>	11.89	14.23
	<i>Current service cost</i>	4.93	4.27
	<i>Interest cost on benefit obligation</i>	1.28	0.97
	<i>Actuarial Losses/(Gains)</i>	2.07	(7.58)
	<i>Benefits paid during the year</i>	-	-
	<i>Closing defined benefit obligation</i>	20.17	11.89

**ZEAL AQUA LIMITED**  
**CIN: - L05004GJ2009PLC056270**

**Notes to the Financial Statements for the year ended March 31, 2021**

-	<b>Principal assumptions used</b>		
	<i>Discount Rate</i>	6.80%	6.80%
	<i>Increase in compensation cost/ Salary escalation rate</i>	6.50%	6.50%
	<i>Retirement Age</i>	60 Years	60 Years
-	<b>Bifurcation of present value of benefit obligation</b>		
	<i>Current liability (Amount due within one year)</i>	0.58	0.28
	<i>Non - Current liability (Amount due over one year)</i>	19.59	11.61

**34. CONTINGENT LIABILITIES**

**A. CLAIMS AGAINST THE COMPANIES NOT ACKNOWLEDGED AS DEBT**

- i. There is disputed Income tax demand for A.Y. 2012-13 of Rs.1,76,78,940/-for which company has opted for the scheme of "Vivad Se Vishwas". As per this scheme, there will be the total liabilities of ` 1,29,60,086/- as per Income Tax Officer. Against this demand Income Tax is paid in Protest till date against this order of ` 75,00,000/- and Total Refund Adjusted by Income Tax Department is ` 44,71,159/-. The Net Liabilities against this demand of ` 9,88,927/- is paid on 21<sup>st</sup> January, 2021. The company has already paid the requisite liability and recorded in the financial statement accordingly. However, the order of settlement of the case is not received.

**B. GUARANTEES**

- i. There are following performance bank guarantees in name of company, which may result in outflow of resources to settle the obligation; if conditions mentioned will not be satisfied till maturity of performance tenure, which however is secured against 100% Bank Fixed Deposit with Syndicate Bank.

Sr. No.	Date	Tenure	In Favour of	Payable to	Amount (Rs In Lakhs)
1	20-08-2021	1 Years	Comm. Of Customs, EPCG Group	Syndicate Bank	40.06
<b>Total</b>					<b>40.06</b>

**35.** There is no amount due and outstanding to "Investors Education and Protection Fund."

**36.** 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.

## **Notes to the Financial Statements for the year ended March 31, 2021**

### **37. MSME DISCLOSURE:**

As per management representation the company has not received any intimation from its suppliers being registered under Micro, Small and Medium Enterprises Development Act, 2006(the Act), However, the company generally makes payment to all its suppliers within the agreed credit period. Hence the necessary disclosure under required for MSME under Schedule III of the Companies Act,2013 are as under:

- i. As stated above, there is no principal amount and the interest due thereon remained unpaid to any MSME supplier at the yearend;
- ii. During the year neither the interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, nor any amount of the payment was made to the MSME supplier beyond the appointed day;
- iii. 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;
- iv. As specified in above clauses there is no amount of interest accrued at the end of the year;
- v. Further there is no amount of interest remain due and payable in the succeeding years for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.

### **38. Previous year figures**

Previous year's figures have been restated, rearranged and regrouped, wherever necessary, upon clubbing together of the previous year's position of PFL, to enable comparability of the current year's position of amalgamated accounts with that of the relative previous year's position.

There is an error of not recording the machinery purchased on 13.05.2017 for an amount of ` 9,16,400/-and shown as Advance for capital goods. Due to which financial statement has been restated as if no error has been occurred.

Further there was an error in calculation of Deferred Tax Assets in the FY 2019-20 which has been rectified as if no such error has occurred.



**ZEAL AQUA LIMITED**  
CIN: - L05004GJ2009PLC056270

**Notes to the Financial Statements for the year ended March 31, 2021**

The effect of reinstate in the financial statement are as mentioned below:

(Rs. In Lakhs other than EPS)

Particulars	Before Reinstate		After Reinstate	
	31.03.2019	31.03.2020	31.03.2019	31.03.2020
Total Profit Before Tax and Depreciation	1,783.166	1,322.375	1,783.166	1,322.377
Less: Depreciation	848.984	718.264	850.368	719.400
Total Profit Before Tax	934.182	604.111	932.798	602.977
Less: Tax Expenses:				
(a) Current Tax	231.000	100.000	231.00	100.00
(b) Deferred Tax	-47.147	-129.055	-47.147	26.550
Total Profit after Tax	750.329	633.166	748.945	529.527
Add: Other Comprehensive Income	-4.668	5.110	-4.668	5.110
Total Comprehensive income for the period	745.661	638.276	744.277	534.637
Earning per share	5.91	5.06	5.90	4.20

**39.** Details of Loans given, Investments made, Guarantees given and Securities provided during the year covered under Section 186(4) of the Companies Act, 2013:

- i. Loans given Rs. NIL (Previous Year Rs. NIL)
- ii. Investments made Rs. NIL (Previous Year Rs. NIL)
- iii. Guarantees given and Securities provided by the company in respect of loan Rs. NIL (Previous Year Rs. NIL)

**40. Impact of Covid**

The outbreak of corona virus (COVID-19) pandemic globally and in India is causing significant disturbance and slowdown of economic activity. The Company continues to closely monitor the developments and possible effects that may result from current pandemic, on its financial condition, liquidity and operations and is actively working to minimize the impact of this unprecedented situation.

## Notes to the Financial Statements for the year ended March 31, 2021

### 41. CSR Expenses

- i. CSR Expenses denotes expenses made towards Corporate Social Responsibility as per section 134 of the Companies Act, 2013 read with Schedule VII thereof.
- ii. Gross amount required to be spent is Rs.14,38,528. Gross amount actual spent towards CSR expenses is Rs.14,38,600.

### 42. Approval of Financial Statements

The financial statements were approved for issue by the Board of Directors on June30, 2021.

For ZEAL AQUA LIMITED

For Pary and Co  
Chartered Accountants  
[FRN :- 007288C]

Sd/-  
SHANTILAL PATEL  
MANAGING DIRECTOR  
DIN :- 01362109

Sd/-  
PRADIP NAVIK  
WHOLE TIME DIRECTOR  
DIN : - 01067716

Sd/-  
Akash Rajnikant Gaglani  
Partner  
[Membership No 114255]

Sd/-  
SHAILENDRASINGH PATIL  
C.F.O.


Place :- Surat,  
Date :- 30<sup>th</sup> June , 2021



**This page has been intentionally left blank.**







**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.**





## ... Zeal Aqua Limited ...

Plot No 4-5, GIDC, Olpad, Dist Surat,  
Guajrat - 394540. India.

Phone: +91 02621 220047  
E-mail: [info@zealaqua.com](mailto:info@zealaqua.com)  
Website: [www.zealaqua.com](http://www.zealaqua.com)

