

**ZEAL AQUA LIMITED**  
CIN No: L05004GJ2009PLC056270



Date: 05/09/2020

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, 2020  
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 2019-20 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

A handwritten signature in blue ink, appearing to read 'Rohan'.

**Rohan Pradipkumar Navik**  
**Whole time Director**  
**DIN: 02531248**



Place: Surat

Encl.: Annual Report



**ZEAL  
AQUA LIMITED**

**12<sup>th</sup>  
ANNUAL  
REPORT  
2019-2020**

**REGISTERED OFFICE**

**CIN:** L05004GJ2009PLC056270

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

**Tel:** +91-02621-220047

**Email:** zealaqua@gmail.com

**Website:** www.zealaqua.com

## 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

### **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. Khushboo Vaishnav

### **STATUTORY AUDITORS**

M/s. PARY & Co.  
Chartered Accountants (FRN : 007288C)  
9005, World Trade Centre, Near Empire State  
Building, Ring Road, Surat-395002  
Ph: +91- 0261-3927221  
Fax: +91-261-3927221  
E-mail- paryco@gmail.com

### **BANKER TO THE COMPANY**

**Allahabad Bank**

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

**Bank of India**

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

**Punjab National Bank**

First Floor, Meghani Tower,  
Station Road, Surat-395 002  
Ph. No.: +91-261-2411038  
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: 23/09/2020 to 29/09/2020  
(both days inclusive)

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

**Date:** 29<sup>th</sup> September, 2020, Tuesday  
**Time:** 11.30 A.M.  
**Venue:** Registered Office-At Olpad GIDC,  
PL No. 4,5, Ta: Olpad, Surat- 394540

**ISIN:** INE819S01017

**BSE SCRIP ID/CODE:** ZEAL/539963

## CONTENTS

	Pages
<b>Chairman's Speech</b>	<b>03</b>
<b>Notice to 12th Annual General Meeting</b>	<b>04</b>
<b>Directors' Report</b>	<b>12</b>
<b>Annexures to Directors' Report</b>	<b>22</b>
<b>Corporate Governance Report</b>	<b>32</b>
<b>Secretarial Audit Report</b>	<b>63</b>
<b>Management Discussion and Analysis</b>	<b>66</b>
<b>Corporate Social Responsibility</b>	<b>76</b>
<b>Auditors' Report</b>	<b>82</b>
<b>Financial Statements</b>	<b>94</b>

## CHAIRMAN'S MESSAGE

It is a privilege to write to you again as the Chairman of the Board of Zeal Aqua Limited. This financial year 2019-20 has shown a remarkable growth. The company has made a turnover of Rs. 24,961.02 Lakh in the financial year 2019-20 and has shown a rise by 4.83% as compared to the previous year turnover of Rs. 23,811.62 Lakh.

This year could have been more better and shown better results if this COVID 19 would not have busted. GOI announced entire Lockdown on 25<sup>th</sup> March, 2020 due to which the operations of the company were put to a stop.

In terms of global situation, Impacts on aquaculture businesses were immediate. Lockdowns subjected the value chain to severe domestic and international transport disruptions for production inputs, raw materials for processing, and finished products for domestic consumption and export. Strict enforcement of restrictions on the movement of materials and people, including workers, made farm inputs, such as feed and seed, unavailable. Small farmers suffered business losses because they could not sell their harvests, or were forced to sell at low prices. Many farmers cannot keep feeding their stock for too long without revenue as they must repay loans.

Currently, we are exporting to Europe, US, UAE, Saudi Arabia, Vietnam, Australia, Japan, Netherlands, South Africa, China and South Korea. We are also got the BRC certification and HACCP so that we can target different geographies and increase our footprints. To support this growth, we have alongside embarked on several marketing initiatives and planning to participate in all major exhibitions.

At Gujarat, we have a natural constrain of cultivating only one crop per year, so for better control and efficiency we are have started pilot project of nursery culture for shrimp farming and which the resulted significant growth. Due to implementation of nursery project, production cost has reduced and overall survival rates and production per unit area than in single-phase grow out systems has increased, thus improving the bottom line of the farmers. We are also in final stage of getting the allocation of 350 Ha of land from government which we will develop in phase manner, thus our raw material supply is secured.

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

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

Thank you all.

Sd/-

**Shantilal Ishwarlal Patel**

Chairman

DIN: 01362109



**12<sup>th</sup> NOTICE**

**NOTICE** is hereby given that the **12<sup>th</sup> Annual General Meeting** of the Members of **Zeal Aqua Limited** will be held on **Tuesday, the 29<sup>th</sup> September, 2020** at **11:30 a.m.** at the Registered Office of the Company at **Olpad GIDC PI No 4,5 TA Olpad Surat-394540** to transact the following businesses:-

**ORDINARY BUSINESS**

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

To receive, consider and adopt the Audited Financial Statements for the financial year ended on 31<sup>st</sup> March, 2020 including the Audited Balance Sheet as at 31<sup>st</sup> March, 2020 and the Statement of Profit and Loss for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.

**“RESOLVED THAT** the Audited Balance Sheet and Profit and loss account for the year ended 31<sup>st</sup> March, 2020 along with the Director’s Report, be and are hereby considered, Adopted and Approved”

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

To appoint a Director in place of Mr. Dhavalkumar Shantilal Patel (DIN: 02961674), 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. Dhavalkumar Shantilal Patel (DIN: 02961674)**, an Executive Director, be and is hereby re-appointed as a Director of the Company liable to retire by rotation.”

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

Sd/-

**Khushboo Vaishnav  
Company Secretary & Compliance Officer**

Date : 27<sup>th</sup> August, 2020  
Place : Surat

**CIN No: L05004GJ2009PLC056270**

**Regd. Office:** At Olpad GIDC PI 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)

## NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (“MEETING/AGM”) IS ENTITLED TO APPOINT A PROXY TO ATTEND AND TO VOTE ON A POLL INSTEAD OF HIMSELF / HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. A PERSON CAN ACT AS A PROXY ON BEHALF OF MEMBERS NOT EXCEEDING 50 AND HOLDING IN THE AGGREGATE NOT MORE THAN 10% OF THE TOTAL SHARE CAPITAL OF THE COMPANY. HOWEVER, A MEMBER HOLDING MORE THAN 10%, OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS PROXY FOR ANY OTHER PERSON OR MEMBER. THE INSTRUMENT APPOINTING PROXY IN ORDER TO BE VALID AND EFFECTIVE SHOULD BE LODGED / DEPOSITED WITH THE COMPANY AT ITS REGISTERED OFFICE OF THE COMPANY NOT LESS 48 HOURS BEFORE THE SCHEDULED TIME OF THE COMMENCEMENT OF 12<sup>TH</sup> ANNUAL GENERAL MEETING. BLANK PROXY FORM IS ANNEXED HERETO.
2. In terms of the provisions of Section 107 of the Companies Act, 2013, the business set out in the Notice will be transacted through electronic voting system and the Company is providing facility for voting by electronic means also. Instructions and other information relating to e- voting are given in the notice under Note No. 21. The Company will also send communication relating to remote e-voting which inter alia would contain details about User ID and password along with a copy of this Notice to the members, separately.
3. Corporate members intending to send their authorized representatives to attend the meeting are requested to send certified copy of board resolution or other governing body authorizing their representatives to attend and vote on their behalf at the meeting.
4. Karta in case of HUF, partners/proprietors in case of firm attending and voting should affix the respective stamp of HUF or firm on the attendance sheet, Ballot paper or Proxy form
5. Relevant documents referred to in the above Notice are open for inspection at the Registered Office of the Company during the business hours on any working day (except Sunday and holidays) between 10.00 a.m. and 4.00 p.m. up to the date of the Annual General Meeting.
6. Members/proxies/authorized representatives should bring their copy of the Annual Reports and Accounts along with Attendance Slip (duly completed) when attending the Meeting.
7. Members who hold shares in dematerialized form are requested to write their DP – ID and Client – ID Numbers and those who hold shares in Physical form are requested to write their Folio Number in the Attendance Slip for attending the Meeting.
8. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of Names will be entitled to vote.
9. Considering the difficulties caused due to the Covid-19 pandemic, MCA and SEBI have dispensed with the requirement of printing and sending physical copies of the Annual Report and the Notice of this Meeting and the Annual Reports will be sent via email to all those members who have registered their email ids with the Company or the Registrar and Transfer Agent or the Depositories or the Depository Participants. Those Members who have not yet registered their email address are requested to get their email addresses registered with the Company’s Registrar and Share Transfer Agent, BIGSHARE SERVICES PRIVATE LIMITED, by clicking the link: <https://www.bigshareonline.com/InvestorRegistration.aspx>
10. Equity Shares of the Company are under compulsory demat trading by all Investor.
11. 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..

12. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013 and the Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013, will be available for inspection by the members at the Annual General Meeting.
13. **The Register of Beneficial Owners, Register of Members and Share Transfer Book of the Company shall remain closed from Wednesday, the 23<sup>rd</sup> September, 2020 till Tuesday, the 29<sup>th</sup> September, 2020 (both days inclusive) for the purpose of 12<sup>th</sup> Annual General Meeting.**
14. The Ministry of Corporate Affairs (vide circular nos. 17/2011 and 18/2011 dated 21<sup>st</sup> April, 2011 and 29<sup>th</sup> April, 2011 respectively) has undertaken a “Green Initiative in Corporate Governance” and allowed companies to share documents with its shareholders through an electronic mode. A recent amendment to the Listing Agreement with Stock Exchanges permits companies to send soft copies of the Annual Report to all those shareholders who have registered their email address for the said purpose. Members are requested to support this Green Initiative by registering / updating their email address for receiving electronic communication.
15. Members are requested to contact our Registrar and Transfer Agent for any query related to shares and other inquiry at following address:  
**M/s. Bigshare Services Private Limited**  
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  
E-mail: [info@bigshareonline.com](mailto:info@bigshareonline.com),  
Website: [www.bigshare.com](http://www.bigshare.com)
  - Please Quote Folio No. / DP ID & CL ID for any communication for your shareholding.
16. In accordance with Section 101 of the Companies Act, 2013 read with Rule 18 of the Companies (Management and Administration) Rules, 2014, the Annual Report of the Company for the Financial Year 2019-20, including the Notice convening the 12<sup>th</sup> Annual General Meeting and instructions for e-voting along with the attendance slip and proxy form, are being emailed to the members whose email addresses are available with the depositories for communication purposes or are obtained directly from the members, as per Section 136 of the Companies Act, 2013, and Rule 11 of the Companies (Accounts) Rules, 2014. Members who have not registered their email addresses so far are requested to register them for receiving all communication including Annual Report and other notices from the Company electronically.
17. The Annual Report of the Company will be available on the Company's website [www.zealaqua.com](http://www.zealaqua.com), and on the website of respective Stock Exchange where the equity shares of the Company are listed, i.e. [www.bseindia.com](http://www.bseindia.com). As per Section 136(1), the physical copies of the aforesaid documents will also be available at the Company's registered office for inspection during normal business hours on working days. Members who require communication in physical form in addition to e-communication, or have any other queries, may write to us at [cs@zealaqua.com](mailto:cs@zealaqua.com)
18. Any member desiring any clarification/explanation in respect of the information given in this annual report is requested to submit query to the company at least 10 days in advance before the meeting so as to enable the management to keep information ready.
19. The route map of the venue of the Annual General Meeting is appended to this Report. The prominent land mark near the venue is Hindustan Chemical Co.
20. The Shareholder needs to furnish the printed Attendance slip along with a valid identity proof such as the PAN card, passport, AADHAR card or driving license to enter the AGM hall.
21. **Voting through electronic means (E-Voting)**

## Section – A

- i. The Company is pleased to offer e-voting facility to all its members to enable them to cast their vote electronically in terms of section 108 of the Companies Act, 2013 read with Companies (Management and Administration) Rules, 2014 and Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. Accordingly the members may exercise their rights to vote on resolutions proposed to be passed at the 12<sup>th</sup> Annual General Meeting (AGM) by electronic means. The members may cast their votes using electronic system from a place other than the venue of the meeting (“remote e-voting”) through the remote electronic voting service facility arranged by Central Depository Services (India) Limited.
- ii. The facility for voting through ballot papers will also be made available at the AGM and the members attending the AGM who have not already cast their votes by remote e-voting shall be able to exercise their right at the AGM through ballot process.
- iii. The Members who have cast their votes by remote e-voting prior to the AGM may attend the AGM but shall not be entitled to cast their votes again.
- iv. If Members are opting for remote e-voting, they shall not vote by Ballot paper and vice versa. However, in case Members cast their vote both by ballot paper and by remote e-voting, then voting done through remote e-voting shall prevail and voting done by ballot paper will be treated as invalid.
- v. The Members whose names are recorded in the Register of Members or in the Register of Beneficial owners maintained by the Depositories as on the Cut-off date i.e. **22<sup>nd</sup> September, 2020** only shall be entitled to avail the facility of remote e-voting as well as voting through the ballot process at the AGM. Any recipient of the Notice, who has no voting rights as on the Cut-off date, shall treat this Notice as intimation only.
- vi. A person who has acquired the shares and has become a member of the Company after the dispatch of the Notice of the AGM and prior to the Cut-off date i.e. **22<sup>nd</sup> September, 2020**, shall be entitled to exercise his/her vote either electronically i.e. remote e-voting or through the ballot process at the AGM by following the procedure mentioned in this part.
- vii. The Remote e-voting period will commence on **Saturday, 26<sup>th</sup> September, 2020 at 9.30 a.m. and will end on Monday, 28<sup>th</sup> September, 2020 at 5.00 p.m.** During this period, the members of the Company holding shares either in physical form or in demat form as on the Cut-off date i.e. **22<sup>nd</sup> September, 2020**, may cast their vote electronically. The members will not be able to cast their vote electronically beyond the date and time mentioned above and the remote e-voting module shall be automatically disabled for voting thereafter.
- viii. Once the vote on a resolution is cast by the member, he/she shall not be allowed to change it subsequently or cast the vote again.
- ix. The facility for voting through ballot process would be made available at the AGM and the members attending the meeting who have not already cast their votes by remote e-voting shall be able to exercise their right at the meeting through ballot process. The members who have already cast their vote by remote e-voting prior to the meeting may also attend the Meeting, but shall not be entitled to cast their vote again.
- x. The e-voting Event Number, User ID and password along with the detailed instructions for e-voting are provided in the notice of e- voting, being sent along with the notice of AGM.
- xi. The voting rights of the members shall be in proportion to their share in the paid up equity share capital of the Company as on the Cut-off date i.e. **22<sup>nd</sup> September, 2020**.
- xii. The Company has appointed CS Ranjit Binod Kejriwal, Practicing Company Secretary (Membership No.: 6116; COP No: 5985), to act as the Scrutinizer for conducting the remote e-voting process as well as the voting through ballot process at the AGM, in a fair and transparent manner.
- xiii. Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the Annual General Meeting, i.e. September 29, 2020

## Section – B

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

**Date and time of commencement of voting through electronic means: 26<sup>th</sup> September, 2020 at 9.30 hours.**  
**Date and time of end of voting through electronic means beyond which voting will not be allowed: 28<sup>th</sup> September, 2020 at 17.00 hours**

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

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

### **Registrar and Share Transfer Agent**

Bigshare Services Pvt. Ltd.

Contact No.: 022 - 62638200

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

### **Central Depository Services India Limited**

Toll Free: 1800225533

Tel: 022-23023333

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

### **Mr. Shailendrasingh Chatarsingh Patil**

Chief Financial Officer (CFO)

Contact No.: +91 02621-220047

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

The e-voting module shall be disabled for voting on 28<sup>th</sup> September, 2020 at 17.00 hours. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently. The voting right of shareholders shall be in proportion to their share in the paid up equity share capital of the company as on 22<sup>nd</sup> September, 2020 (cut-off date).

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

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

- i. Log on to the e-voting website: [www.evotingindia.com](http://www.evotingindia.com)
- ii. Click on "Shareholders/Members" tab
- iii. Now Enter your User ID (For CDSL: 16 digits beneficiary ID; For NSDL: 8 Characters DP ID followed by 8 Digits Client ID, Members holding shares in Physical Form should enter Folio Number registered with the Company and then enter the Image Verification Code as displayed and Click on Login). **OR** Alternatively, if you are registered for CDSL's **EASI/EASIEST** e-services, you can log-in at <https://www.cdslindia.com> from [Login - MyEasi](#) using your login credentials. Once you successfully log-in to CDSL's **EASI/EASIEST** e-services, click on **e-Voting** option and proceed directly to cast your vote electronically.
- iv. If you are holding shares in Demat form and had logged on to e-voting platform and casted your vote earlier for any company, then your existing password is to be used.

- v. If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
<b>PAN</b>	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)
	Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA
<b>Dividend Bank Details OR Date of Birth (DOB)</b>	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login  If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iii).

- vi. After entering these details appropriately, click on "SUBMIT" tab.
- vii. Members holding shares in physical form will then reach directly the "Zeal Aqua Limited" screens. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- viii. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- ix. Click on the relevant EVSN- 200903096 Zeal Aqua Limited on which you choose to vote.
- x. In the voting page, you will see Resolution Description and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolutions and option NO implies that you dissent to the Resolution.
- xi. Click on the "Resolutions File Link" if you wish to view the entire Resolution.
- xii. After selecting the resolution you have decided to vote on, click on 'SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK" else to change your vote, click on "CANCEL" and accordingly modify your vote.
- xiii. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- xiv. You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- xv. If Demat account holder has forgotten the changed password then Enter the User ID and Image verification Code and click on Forgot Password & enter the details as prompted by the system.
- xvi. Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.

xvii. Note for Non – Individual Shareholders and Custodians

- Institutional shareholders (i.e. other than individuals, HUF, NRI, etc) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporate.
- They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)
- After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
- The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
- They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

xviii. If you have any queries or issues regarding attending AGM & e-Voting from the e-Voting System, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact Mr. Nitin Kunder (022-23058738) or Mr. Mehboob Lakhani (022-23058543) or Mr. Rakesh Dalvi (022-23058542).

xix. All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, (CDSL, ) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call on 022-23058542/43.

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

Sd/-

**Khushboo Vaishnav**

Company Secretary & Compliance Officer

Date : 27<sup>th</sup> August, 2020

Place : Surat

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



## 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)

Particulars	Dhavalkumar Shantilal Patel
DIN No.	02961674
Date of birth	27/06/1991
Qualification	B.Com
Expertise in specific functional areas	More than 5 years experience in Aquaculture business and in business of Fabrication.
Terms and Conditions of Appointment/Reappointment	As per the resolution at Item No. 2 of the Notice convening this meeting, Dhavalkumar Shantilal Patel is liable to retire by rotation at the meeting
Remuneration last drawn	Rs. 2,00,000 P.M.
Remuneration proposed	Rs. 2,00,000 P.M.
Date of First Appointment	22 <sup>nd</sup> September, 2017
Relationship with Directors/Key managerial Personnel	Mr. Dhavalkumar Shantilal Patel is son of Mr. Shantilal Ishwarlal Patel
List of Companies/LLP in which directorship is held as on 31st March, 2020	As per detailed below
Chairman / Member of the Committee of other Company	None
No. of Meetings of the Board Attended during the year	16

**1. List of Companies/LLP in which Mr. Dhavalkumar Shantilal Patel holds directorship as on 31<sup>st</sup> March, 2020:**

S.No.	Name of the Company	Nature of Interest	Shareholding	Date on which interest arose/changed
1.	Zeal Aqua Limited	Whole Time Director	48000	22/09/2017
2.	Mahesh Aqua Farm Private Limited	Director	NIL	05/04/2013
3.	Susan Aqua Private Limited	Director	5000	14/05/2010
4.	Agave Tradecom LLP	Nominee-Body Corp Partner	99.80%	17/05/2016
5.	Bright Commotrade LLP	Designated Partner	9.26%	17/07/2017

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

Sd/-

**Khushboo Vaishnav**

Company Secretary & Compliance Officer

Date : 27<sup>th</sup> August, 2020

Place : Surat



## DIRECTORS' REPORT

To,  
The Members of  
Zeal Aqua Limited

Your Directors take pleasure in submitting the 12th Annual Report of the Business and operations of your Company and the Audited Financial Statements for the financial year ended 31st March, 2020.

### 1. FINANCIAL HIGHLIGHTS/STATE OF AFFAIRS

The Company's financial performance for the year ended on 31<sup>st</sup> March, 2020 is summarized below:

Financial Results and Appropriations	Year Ended	
	31.03.2020	31.03.2019
<b>Gross Income from Operations</b>	23,851.88	23181.30
<b>Other Income</b>	1,109.14	630.32
Total Revenue	<b>24,961.02</b>	<b>23811.62</b>
Profit Before Tax and Exceptional items	<b>604.11</b>	<b>934.18</b>
Less:		
<b>Exceptional items</b>	-	
Profit Before Tax (PBT)	<b>604.11</b>	<b>934.18</b>
Less: Taxation	(29.06)	183.86
Net Profit after Tax (PAT)	633.17	<b>750.32</b>

The company got migrated from BSE SME Platform to the main Board of BSE w.e.f. 07, October, 2019, thereafter it has started disclosing its 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 24,961.02 Lacs in financial year 2019-20 as compared to total revenue of 23,811.62 Lacs in financial year 2018-19 and Profit before Tax for the year 2019-20 stood at 604.11 Lacs as compared to Profit before tax of 934.18 Lacs in financial year 2018-19. Profit after Tax for the current year stood at 633.17 Lacs as compared to Profit after Tax of 750.32 Lacs in financial year 2018-19. 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

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

- Increasing the revenue share of value added products
- Smoothing and increasing the Utilization of the Processing Plant
- Operationalize the first phase of Shrimp Nursery technique

At Zeal Aqua, we are very excited to enter into the new phase of growth and will continue to invest in our capabilities to increase market share and create value for the shareholders.

#### 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 recently commercial project. Your Directors do not recommend any dividend for the year ended 31<sup>st</sup> March, 2020.

#### 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. EXTRACT OF ANNUAL RETURN

Pursuant to sub-section 3(a) of Section 134 and sub-section (3) of Section 92 of the Companies Act, 2013 read with Rule 12 of Companies (Management and Administration) Rules, 2014 the Extract of the Annual Return as at 31<sup>st</sup> March, 2020 in Form MGT-9 is annexed to this Report as **Annexure I**. This Report is also available on the Company's website at [www.zealaqua.com](http://www.zealaqua.com).

#### 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 – II**. The requisite certificate from the Auditors of the Company confirming compliance with the conditions of Corporate Governance is attached in the report on Corporate Governance.

#### 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. Dhavalkumar Shantilal Patel (DIN:02961674), 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	-
Dhavalkumar Shantilal Patel	Executive/ Whole-time Director	22.09.2017	-	-
Naginbhai Paragbhai Patel*	Non Executive/ Independent Director	25.03.2015	-	-
Cyrus Dinsha Bhatena	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	-	-
JavanikaGandharva	Company Secretary	04.04.2016	-	31.05.2019
Khushboo Vaishnav	Company Secretary	02.09.2019	-	-

\*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 II** 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 II** 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 14th February, 2020 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 III**.

#### **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 IV** 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.zealagua.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 V**.

#### **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 2019-20 is annexed to this Report as **Annexure VI**.

## 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 VII**.

## 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, 2020 is attached herewith as **annexure VIII**.

## 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, 2020 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) (in Rs.)
1	Dhaval Patel	18.80
2	Pradipkumar Navik	212.41
3	Rohan Navik	9.04
4	Shantilal Patel	68.22

## 25. LISTING AT STOCK EXCHANGE

The company got migrated from BSE SME Platform to the main Board of BSE w.e.f. 07, October, 2019. 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, 2020 in the Board meeting duly held on 30<sup>th</sup> June, 2020, 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, 2020 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 II**.

### **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 II** in the Corporate Governance Report.

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

### **COVID-19:**

In the last month of FY 2020, the COVID-19 pandemic developed rapidly into a global crisis, forcing governments across the globe to enforce lock-downs of all economic activity. For the Company, the focus immediately shifted to ensuring the health and well-being of all employees, and on minimizing disruption to services for all our customers globally. In order to ensure smooth functioning, work from home facility was extended to most of the employees of the company. Although there were uncertainties due to the pandemic in the last quarter of FY2020, inherent resilience of the business model will position the Company well to navigate the challenges ahead. Also as the company is in essential services, i.e. supply of food, operations were going on to some extent in the company amidst lockdown period also. But then also the Covid-19 will impact the finances of the company and its impact can be ascertained only after life coming to stable position.

## **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.

## **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 IX**.

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 X**.

#### **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 02nd 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 – XI**

Code of Conduct form Board of Directors and Senior Management Personnel revised on February 14, 2020 and is available on ink: <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 Prohibition of Insider Trading Policy 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 except Mr. Naginbhai Paragbhai Patel was reappointed for further period of five years from 25th March, 2020. 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: 27<sup>th</sup> August, 2020  
Place: Surat

**Sd/-**

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

**Sd/-**

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

## “Annexure – I”

Form No. MGT-9

### EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31<sup>st</sup> March 2020

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

#### I. REGISTRATION AND OTHER DETAILS:-

i) CIN	: L05004GJ2009PLC056270
ii) Registration Date	: 06/03/2009
iii) Name of the Company	: Zeal Aqua Limited
iv) Category / Sub-Category of the Company	: Public Company/Company having share capital
v) Address of the registered office and contact details	: At Olpad GIDC PI No. 4,5, Ta Olpad Surat - 394540 Gujarat
vi) Whether listed company	: YES
vii) Name, Address and Contact details of Registrar and Transfer Agent, if any	: M/s. 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: <a href="mailto:info@bigshareonline.com">info@bigshareonline.com</a> Website: <a href="http://www.bigshareonline.com">www.bigshareonline.com</a>

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

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

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

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

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

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

##### i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning				No. of Shares held at the end				% Change during the year
	Demat	Physical	Total	% of total Shares	Demat	Physical	Total	% of total Shares	
<b>A. Promoters</b>									
<b>1. Indian:</b>									
a. Individual/HUF	5516640	0	5516640	43.76	5516640	0	5516640	43.76	0
b. Central Govt.	0	0	0	0	0	0	0	0	0
c. State Govt.	0	0	0	0	0	0	0	0	0
d. Body Corporate	3108480	0	3108480	24.66	3108480	0	3108480	24.66	0
e. Banks/ FI	0	0	0	0	0	0	0	0	0
f. Any other	0	0	0	0	0	0	0	0	0

(Specify)									
i) Directors Relatives	0	0	0	0	0	0	0	0	0
ii) Group Companies	0	0	0	0	0	0	0	0	0
iii) Trusts	0	0	0	0	0	0	0	0	0
<b>Total of (1)</b>	<b>8625120</b>	<b>0</b>	<b>8625120</b>	<b>68.42</b>	<b>8625120</b>	<b>0</b>	<b>8625120</b>	<b>68.42</b>	<b>0</b>
<b>2. Foreign</b>									
a. NRI Individual	0	0	0	0	0	0	0	0	0
b. Other Individual	0	0	0	0	0	0	0	0	0
c. Body Corporate	0	0	0	0	0	0	0	0	0
d. Banks/ FI	0	0	0	0	0	0	0	0	0
e. Any other	0	0	0	0	0	0	0	0	0
<b>Total of (2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total A (1+2)</b>	<b>8625120</b>	<b>0</b>	<b>8625120</b>	<b>68.42</b>	<b>8625120</b>	<b>0</b>	<b>8625120</b>	<b>68.42</b>	<b>0</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a. Mutual Funds	0	0	0	0	0	0	0	0	0
b. Banks/ FI	0	0	0	0	0	0	0	0	0
c. Central Govt.	0	0	0	0	0	0	0	0	0
d. State Govt.	0	0	0	0	0	0	0	0	0
e. Venture Capital Funds	0	0	0	0	0	0	0	0	0
f. Insurance Companies	0	0	0	0	0	0	0	0	0
g. FIs	0	0	0	0	0	0	0	0	0
h. Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i. Others (Market Maker)	0	0	0	0	0	0	0	0	0
<b>Total of (1)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>2. Non-Institutions</b>									
<b>a. Body Corporate</b>									
i. Indian	836784	0	836784	6.64	807714	0	807714	6.41	(0.23)
ii. Overseas	0	0	0	0	0	0	0	0	0
<b>b. Individual</b>									
i. Individual shareholders holding nominal share capital upto Rs. 1 lakh	246696	0	246696	1.96	294621	0	294621	2.34	0.38
ii. Individual shareholders holding nominal share capital in excess of Rs 1 lakh	2739750	0	2739750	21.73	2736549	0	2736549	21.71	(0.03)
<b>c. Others</b>									
Clearing Member	3750	0	3750	0.03	981	0	981	0.01	(0.02)
HUF	154500	0	154500	1.23	140000	0	140000	1.11	(0.12)
NRI (Repat)	0	0	0	0	1515	0	1515	0.01	0.01
NRI (Non Repat)	0	0	0	0	100	0	100	0	0
<b>Total of (2)</b>	<b>3981480</b>	<b>0</b>	<b>3981480</b>	<b>31.58</b>	<b>3981480</b>	<b>0</b>	<b>3981480</b>	<b>31.58</b>	<b>0</b>
<b>Total B (1+2)</b>	<b>3981480</b>	<b>0</b>	<b>3981480</b>	<b>31.58</b>	<b>3981480</b>	<b>0</b>	<b>3981480</b>	<b>31.58</b>	<b>0</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total A+B+C</b>	<b>1260660</b>	<b>0</b>	<b>1260660</b>	<b>100</b>	<b>12606600</b>	<b>0</b>	<b>1260660</b>	<b>100</b>	<b>0</b>

ii) Shareholding of Promoters

Sr. No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares	%of Shares Pledged / encumbered to total shares	
1.	Pradipkumar Ratilal Navik	1246560	9.89	0	1246560	9.89	0	0
2.	Shantilal Ishwarlal Patel	1343520	10.66	0	1343520	10.66	0	0
3.	Rashmi Shantilal Patel	1247040	9.89	0	1247040	9.89	0	0
4.	Susanben Pradeep Navik	1247040	9.89	0	1247040	9.89	0	0
5.	Rohan Pradipkumar Navik	144480	1.15	0	144480	1.15	0	0
6.	DhavalKumar Shantilal Patel	48000	0.38	0	48000	0.38	0	0
7.	Navik Aqua Private Limited	240000	1.90	0	240000	1.90	0	0
8.	Rati Aqua Private Limited	386880	3.07	0	386880	3.07	0	0
9.	Gold Pink Aquaculture Private Limited	240000	1.90	0	240000	1.90	0	0
10.	Susan Aqua Private Limited	240000	1.90	0	240000	1.90	0	0
11.	Agave Tradecom LLP	2001600	15.88	0	2001600	15.88	0	0
12.	Kimi Rohan Navik	96000	0.76	0	96000	0.76	0	0
13.	Mary Ralph Moses	144000	1.14	0	144000	1.14	0	0
	<b>Total</b>	<b>8625120</b>	<b>68.42%</b>		<b>8625120</b>	<b>68.42%</b>	<b>0</b>	<b>0</b>

iii) Change in Promoters' Shareholding ( There is no change in Promoters Holding)

Sr. No.	Particulars	Shareholding at the beginning of the year		Date	(+)/Increase/(-) Decrease In Share Holding	Reason	Cumulative Shareholding during the year	
		No. of Shares	% of total Shares				No. of Shares	% of total Shares
1.	Pradipkumar Ratilal Navik	1246560	9.89	01.04.2019				
				31.03.2020			1246560	9.89
2.	Shantilal Ishwarlal Patel	1343520	10.66	01.04.2019				
				31.03.2020			1343520	10.66
3.	Rashmi Shantilal Patel	1247040	9.89	01.04.2019				
				31.03.2020			1247040	9.89
4.	Susanben Pradeep Navik	1247040	9.89	01.04.2019				
				31.03.2020			1247040	9.89
5.	Rohan Pradipkumar Navik	144480	1.15	01.04.2019				
				31.03.2020			144480	1.15
6.	DhavalKumar Shantilal Patel	48000	0.38	01.04.2019				
				31.03.2020			48000	0.38
7.	Navik Aqua Private Limited	240000	1.90	01.04.2019				
				31.03.2020			240000	1.90
8.	Rati Aqua Private Limited	386880	3.07	01.04.2019				
				31.03.2020			386880	3.07

9	Gold Pink Aquaculture Private Limited	240000	1.90	01.04.2019				
				31.03.2020			240000	1.90
10	Susan Aqua Private Limited	240000	1.90	01.04.2019				
				31.03.2020			240000	1.90
11	Agave Tradecom LLP	2001600	15.88	01.04.2019				
				31.03.2020			2001600	15.88
12	Kimi Rohan Navik	96000	0.76	01.04.2019				
				31.03.2020			96000	0.76
13	Mary Ralph Moses	144000	1.14	01.04.2019				
				31.03.2020			144000	1.14

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

Sr. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year			Cumulative Shareholding during the year			
		No. of Shares			% of total Shares	No. of Shares		% of total Shares
1.	<b>Milind Haribhau Pote</b>							
	<b>At the Beginning of the year</b>	<b>531000</b>			<b>4.21 %</b>	<b>531000</b>		<b>4.21%</b>
	Date wise Increase/ Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	Date	Shares	Reason		Shares	Cumulative	
		-	-	-		-	-	
	<b>At the end of the year</b>	<b>531000</b>			<b>4.21%</b>	<b>531000</b>		<b>4.21%</b>
2.	<b>Interactive Financial Services Limited</b>							
	<b>At the Beginning of the year</b>	<b>246000</b>			<b>1.95%</b>	<b>246000</b>		<b>1.95%</b>
	Date wise Increase/ Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	Date	Shares	Reason		Shares	Cumulative	
		09.08.2019	15000	Buy		15000	261000	
	<b>At the end of the year</b>	<b>261000</b>			<b>2.07%</b>	<b>261000</b>		<b>2.07%</b>
3.	<b>Suncare Traders Limited</b>							
	<b>At the Beginning of the year</b>	<b>207750</b>			<b>1.65%</b>	<b>207750</b>		<b>1.65%</b>
	Date wise Increase/ Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	Date	Shares	Reason		Shares	Cumulative	
		19.07.2019	(38250)	Sell		(38250)	169500	
		26.07.2019	(2250)	Sell		(2250)	167250	
		09.08.2019	(15000)	Sell		(15000)	152250	
		15.11.2019	20000	Buy		20000	172250	
	<b>At the end of the year</b>	<b>172250</b>			<b>1.37%</b>	<b>172250</b>		<b>1.37%</b>
4.	<b>NNM Securities</b>							
	<b>At the Beginning of the year</b>	<b>117750</b>			<b>0.93%</b>	<b>117750</b>		<b>0.93%</b>
	Date wise Increase/ Decrease in Promoters Share holding	Date	Shares	Reason		Shares	Cumulative	
		24/05/2019	750	Buy		750	118500	

during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	07/06/2019	750	Buy		750	119250	
	21/06/2019	1500	Buy		1500	120750	
	12/07/2019	750	Buy		750	121500	
	19/07/2019	38250	Buy		38250	159750	
	26/07/2019	(37500)	Sell		(37500)	122250	
	02/08/2019	750	Buy		750	123000	
	23/08/2019	750	Buy		750	123750	
	20/09/2019	(750)	Sell		(750)	123000	
	18/10/2019	500	Buy		500	123500	
	27/12/2019	(3501)	Sell		(3501)	119999	
	31/12/2019	300	Buy		300	120299	
	03/01/2020	(225)	Sell		(225)	120074	
	10/01/2020	(144)	Sell		(144)	119930	
	17/01/2020	750	Buy		750	120680	
	24/01/2020	(1087)	Sell		(1087)	119593	
	31/01/2020	214	Buy		214	119807	
	07/02/2020	(5678)	Sell		(5678)	114129	
14/02/2020	(47336)	Sell		(47336)	66793		
21/02/2020	(19255)	Sell		(19255)	47538		
<b>At the end of the year</b>	<b>47538</b>			<b>0.38%</b>	<b>47538</b>		<b>0.38%</b>
<b>5. Miker Financial Consultants Pvt Ltd</b>							
<b>At the Beginning of the year</b>	<b>24750</b>			<b>0.20%</b>	<b>24750</b>		<b>0.20%</b>
Date wise Increase/ Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	Date	Shares	Reason		Shares	Cumulative	
	12/04/2019	4500	Buy		4500	29250	
	28/06/2019	33000	Buy		33000	62250	
	14/02/2020	33500	Buy		33500	95750	
<b>At the end of the year</b>	<b>95750</b>			<b>0.76%</b>	<b>95750</b>		<b>0.76%</b>
<b>6. Bimalkumar Bansal</b>							
<b>At the Beginning of the year</b>	<b>44250</b>			<b>0.35%</b>	<b>44250</b>		<b>0.35%</b>
Date wise Increase/ Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	Date	Share s	Reason		Shares	Cumulative	
	26/07/2019	40500	Buy		40500	84750	
<b>At the end of the year</b>	<b>84750</b>			<b>0.67%</b>	<b>84750</b>		<b>0.67%</b>
<b>7. Kusum Kanoria</b>							
<b>At the Beginning of the year</b>	<b>78000</b>			<b>0.62%</b>	<b>78000</b>		<b>0.62%</b>
Date wise Increase/ Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	Date	Shares	Reason		Shares	Cumulative	
	07.02.2020	(522)	Sell		(522)	77478	
<b>At the end of the year</b>	<b>77478</b>			<b>0.61%</b>	<b>77478</b>		<b>0.61%</b>
<b>8. Lovson Exports Ltd</b>							
<b>At the Beginning of the</b>	<b>78000</b>			<b>0.62%</b>	<b>78000</b>		<b>0.62%</b>

year								
Date wise Increase/ Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	Date	Shares	Reason		Shares	Cumulative		
	-	-	-		-	-		
<b>At the end of the year</b>		<b>78000</b>			<b>0.62%</b>	<b>78000</b>		<b>0.62%</b>
<b>9.</b>	<b>Cupid Trades &amp; Finance Limited</b>							
<b>At the Beginning of the year</b>		<b>78000</b>			<b>0.62%</b>	<b>78000</b>		<b>0.62%</b>
Date wise Increase/ Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	Date	Shares	Reason		Shares	Cumulative		
	-	-	-		-	-		
<b>At the end of the year</b>		<b>78000</b>			<b>0.62%</b>	<b>78000</b>		<b>0.62%</b>
<b>10.</b>	<b>Padma Kanoria</b>							
<b>At the Beginning of the year</b>		<b>63000</b>			<b>0.50%</b>	<b>63000</b>		<b>0.50%</b>
Date wise Increase/ Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	Date	Shares	Reason		Shares	Cumulative		
	17.01.2020	(2830)	Sell		(2830)	60170		
	24.01.2020	(200)	Sell		(200)	59970		
	07.02.2020	(5533)	Sell		(5533)	54437		
<b>At the end of the year</b>		<b>54437</b>			<b>0.43%</b>	<b>54437</b>		<b>0.43%</b>
<b>11.</b>	<b>Mayur Rajendrabhai Parikh</b>							
<b>At the Beginning of the year</b>		<b>54000</b>			<b>0.43%</b>	<b>54000</b>		<b>0.43%</b>
Date wise Increase/ Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	Date	Shares	Reason		Shares	Cumulative		
	10.01.2020	(7159)	Sell		(7159)	46841		
<b>At the end of the year</b>		<b>46841</b>			<b>0.37%</b>	<b>46841</b>		<b>0.37%</b>

v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares	No. of Shares	% of total Shares
<b>1</b>	<b>Pradipkumar Ratilal Navik</b>				
<b>At the Beginning of the year</b>		<b>1246560</b>	<b>9.89%</b>	<b>1246560</b>	<b>9.89%</b>
Date wise Increase/ Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):		NIL		NIL	

	<b>At the end of the year</b>	<b>1246560</b>	<b>9.89%</b>	<b>1246560</b>	<b>9.89%</b>
<b>2</b>	<b>Shantilal Ishwarlal Patel</b>				
	<b>At the Beginning of the year</b>	<b>1343520</b>	<b>10.66%</b>	<b>1343520</b>	<b>10.66%</b>
	Date wise Increase/ Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NIL		NIL	
	<b>At the end of the year</b>	<b>1343520</b>	<b>10.66%</b>	<b>1343520</b>	<b>10.66%</b>
<b>3</b>	<b>Rohan Pradipkumar Navik</b>				
	<b>At the Beginning of the year</b>	<b>144480</b>	<b>1.15%</b>	<b>144480</b>	<b>1.15%</b>
	Date wise Increase/ Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NIL		NIL	
	<b>At the end of the year</b>	<b>144480</b>	<b>1.15%</b>	<b>144480</b>	<b>1.15%</b>
<b>4</b>	<b>Dhavalkumar Shantilal Patel</b>				
	<b>At the Beginning of the year</b>	<b>48000</b>	<b>0.38%</b>	<b>48000</b>	<b>0.38%</b>
	Date wise Increase/ Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NIL		NIL	
	<b>At the end of the year</b>	<b>48000</b>	<b>0.38%</b>	<b>48000</b>	<b>0.38%</b>
<b>5</b>	<b>Cyrus Dinsha Bhatena</b>				
	<b>At the Beginning of the year</b>	<b>3000</b>	<b>0.02%</b>	<b>3000</b>	<b>0.02%</b>
	Date wise Increase/ Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NIL		NIL	
	<b>At the end of the year</b>	<b>3000</b>	<b>0.02%</b>	<b>3000</b>	<b>0.02%</b>
<b>6</b>	<b>Shahzad Yazdi Gandhi</b>				
	<b>At the Beginning of the year</b>	<b>1500</b>	<b>0.01%</b>	<b>1500</b>	<b>0.01%</b>
	Date wise Increase/ Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NIL		NIL	
	<b>At the end of the year</b>	<b>1500</b>	<b>0.01%</b>	<b>1500</b>	<b>0.01%</b>

## V. INDEBTEDNESS

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

Particulars	Secured Loans excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning</b>				
<b>i) Principal Amount</b>	78,18,61,732	10,38,95,370		88,57,57,102
<b>ii) Interest due but not paid</b>	-	-	-	-
<b>iii) Interest accrued but not due</b>	-	-	-	-
<b>Total</b>	78,18,61,732	10,38,95,370	-	88,57,57,102
<b>Change in Indebtedness during the year</b>				
• Addition	2,16,54,867	3,46,48,524	-	5,63,03,391
• Reduction	-	-	-	-
<b>Indebtedness at the end</b>				
<b>i) Principal Amount</b>	80,35,16,599	13,85,43,894	-	94,20,60,493
<b>ii) Interest due but not paid</b>	-	-	-	-
<b>iii) Interest accrued but not due</b>	-	-	-	-
<b>Total</b>	80,35,16,599	13,85,43,894	-	94,20,60,493

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

### A. Remuneration to Managing director, Whole-time Directors and/ or Manager:

S.No.	Particulars of Remuneration	Name of Managing Director/Whole Time Director/ Manager				Total Amount
<b>1</b>	<b>Gross Salary</b>	<b>Pradipkumar Ratilal Navik</b>	<b>Shantilal Ishwarbhai Patel</b>	<b>Rohan Pradipkumar Navik</b>	<b>Dhavalkumar Shantilal Patel</b>	
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	24,00,000	24,00,000	24,00,000	24,00,000	96,00,000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961		-			-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961		-			-
<b>2</b>	<b>Stock Option</b>					-
<b>3</b>	<b>Sweat Equity</b>					-
<b>4</b>	<b>Commission -</b>					-
	-as % of Profit					-
	-Others, Specify					-
<b>5</b>	<b>Others, please specify</b>	24,00,000	24,00,000	24,00,000	24,00,000	96,00,000
	<b>Total (A)</b>	24,00,000	24,00,000	24,00,000	24,00,000	96,00,000
	<b>Ceiling as per the Act</b>	As per Schedule V of the Companies Act, 2013				

Remuneration to other directors:

Sr. No.	Particulars of Remuneration	Name of Directors			Total Amount
<b>1</b>	<b>Independent Director</b>				
	a. Fees for attending board/ committee meeting	NIL			NIL
	b. Commission				
	c. Others, please specify				
	<b>Total (1)</b>				
<b>2</b>	<b>Other Non-Executive Directors</b>				
	a. Fees for attending board/ committee meeting	NIL			NIL
	b. Commission				
	c. Others, please specify				
	<b>Total (2)</b>				
	<b>Total (B) = (1+2)</b>				
	<b>Total Managerial Remuneration</b>	NIL			NIL
	<b>Overall Ceiling as per the Act</b>	As per Schedule V of the Companies Act, 2013			

B. Remuneration To Key Managerial Personnel Other Than MD / Manager / WTD :

Sr.No	Particulars	Key Managerial Personnel			
		Shailendrasingh Chattarsingh Patil (CFO)	Javanika Narendrakumar Gandharva (CS)*	Khushboo Vaishnav (CS)*	Total
<b>1</b>	<b>Gross Salary</b>	5,46,772	40,784	1,05,000	6,92,556
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
<b>2</b>	<b>Stock Option</b>	-	-	-	-
<b>3</b>	<b>Sweat Equity</b>	-	-	-	-
<b>4</b>	<b>Commission -</b>	-	-	-	-
	as % of Profit	-	-	-	-
	Others, Specify	-	-	-	-
<b>5</b>	<b>Others, please specify</b>	-	-	-	-
	<b>Total</b>	5,46,772	40,784	1,05,000	6,92,556
	<b>Ceiling as per the Act</b>	NA			NA

- Ms. Javanika Narendrakumar Gandharva has resigned w.e.f. 31.05.2019
- Ms. Khushboo Vaishnav was appointed w.e.f. 02.09.2019

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

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

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

Date: 27<sup>th</sup>August, 2020  
Place: Surat

Sd/-

Shantilal Ishwarlal Patel  
Managing Director  
(DIN: 01362109)

Sd/-

Pradipkumar Ratilal Navik  
Whole Time Director  
(DIN: 01067716)

## **CORPORATE GOVERNANCE REPORT**

Report on Corporate Governance pursuant to Schedule V (C) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations) and forming Part of the Directors' Report for the year ended 31<sup>st</sup> March, 2020. 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, 2020, the Board consisted of eight members. The Composition and the category of Directors on the Board of the Company were as under:

<b>Category</b>	<b>Name of Director</b>
<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 Bhatena
	Mr. Shahzad Yazdi Gandhi
	Mrs. Sharmin Mehernosh Dordi

#### **(b) The Details of Directorship held by the Directors as on 31st March, 2020 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> )
<b>Mr. Shantilal Ishwarlal Patel Chairman &amp; Managing Director 63 Years</b>	Executive Promoter Director	06/03/2009	3	2	16	Yes	13,43,520 (10.66%)
<b>Mr. Pradipkumar Ratilal Navik Whole Time Director 58 Years</b>	Executive Promoter Director	06/03/2009	2	1	16	Yes	12,46,560 (09.89%)
<b>Mr. Rohan Pradipkumar Navik Whole Time Director 33 Years</b>	Executive Director	06/06/2011	2	NIL	16	Yes	1,44,480 (01.15%)
<b>Mr. Dhavalkumar Shantilal Patel Wholetime Director 29 years</b>	Executive Director	22/09/2017	2	NIL	16	Yes	48,000 (0.38%)
<b>Mr. Naginbhai Paragbhai Patel 68 Years</b>	Non-Executive Independent Director	25/03/2015	1	4	16	Yes	---
<b>Mr. Cyrus Dinsha Bhatena 63 Years</b>	Non-Executive Independent Director	14/10/2017	NIL	3	16	Yes	3000 (0.02%)
<b>Mr. Shahzad Yazdi Gandhi 29 years</b>	Non-Executive Independent Director	29/12/2017	NIL	2	16	Yes	1500 (0.01%)
<b>Mrs. Sharmin Mehernosh Dordi 50 Years</b>	Non-Executive Independent Director	24/09/2018	NIL	NIL	16	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 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 Sixteen (16) times during the financial year 2019-20 on the following dates:

**(Table 2)**

<b>Sr. No.</b>	<b>Date of Meeting</b>	<b>Board Strength</b>	<b>No. of Directors present</b>
1.	10 <sup>th</sup> April, 2019	8	8
2.	30 <sup>th</sup> May, 2019	8	8
3.	08 <sup>th</sup> June, 2019	8	8
4.	28 <sup>th</sup> June, 2019	8	8
5.	27 <sup>th</sup> August, 2019	8	8
6.	02 <sup>nd</sup> September, 2019	8	8
7.	24 <sup>th</sup> September, 2019	8	8
8.	27 <sup>th</sup> September, 2019	8	8
9.	03 <sup>rd</sup> October, 2019	8	8
10.	30 <sup>th</sup> October, 2019	8	8
11.	14 <sup>th</sup> November, 2019	8	8
12.	03 <sup>rd</sup> December, 2019	8	8
13.	28 <sup>th</sup> December, 2019	8	8
14.	10 <sup>th</sup> January, 2020	8	8
15.	14 <sup>th</sup> February, 2020	8	8
16.	27 <sup>th</sup> February, 2020	8	8

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

Mr. Pradipkumar Ratilal Navik is father of Mr. Rohan Pradipkumar Navik, Mr. Shantilal Ishwarlal Patelis 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	1,500

**(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/2019-20/Familiarization%20Program%20for%20Independent%20Director.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 confirm that they satisfying the criteria of independence under the said act and regulations and are 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 2019-20, One (1) meeting of the Independent Directors was held on 14.02.2020

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 Core 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.

	Strategic and Business Leadership in Aquaculture	Finance expertise	Personal Values	Good Corporate Governance	Sales, Marketing and Export
<b>Mr. Shantilal Ishwarlal Patel Chairman &amp; Managing Director</b>	yes	yes	yes	yes	yes
<b>Mr. Pradipkumar Ratilal Navik Whole Time Director</b>	yes	yes	yes	yes	yes
<b>Mr. Rohan Pradipkumar Navik Whole Time Director</b>	yes	yes	yes	yes	yes
<b>Mr. Dhavalkumar Shantilal Patel Wholetime Director</b>	yes	yes	yes	yes	yes
<b>Mr. Naginbhai Paragbhai Patel Independent Director</b>		yes	yes	yes	
<b>Mr. Cyrus Dinsha Bhatena Independent Director</b>		yes	yes	yes	yes

<b>Mr. Shahzad Yazdi Gandhi Independent Director</b>		yes	yes	yes	yes
<b>Mrs. Sharmin Mehernosh Dordi Independent Director</b>		yes	yes	yes	

### 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 oversee and review the functioning of the vigil mechanism which shall provide for adequate safeguards against victimization of employees and directors who avail of the vigil mechanism and also provide for direct access to the Chairperson of the Audit Committee in appropriate and exceptional cases.
  19. Call for comments of the auditors about internal control systems, scope of audit including the observations of the auditor and review of the financial statements before submission to the Board;
  20. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.
  21. To investigate any other matters referred to by the Board of Directors;
  22. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

**The Audit Committee shall mandatorily review the following information:**

- a. Management discussion and analysis of financial information and results of operations;
- b. Statement of significant related party transactions (as defined by the Audit Committee), submitted by the management;
- c. Management letters / letters of internal control weaknesses issued by the statutory auditors;
- d. Internal audit reports relating to internal control weaknesses; and
- e. The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the Audit Committee.

**Composition and attendance at Meetings:**

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

Name of Directors	Categories	Nature of Directorship
Mr. Naginbhai Paragbhai Patel	Chairman	Independent Director
Mr. Cyrus Dinsha Bhathena	Member	Independent Director
Mr. Shantilal Ishwarlal Patel	Member	Managing Director

During the financial year 2019-20, Six (6) meetings of Audit Committee were held on following dates:

10/04/2019, 30/05/2019, 27/08/2019, 14/11/2019, 14/02/2020, 27/02/2020

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;

<b>Name of Directors</b>	<b>Categories</b>	<b>Nature of Directorship</b>
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 2019-20, Six (6) meetings of the Nomination & Remuneration Committee were held on following dates:

30/05/2019, 08/06/2019, 27/08/2019, 02/09/2019, 14/11/2019, 14/02/2020  
Attendance of the Directors at the Nomination & Remuneration Committee Meetings held during the financial year is as under:

<b>Name of Directors</b>	<b>Categories</b>	<b>No. of Meeting Attended</b>
Mr. Naginbhai Paragbhai Patel	Chairman	6
Mr. Cyrus Dinsha Bhathena	Member	6
Mr. Shahzad Yazdi Gandhi	Member	6

#### **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).

<b>Name of Directors</b>	<b>Category</b>	<b>Remuneration (In Rs. Lakhs)</b>
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 Bhatena (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 Bhatena	Chairman	Independent Director
Mr. NaginbhaiParagbhaiPatel	Member	Independent Director
Mr. Shahzad Yazdi Gandhi	Member	Independent Director

During the financial year 2019-20, Four (4) meetings of Stakeholders, Shareholders'/ Investors Grievance Committee were held on following dates:

30/05/2019	27/08/2019	14/11/2019	14/02/2020
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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 Bhatena	Chairman	4
Mr. Naginbhai Paragbhai Patel	Member	4
Mr. Shahzad Yazdi Gandhi	Member	4

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

**Ms.JavanikaNarendrakumarGandharva (Resigned w.e.f. 31.05.2019)**

Company Secretary& Compliance Officer

**Mr. Shailendrasingh Chatarsingh Patil (Appointed w.e.f. 08.06.2019)**

Compliance Officer

**Ms. Khushboo Vaishnav (Appointed w.e.f 02.09.2019)**

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:**

<b>Number of Shareholders' Complaints Pending at the end of the year</b>	Nil
<b>Number of Shareholders' Complaints received during the year</b>	Nil
<b>Number of Shareholders' Complaints disposed during the year</b>	Nil
<b>Number of Shareholders' Complaints remain unresolved during the year</b>	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;

<b>Name of Directors</b>	<b>Categories</b>	<b>Nature of Directorship</b>
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 2019-20, Two (2) meetings of Corporate Social Responsibility committee ("CSR Committee") was held on following date:

14/11/2019, 14/02/2020

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

<b>Name of Directors</b>	<b>Categories</b>	<b>No. of Meeting Attended</b>
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. 12,18,958/- is to be spent towards Corporate Social Responsibility Activities. The detailed Report on the CSR Activities is annexed at **Annexure IX**.

## 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
2016-17	Friday, 22 <sup>nd</sup> September, 2017 at 11:30 A.M.	At Olpad GIDC PI No. 4,5, Ta Olpad Surat - 394540 Gujarat
2017-18	Monday, 24 <sup>th</sup> September, 2018 at 11:30 A.M.	At Olpad GIDC PI No. 4,5, Ta Olpad Surat - 394540 Gujarat
2018-19	Monday, 30 <sup>th</sup> September, 2019 at 11:30 A.M.	At Olpad GIDC PI No. 4,5, Ta Olpad Surat - 394540 Gujarat

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

AGM Date	Resolution	Ordinary / Special	Favor		Against	
			Ballot	E- Votes	Ballot	E-Votes
22 <sup>nd</sup> September, 2017	Adoption of Annual Accounts, Auditor’s Report and Directors Report	Ordinary	1376880	676660	0	0
	Re-appointment of Director liable to retire by rotation	Ordinary	82000	180660	0	0
	Appointment of Auditors	Ordinary	1376880	676660	0	0
	Appointment of Mr. Dhavalkumar Shantilal Patel as a Wholetime Director	Special	82000	180660	0	0
	Appointment of Mr. Maneck Jimmy Patalwala as an Independent Director	Ordinary	1376880	676660	0	0
	Taking of Loans and matters related thereto	Special	1376880	676660	0	0
24 <sup>th</sup> September, 2018	Adoption of Annual Accounts, Auditor’s Report and Directors Report	Ordinary	1808130	113641 0	0	0
	Re-appointment of Director liable to retire by rotation	Ordinary	180250	17250	0	0
	Ratification of Appointment of Statutory Auditors	Ordinary	1808130	113641 0	0	0
	Appointment of Mr. Cyrus Dinsha Bhathena as an Independent Director	Ordinary	1808130	113641 0	0	0
	Appointment of Mr. Shahzad Yazdi Gandhi as an Independent Director	Ordinary	1808130	113641 0	0	0
	Appointment of Mrs. Sharmin Mehernosh Dordi as an Independent Director	Ordinary	1808130	113641 0	0	0
	To Increase authorized Capital and amend the capital clause in the Memorandum of Association	Special	1808130	113641 0	0	0
	To Issue of Bonus Shares	Special	1808130	113641 0	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

**Name and address of scrutinizer or the person who conducted the postal ballot exercise:**

Mr. RanjitBinodKejriwal  
Practicing Company Secretary,  
1, Aastha, 2/906, HiraModi Sheri,  
Opp. Gujarat Samachar Press,  
Sagrampura, Ring Road,  
Surat – 395002  
Email : [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 2019-20.

**Postal Ballot**

During the previous financial year 2018-19, Company has passed special resolutions through postal ballot for Migration of Company from BSE SME Exchange to the main Board Platform of BSE Limited. Postal ballot process was conducted by Mr. Ranjit Kejriwal.

The details of Resolution(s) which were passed through postal ballot with details of Postal Ballot & voting pattern are as follows:

Date of Resolution passed	Resolution	Ordinary / Special	Favor		Against	
			Ballot	E- Votes	Ballot	E-Votes
19 <sup>th</sup> March, 2019	Migration of company from BSE SME Exchange to the Main Board Platform of BSE Limited	Special	5700120	4017480	0	0

During the year 2019-20, Company has not passed resolutions through postal ballot. As per amended Companies Act, 2013, Company is not proposing Postal Ballot for 12th AGM and thus procedure for postal ballot is not applicable.

## 9. MEANS OF COMMUNICATION

### Financial Results:

ZEAL AQUA LIMITED is 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 2019-20 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 September 30, 2019	14/11/2019
Unaudited Financial Results for the Quarter ended December 31, 2019	14/02/2020
Audited Financial Results for the Quarter and year ended March 31, 2020	30/06/2020

The company got migrated on the main Board of BSE w.e.f. 07, October, 2019 and thereafter 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>	Date, Time and Venue	Tuesday, 29 <sup>th</sup> September, 2020 at 11.30 A.M. at the Registered Office of the Company at Olpad GIDC PL No. 4 5., Ta Olpad Surat-394540
<b>2</b>	Financial Year	The Financial year of the Company is From 1 <sup>st</sup> April, 2019 to 31 <sup>st</sup> March 2020
<b>3</b>	Date of Book Closure	September 23, 2020 to September 29, 2020 (both days inclusive)

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

### **Listing on Stock Exchange**

The company got migrated from BSE SME Platform to main Board of BSE w.e.f. 07, October, 2019. The Company confirms that it has paid Annual Listing Fee for the Financial Year 2019-20 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 2019-20 is given below:

Month & Year	High Price	Low Price	Volume* (No. of shares)
<b>April, 2019</b>	114.10	103.95	16500
<b>May, 2019</b>	115.15	105.00	4500
<b>June, 2019</b>	109.10	99.50	82500
<b>July, 2019</b>	100.30	83.20	90000
<b>August, 2019</b>	84.00	80.00	15750
<b>September, 2019</b>	96.00	89.00	3750
<b>October, 2019</b>	118.50	79.05	4781

<b>November, 2019</b>	102.40	72.15	60922
<b>December, 2019</b>	112.00	72.25	23488
<b>January, 2020</b>	94.00	72.05	22643
<b>February, 2020</b>	119.00	65.00	243210
<b>March, 2020</b>	82.95	46.90	51756

\*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.2019-20 on month to month closing figures:

Month	BSE Sensex	Change in %	ZEAL (Closing Price at BSE)	Change in %
<b>April 2019</b>	39031.55	0.93	114.10	9.66
<b>May 2019</b>	39714.20	1.75	105.00	-7.98
<b>June 2019</b>	39394.64	-0.80	100.65	-4.14
<b>July 2019</b>	37481.12	-4.86	83.20	-17.34
<b>August 2019</b>	37332.79	-0.40	84.00	0.96
<b>September 2019</b>	38667.33	3.57	96.00	14.29
<b>October 2019</b>	40129.05	3.78	90.20	-6.04
<b>November 2019</b>	40793.81	1.66	89.00	-1.33
<b>December 2019</b>	41253.74	1.13	90.00	1.12
<b>January 2020</b>	40723.49	-1.29	79.50	-11.67
<b>February 2020</b>	38297.29	-5.96	72.50	-8.81
<b>March 2020</b>	29468.49	-23.05	50.20	-30.76

#### 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. Khushboo Vaishnav  
Company Secretary & Compliance Officer

### Distribution of Shareholding (as on 31<sup>st</sup>March, 2020)

#### a. On the basis of Shareholdings

Shareholding of Nominal Value in Rs.	No. of Shareholders	% of Total Shareholders	Shares Amount in Rs.	% of Shares Amount
1 to 5000	295	55.24	264170	0.21
5001 to 10000	46	8.61	352780	0.28
10001 to 20000	24	4.49	346280	0.27
20001 to 30000	28	5.24	788920	0.63
30001 to 40000	2	0.38	71500	0.06
40001 to 50000	1	0.19	45000	0.04
50001 to 100000	20	3.75	1518900	1.20
100001 to 999999999	118	22.10	122678450	97.31
<b>TOTAL</b>	<b>534</b>	<b>100.00</b>	<b>126066000</b>	<b>100.00</b>

#### b. On the basis of Category

Sr. No.	Description	No. of members		No. of shares	
		Nos.	%	Nos.	%
A	<b>Promoters Holding</b>				
	Directors & Relatives	8	1.50	5516640	43.76
	Bodies Corporate	5	0.94	3108480	24.66
B	<b>Non Promoter Holding</b>				
	<u>Institutions</u>				
	Mutual Funds				
	<u>Non-Institutions</u>				
	Resident Individual	476	89.14	3031170	24.04
	HUF	14	2.62	140000	1.11
	Foreign Individuals or NRI	4	0.75	1615	0.01
	Bodies Corporate clearing member	18	3.37	807714	6.41
		9	1.68	981	0.01
	<b>Total:</b>	<b>534</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 PI 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 (BBB-Stable)

Short term Borrowing: CRISIL A3

## **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 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 XII**.

### 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 XIII**

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

### Related Party Transaction

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

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

The 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 <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:

#### Amount in Rs.

Payment to Statutory Auditor	FY 2019-20
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: Not Applicable

Number of complaints pending as on end of the financial year: Not applicable

### **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 SEBI( Listing Obligations and Disclosure Requirements), Regulations, 2015.

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

Date: 27<sup>th</sup> August, 2020  
Place: Surat

Sd/-

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

Sd/-

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

## ANNEXURE III''

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

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

<b>A Conservation of Energy</b>		NIL
(i) the steps taken or impact on conservation of energy		
(ii) the steps taken by the company for utilising alternate sources of energy		
(iii) the capital investment on energy conservation equipment		
<b>B Technology absorption</b>		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.		
<b>C Foreign Exchange</b>		
<b>Details of Earning in Foreign Exchange</b>		
	<u>Current Year</u>	<u>Previous Year</u>
Export of goods calculated on FOB basis	1,14,77,62,845	69,23,03,671
Interest and dividend		
Royalty		
Know- how		
Professional & consultation fees		
Other income		
<b>Total Earning in Foreign Exchange</b>	1,14,77,62,845	69,23,03,671
<b>Details of Expenditure in Foreign Exchange</b>		
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		
<b>Total Expenditure in foreign exchange</b>	-	-

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

Date : 27<sup>th</sup> August, 2020  
Place : Surat

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

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

**“ANNEXURE IV”**

**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 2019-20, ratio of the remuneration of the employees of the Company for the financial year 2019-20 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. 2019-20 (in rupees)	% increase in Remuneration in the F.Y. 2019-20	Ratio of Remuneration of each Director/to median remuneration of employees
1.	Shantilal Ishwarbhai Patel Executive Director & Chairman	24,00,000	NIL	10.36:1
2.	Pradipkumar Ratilal Navik Executive Director	24,00,000	NIL	10.36:1
3.	Rohan Pradipkumar Navik Executive Director	24,00,000	NIL	10.36:1
4.	Dhaval Kumar Shantilal Patel Executive Director	24,00,000	NIL	10.36:1
5.	Naginbhai Paragbhai Patel Non-Executive Director	N.A.	N.A.	N.A.
6.	Cyrus Dinsha Bhatena 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	5,46,772	3.84%	N.A.
10.	Javanika Narendrakumar Gandharva Company Secretary*	40,784	N.A.	N.A.
11.	Khushboo Vaishnav**	1,05,000	N.A.	N.A.

\* Resigned w.e.f. 31<sup>st</sup> May, 2019

\*\* Appointed w.e.f. 02<sup>nd</sup> September, 2019

- b) The median remuneration of employees of the Company during the Financial Year 2019-20 is **Rs.19,300**
- c) The percentage decrease in the median remuneration of employees in the Financial year 2019-20: **NIL**
- d) The number of permanent employees on the rolls of the Company as on 31<sup>st</sup> March, 2020: **Eighty Nine (89) 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 2019-20 is NIL%. During the year, the Company has reported**

Net Profit after tax amounting 633.17 lacs as against Net profit after tax amounting 750.32 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 Lakh)	% Change in Remuneration	Profit/(Loss) After Tax (in Rs.)	Change in Profit/(Loss) after Tax
Mr. Shantilal Ishwarbhai Patel	Managing Director	24,00,000	--	633.17 lacs	The Company reported profit amounting 750.32 lacs during the F.Y. 2018-19.
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	5,46,772	3.84%		
Ms. Javnika Narendrakumar Gandharva*	Company Secretary & Compliance Officer	40,784	NA		
Ms. Khushboo Vaishnav**	Company Secretary & Compliance Officer	1,05,000	NA		

\* Resigned w.e.f. 31<sup>st</sup> May, 2019.

\*\* Appointed w.e.f. 02<sup>nd</sup> September, 2019

- 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, 2020	As on 31 <sup>st</sup> March, 2019
1.	Market Capitalization	6328.51 Lacs	13117.17Lacs
2.	P/E Ratio	9.92	17.59
3.	Market Price of Equity Shares at i. BSE	50.20	104.05

- 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	(0.02)
2.	Managerial Remuneration	3.33

i) The ratio of Remuneration of the highest paid Director to that of the employees who are not directors but receive remuneration in excess of the highest paid Director during the year.

There is no such employee in the Company.

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

**B. Particulars of Top Ten Employee in terms of remuneration drawn from the Company in the financial year 2019-20:**

Sr. No.	Name & Designation	Qualification and Experience	Remuneration (Amount in Rs.) per Month	Date of Appointment	Age (in Years)	Particulars of Last Employment	Relative of Director / Manager
1	Dhaval Shantilal Patel, Whole Time Director	Commerce Graduate and than 5 years experience in Aquaculture business and in business of Fabrication	2,00,000 Per Month	September , 2017	29 years	NA	Mr. Dhavalkumar S. Patel is son of Mr. Shantilal I. Patel
2	Pradeep Ratilal Navik, Whole Time Director	H.Sc and having more than 24 years of experience in Aquaculture industry	2,00,000 Per Month	June, 2009	60 years	King Marine Product Pvt Ltd as Director in surat	Mr. Rohan P. Navik is son of Mr. Pradipkumar R. Navik
3	Rohan Pradeep Navik, Whole Time Director	MBA Marketing more than 10 years of experience in Aquaculture Industry	2,00,000 Per Month	June, 2011	33 years	NA	Mr. Shantilal I. Patel is father in law of Mr. Rohan P. Navik
4	Shantilal Ishwarbhai Patel, Managing Director	H. Sc and having more than 15 years of experience In the field of aquaculture	2,00,000 Per Month	June, 2009	64 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 27 yrs. experience	1,17,150 per Month	July, 2013	51 yrs.	As a General manager in Stellar Marine Foods, Mumbai	No

6	Bomi Parvez Olpadwala, Trading Manager	B.Com. and 20 years experience in the field of Aquaculture and 9 experience year in the field of automobiles	78,134 per Month	January 2001	58 years	As a partner in automobile business in name of Shafna Automobiles	No
7	Shailendra Singh Patil, CFO	MBA and experience of 17 years	46,551 per Month	March, 2015	38 years	1. Gardren Silk Mills 2. King Marine Products Private Limited	No
8	Ravindrasingh Roopsingh Solanki, Farm Technician	Master of Fisheries science and 11 years experience in the field of aquaculture	45, 150 per month	December, 2010	33 years	As a Technologist QC/QA in King Fisheries, Veraval	No
9	Dev Vijaykumar Ganpatrao, Farm Technician	Bachelor of Fisheries Science and 14 years experience in the field of aquaculture	41, 011 per month	March, 2015	37 years	As a Technologist in IndePesca Aquaculture, Mumbai	No
10	Vimmy Prakashkumar Biscuitwala, QC Manager	M.sc Biotechnology and 8 years experience in the field of aquaculture	34, 000 per month	May, 2017	29 years	As a Senior QA/QC Assistant in West coast Frozen Foods Pvt. Ltd., Surat	No

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

Date : 27<sup>th</sup> August, 2020  
Place : Surat

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

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

**“Annexure V”**

**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 arm’s 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 advance, if any
1	Pradip R Navik	Director	Remuneration	Monthly	Rs. 2,00,000	25-03-2015	NIL
			Interest	On Demand	Interest@12 P.A.	10-04-2019	NIL
2	Pradipkumar R. Navik-HUF	Director's HUF	Purchase - Harvesting	Annually	At prevailing market rate	10-04-2019	NIL
3	Shantilal I Patel	Director	Factory Rent	Annually	Rs. 2,34,000	10-04-2019	NIL
			Nursery Rent	Annually	Rs. 2,40,000	10-04-2019	NIL
			Remuneration	Monthly	Rs. 2,00,000	25-03-2015	NIL
			Interest	On Demand	Interest@12 P.A.	10-04-2019	NIL
4	Shantilal I. Patel HUF	Director's HUF	Purchase	Annually	At prevailing market rate	10-04-2019	NIL
5	Rohan P Navik	Director	Remuneration	Monthly	Rs. 2,00,000	25-03-2015	NIL
			Nursery Rent	Annually	Rs. 2,40,000	10-04-2019	NIL

			Interest	On Demand	Interest@12 P.A.	10-04-2019	NIL
6	Rohan P. Navik HUF	Director's HUF	Purchase	Annually	At prevailing market rate	10-04-2019	NIL
7	Susan P Navik	Relative of Director	Interest	On Demand	Interest@12 P.A.	10-04-2019	NIL
8	Dhaval S. Patel	Director	Remuneration	Monthly	Rs. 2,00,000	26-08-2017	NIL
			Interest	On Demand	Interest@12 P.A.	10-04-2019	NIL
9	Dhaval S. Patel HUF	Director's HUF	Purchase	Annually	At prevailing market rate	10-04-2019	NIL
10	Kimi S Patel	Relative of Director	Salary	Annually	Rs. 3,00,000	10-04-2019	NIL
			Interest	On Demand	Interest@12 P.A.	10-04-2019	NIL
11	Preety Mistry	Relative of Director	Salary	Annually	Rs. 3,00,000	10-04-2019	NIL
			Interest	On Demand	Interest@12 P.A.	10-04-2019	NIL
12	Jacob Foods Pvt Ltd	Common Director	Purchase	Annually	At prevailing market rate	10-04-2019	NIL
			Sales				
13	Rati Aqua Pvt Ltd.	Common Director	Purchase	Annually	At prevailing market rate	10-04-2019	NIL
			Sales				
14	Susan Aqua Pvt Ltd.	Common Director	Interest on Unsecured Loan	On Demand	Interest@12 P.A.	10-04-2019	NIL
			Sales	Annually	At prevailing market rate	10-04-2019	NIL
15	Agni Aqua Farm	Associate concern	Contact Farming Charges	Annually	At prevailing market rate	10-04-2019	NIL
16	Akash Aqua Farm	Associate concern	Contact Farming Charges	Annually	At prevailing market rate	10-04-2019	NIL
17	Dhaval Aqua farm	Associate concern	Contact Farming Charges	Annually	At prevailing market rate	10-04-2019	NIL
18	Jal Aqua Farm	Associate concern	Contact Farming Charges	Annually	At prevailing market rate	10-04-2019	NIL
19	Pruthvi Aqua Farm	Associate concern	Contact Farming Charges	Annually	At prevailing market rate	10-04-2019	NIL
20	Deep Aqua Farm	Associate concern	Contact Farming Charges	Annually	At prevailing market rate	10-04-2019	NIL
21	Dinkar Aqua Farm	Associate concern	Contact Farming Charges	Annually	At prevailing market rate	10-04-2019	NIL
22	Divya Aqua Farm	Associate concern	Contact Farming Charges	Annually	At prevailing market rate	10-04-2019	NIL

23	Darshan Aqua Farm	Associate concern	Contact Farming Charges	Annually	At prevailing market rate	10-04-2019	NIL
24	Preety Aqua	Associate concern	Contact Farming Charges	Annually	At prevailing market rate	10-04-2019	NIL
25	Dilip Aqua Farm	Associate concern	Contact Farming Charges	Annually	At prevailing market rate	10-04-2019	NIL
26	Kimi Aqua	Associate concern	Contact Farming Charges	Annually	At prevailing market rate	10-04-2019	NIL
27	S. R Aqua Farm	Associate concern	Contact Farming Charges	Annually	At prevailing market rate	10-04-2019	NIL
28	Vayu Aqua Farm	Associate concern	Contact Farming Charges	Annually	At prevailing market rate	10-04-2019	NIL
29	Tapi Aqua Farm	Associate concern	Contact Farming Charges	Annually	At prevailing market rate	10-04-2019	NIL
30	Dhaval Aqua Engineering	Associate concern	Capital exp. Repair & Maintance Exp.	Annually	At prevailing market rate	10-04-2019	NIL
31	Manju Aqua Farm	Director is prop	Purchase Sales	Annually	At prevailing market rate	10-04-2019	NIL
32	Rashmi Patel	Relative of Director	Interest on Unsecured Loan	On Demand	Interest@12 P.A.	10-04-2019	NIL
33	Agave Tradecom LLP	Associate concern	Interest on Unsecured Loan	On Demand	Interest@12 P.A.	10-04-2019	NIL
34	Lilavati Ratilal Navik	Relative of Director	Interest on Unsecured Loan	On Demand	Interest@12 P.A.	10-04-2019	NIL
35	Bharat Ratilal Navik	Relative of Director	Interest on Unsecured Loan	On Demand	Interest@12 P.A.	10-04-2019	NIL
36	Bhanumati Ratilal Navik	Relative of Director	Interest on Unsecured Loan	On Demand	Interest@12 P.A.	10-04-2019	NIL
37	Shailendra Patil	CFO	Salary	Annually	Rs. 5,46,772	10-04-2019	NIL
38	Javanika N Gandharva	CS	Salary	Annually	Rs. 40,784	10-04-2019	NIL
39	Khushboo Vaishnav	CS	Salary	Annually	Rs. 1,05,000	10-04-2019	NIL
40	Navik Aqua Pvt Ltd	Associate Concern	Sales	Annually	At prevailing market rate	10-04-2019	NIL

**By order of the Board of Directors**

**For, Zeal Aqua Limited**

Date : 27<sup>th</sup> August, 2020

Place : Surat

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

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

**“Annexure VI”**

**Form No. MR-3  
SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED 31.03.2020

*[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 PI 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, 2020** 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:

Due to the Covid-19 Lockdown, 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, 2020** 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
  - d. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;  
**the regulation is not applicable during the Financial Year 2019-2020**
  - 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 2019-2020**
  - 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 2019-2020** and
- h. The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018 : **the regulation is not applicable during the Financial Year 2019-2020**

- vi. Other Laws Specifically Applicable to Company:
  - a. Income Tax Act, 1961
  - b. Goods & Service Tax and other Indirect Taxes
  - c. Labour Laws

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

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

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

- **Form DPT-3 (One Time Return) was filed after due date of filling**
- **Two forms CHG-1 was 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.*

Place: SURAT  
Date:13.07.2020

Sd/-  
Name of PCS: Ranjit B. Kejriwal  
FCS No.: 6116  
C P No.: 5985  
UDIN: **F006116B000446072**

**This report is to be read with our letter dated 13th July, 2020 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 13<sup>th</sup> July, 2020 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. Wherever 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.

Sd/-

*Place:* SURAT

*Date:*13.07.2020

Name of PCS: Ranjit B. Kejriwal

FCS No.: 6116

C P No.: 5985



**“ANNEXURE VII”**

**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 coronavirus (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.

Data from the Indian Ministry of Commerce and Industry show that year-on-year (YOY) shrimp production increased by 31 percent between 2019 (804,000 metric tons, or MT) and 2018 (615,692 MT), and that shrimp exports grew by 8 percent (667,140 MT) to various countries, representing 83 percent of total shrimp production in 2019.

Exports were significantly driven by strong U.S. demand in the second half of last year, and India was the leading supplier of shrimp to the United States in 2019. Exports to that market grew 14 percent YOY with an export volume of 282,584 MT in 2019, when compared to the export of 247,783 MT in 2018. India exported 159,785 MT to China; 73,702 MT to the European Union (EU); 39,688 MT to Japan; 31,727 MT to Vietnam; 24,645 MT to the United Arab Emirates (UAE); and 56,762 MT to other destinations (Fig. 1).

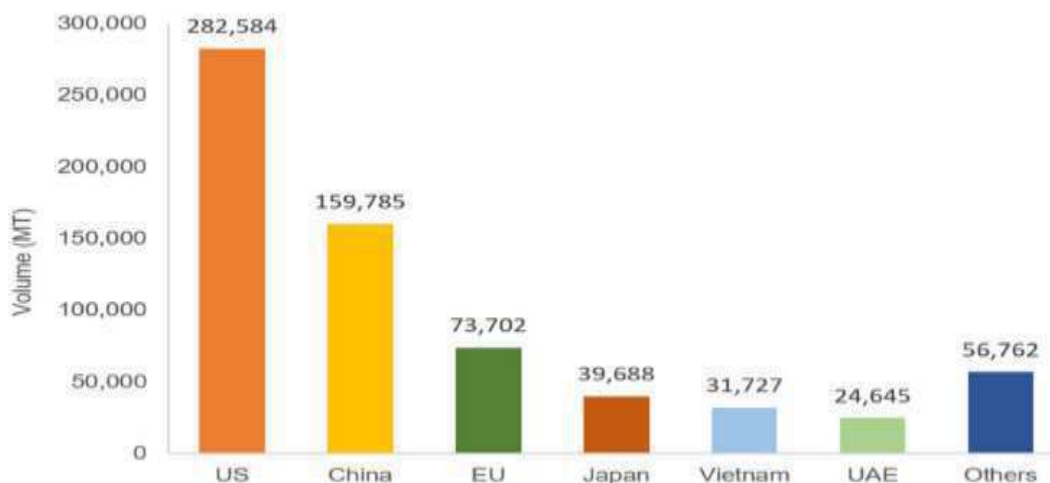


Fig. 1: India's shrimp exports in 2019, Source: Ministry of Commerce and Industry, Government of India. <https://commerce.gov.in/>

## 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).

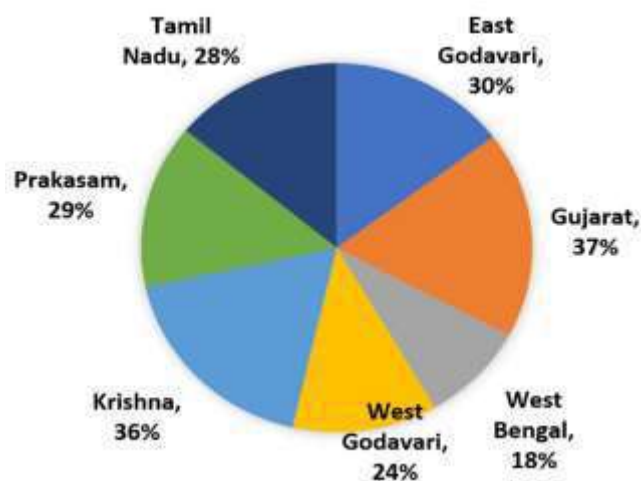


Fig. 2: Estimated percent of shrimp pond area currently stocked in India as of April 2020. Source: authors' data.

## Shrimp exports

India's shrimp exports have had continuous growth over the past decade with year-on-year increases in volume (Fig 3). In 2019, shrimp exports generated revenues of (U.S.) \$5 billion (**Ministry of Commerce and Industry**, Government of India). The country currently has about 366 MPEDA-approved seafood export companies and 60 cold storage facilities. Through March 2020, about 230,000 MT of shrimp were produced, of which 180,500 MT (78 percent) were exported to various global markets.

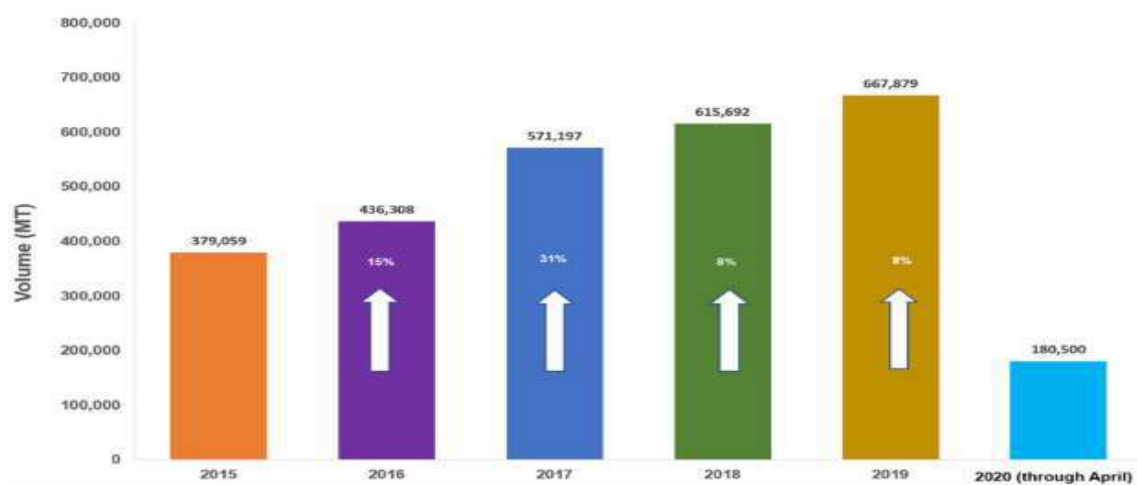


Fig 3: Increasing trend of India's shrimp exports, 2015 to April 2020.

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 (Fig. 4). 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

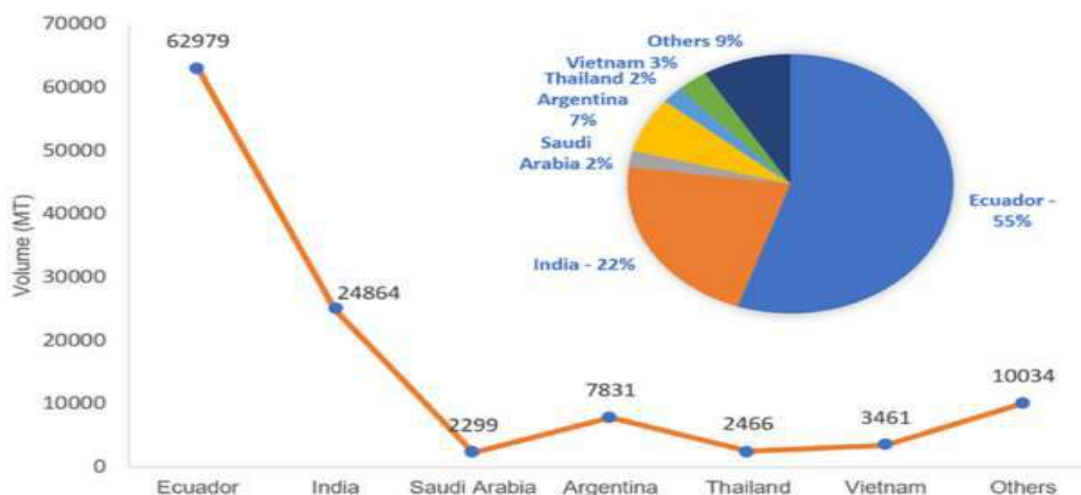


Fig 4: China's shrimp imports in Q1, 2020 from various supplier

In addition to export market, farmed shrimp are also being sold in domestic markets, which was a long-awaited development for industry stakeholders, and which coincided with the low availability of wild captured product due to COVID-19 restrictions. Most interestingly, Japan has reduced import inspection sampling frequency for black tiger shrimp, which should help exports to that country in 2020. There are expectations that India's shrimp exports may increase due to possible global shortages in the near future.

(Source: [aquaculture-reliance.org](http://aquaculture-reliance.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 2019-20. 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.

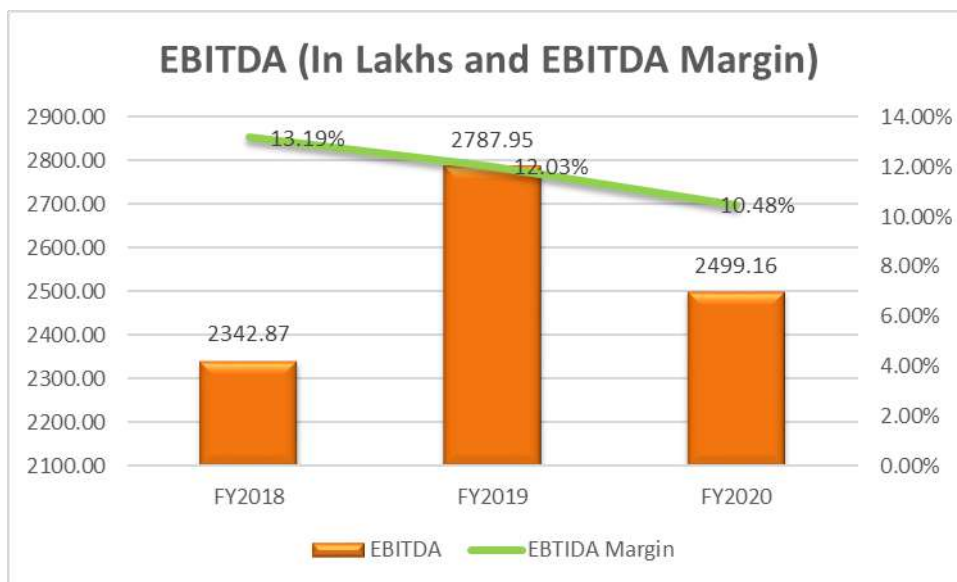
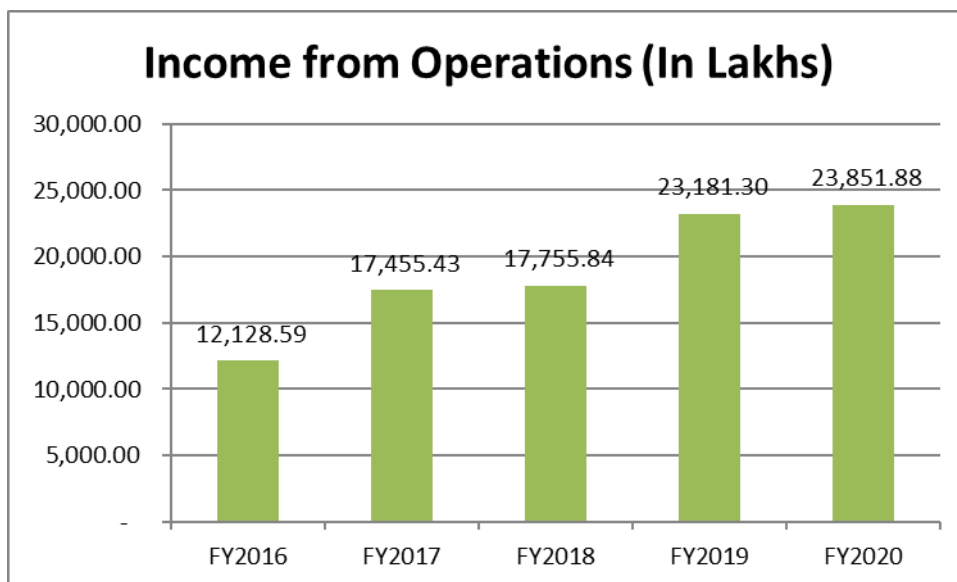
### **6. Internal Control System**

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**

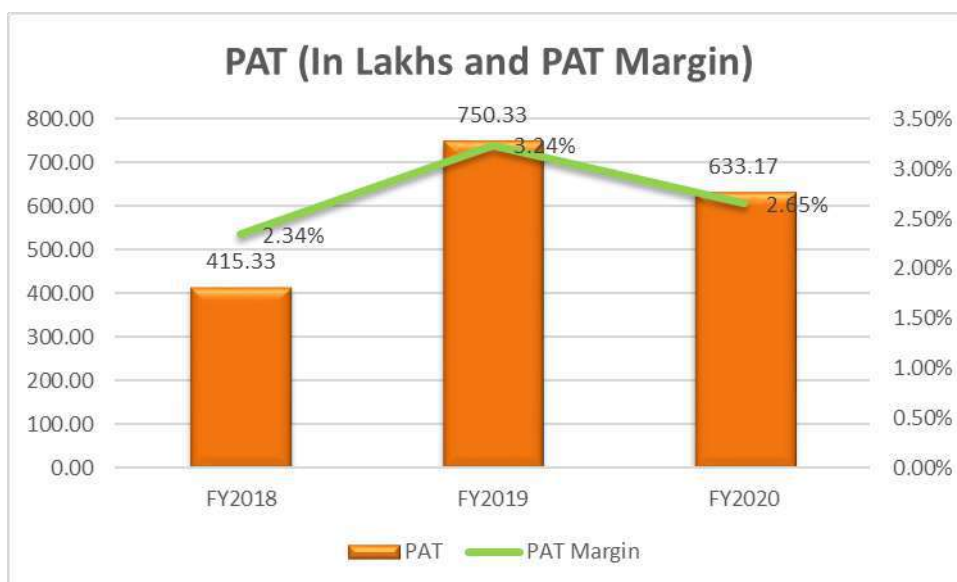
In FY 2019-20, revenue grew to Rs. 238.52 crores, a growth of 3% from FY 2018-19. EBITDA came in at around Rs. 24.99 crores and PAT was 6.33 crore. The company managed to grow its revenue this year based on the seeds the company had sown in the past couple of years. The company has started the processing unit which has enabled growth of the company.

To conserve resources for the Company’s future growth plans, no dividend is being recommended by the Directors for the year ended 31st March, 2020.



\* \*all Operating Expenses have been considered while arriving at EBITDA.

\*\*EBITDA Margin as a proportion of Income from Operations.



\*\*PAT Margin as a proportion of Income from Operations.

#### 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 1.51 during the current financial year (FY2020) 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
FY2018	8792.975	8465.227	1.04
FY2019	12643.389	10990.007	1.15
FY2020	16242.463	13793.848	1.18

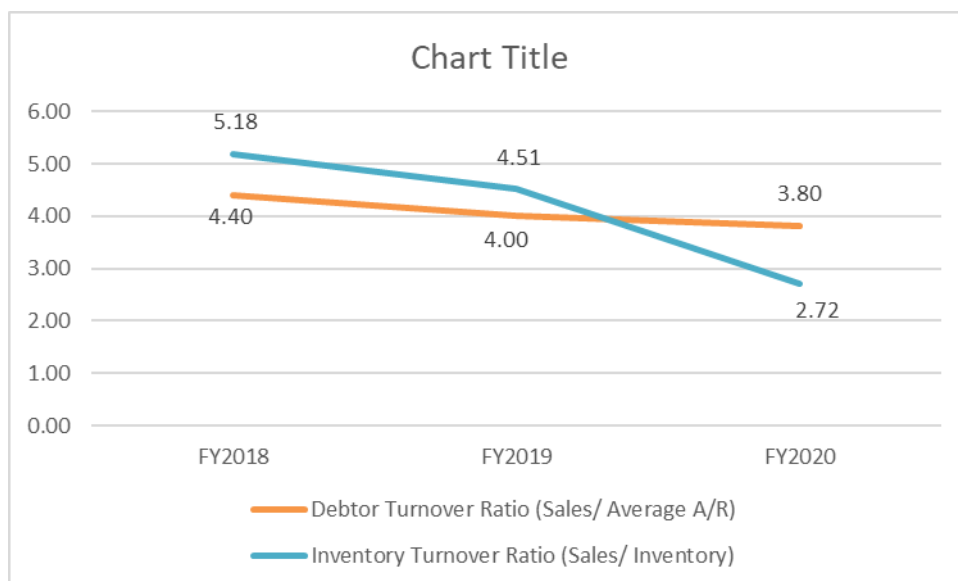


### Debtor's and Inventory Turnover Ratio

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.

	Debtor Turnover Ratio (Sales/ Receivable)	Inventory Turnover Ratio (Sales/ Inventory)
FY2018	4.40	5.18
FY2019	4.00	4.51
FY2020	3.80	2.72



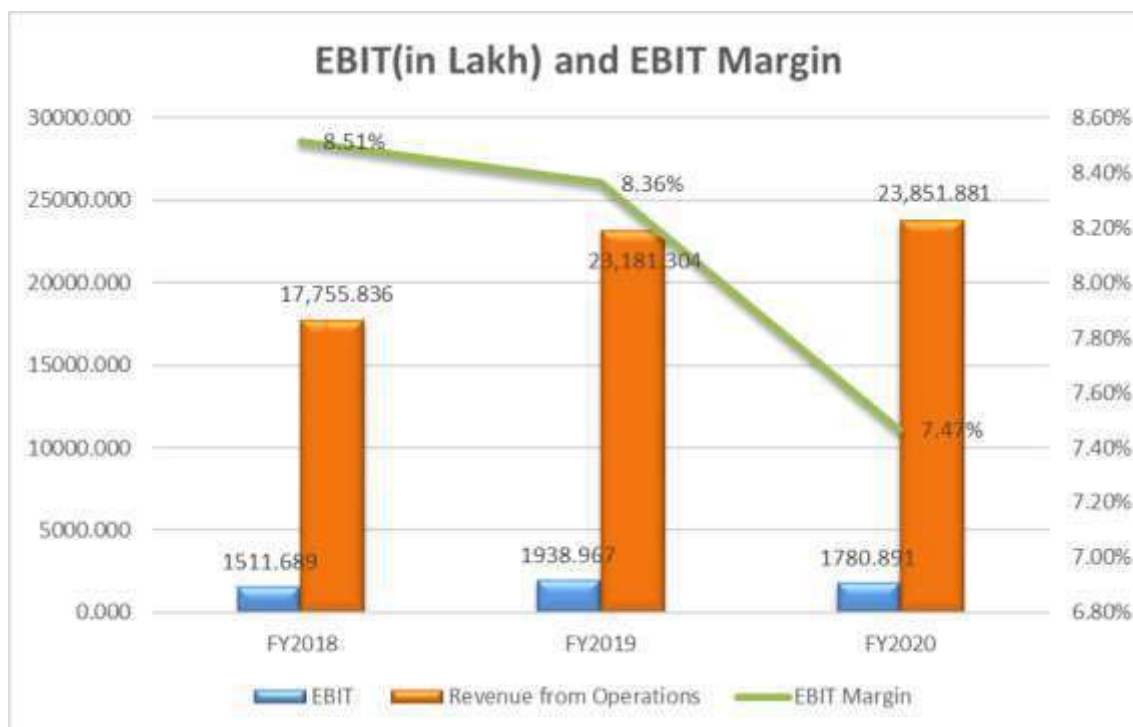
### Debt to Equity

The Debt Equity Ratio for the current financial year (FY 2020) is 1.61. The FY20 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
FY2018	1511.689	17,755.836	8.51%
FY2019	1938.967	23,181.304	8.36%
FY2020	1780.891	23,851.881	7.47%

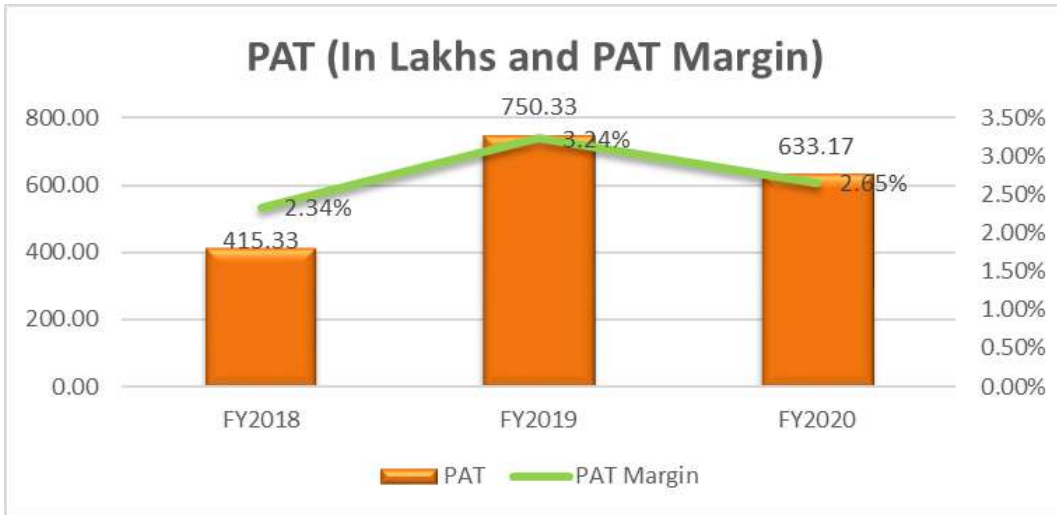


\*\*Legal Processing Charges and Bank Charges have been deducted while arriving at EBIT

### Net Profit Margin (%)

The company's FY2020 Net Profit declined by 16% as compared to the previous year, with understandable decline in the margin.

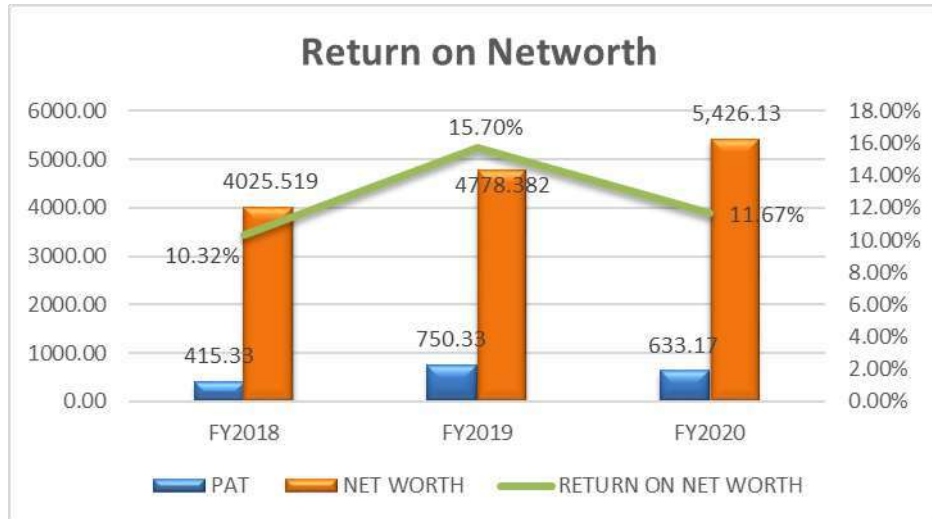
In Lakhs (INR)	Net Profit	Revenue From Operations	Net Profit Margin
FY2018	415.33	17,755.84	2.34%
FY2019	750.33	23,181.30	3.24%
FY2020	633.17	23,851.88	2.65%



### 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 11.67% 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
FY2018	415.33	4025.519	10.32%
FY2019	750.33	4778.382	15.70%
FY2020	633.17	5,426.13	11.67%



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

Date : 27<sup>th</sup> August, 2020  
Place : Surat

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

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

**“ANNEXURE VIII”**

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

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

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

**By order of Board of Directors**

**Date: 27<sup>th</sup> August, 2020**  
**Place: Surat**

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

## “ANNEXURE IX”

### Corporate Social Responsibility (CSR)

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

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

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

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

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

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

Name	Designation	Nature of Directorship
Mr. PradipkumarRatilalNavik	Chairman	Executive Director
Mr. ShantilalIshwarbhaiPatel	Member	Executive Director
Mr. NaginbhaiParagbhaiPatel	Member	Independent Director

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

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

2016-17 – Rs. 274.76 Lakhs

2017-18 – Rs. 619.49 Lakhs

2018-19 – Rs. 934.18 Lakhs

Average Net Profit: Rs. 609.48 Lakhs

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

2% of average profit during last three years Rs. 12.19 Lakhs

+ Carry forward of last year’s unspent amount Rs. NIL

**Total Prescribed CSR expenditure Rs. 12.19 Lakhs**

#### **5. Details of CSR spent during the financial year 2019-20:-**

(a) Total amount spent during the year:-NIL

(b) Amount unspent:-NIL

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

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
<b>Sr. No.</b>	CSR projects or activity identified	Sector in which the project is covered	Projects of programs (1)Local area or other (2) specify the state and district where projects or programs was undertaken	Amount outlay (Budget) project or program wise	Amount spent on the projects or programs Sub – heads: (1) Direct expenditure on projects or programs (2) Overheads	Cumulative expenditure up to the reporting period	Amount spent: Direct or through implementing agency
				NIL			

6. Reason for not spent CSR amount:

The Company considers social responsibility as an integral part of its business activities and endeavors to utilize allocable CSR budget for the benefit of society. The CSR Committee of the Company keeps on looking for good projects, which may benefit the society as a whole.

During the current financial year, the company was working on various projects but due to pandemic COVID 19, the company was not able to expend towards the project. So, the committee has recommended to carry forward the CSR amount of this financial year to be expended in next years.

7. Responsibility Statement:

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

For **ZEAL AQUA LIMITED**

**Date: 27<sup>th</sup> August, 2020**

**Place: Surat**

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

Sd/-  
Chairman of CSR Committee  
PradipkumarRatilalNavik  
(DIN:01067716)

## **“ANNEXURE X”**

### **STATEMENT ON RISK MANAGEMENT**

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

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

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

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

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

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

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

**Date: 27th August, 2020  
Place: Surat**

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

## **Annexure-XI**

### **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, 2020 as applicable to them as laid down in Companies Act, 2013 with the code of conduct of Board members and senior management personnel.

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

**Date: 27th August, 2020  
Place: Surat**

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

## Annexure-XII

### 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 PI 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 PI 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, 2020 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.

Place: SURAT  
Date: 27.08.2020

Sd/-  
Signature:  
Name of PCS: Ranjit B. Kejriwal  
FCS No.: 6116  
C P No.: 5985  
**UDIN: F006116B000624459**

## Annexure XIII

### **PARY AND CO.**

Chartered Accountants

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

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

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### **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 2020 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: **27/08/2020**

Sd/-  
**CA Akash Rajnikant Gaglani**  
**Partner**  
**M. No. 114255**  
**UDIN: 20114255AAAABQ6365**

## Independent Auditor's Report

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

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

We have audited the accompanying Ind AS financial statements of the Zeal Aqua Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

### **Opinion:**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of the affairs of the Company as at 31<sup>st</sup> March, 2020, the profit and the total 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 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.

## **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 financial statements and our auditor's report thereon.

Our opinion on the 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 Responsibility for the Financial Statements:**

The Company's Board of Directors is responsible for the matters stated in the Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including 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 Ind-AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. 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 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.
- 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 Cash Flow Statement 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 Ind AS financial statements comply with the Accounting Standards 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, 2020 and taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2020, 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]**

SD/-

**Akash Rajnikant Gaglani**  
**Partner**  
**[Membership No 114255]**  
**UDIN : 20114255AAAABI4650**

**Place :- Surat,**  
**Date :- 30<sup>th</sup> June, 2020**

## **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, 2020 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, 2020, 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 , 2020**

SD/-  
**Akash Rajnikant Gaglani**  
**Partner**  
**[Membership No 114255]**  
**UDIN : 20114255AAAABI4650**

## **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, 2020 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, 2020 on account of disputes are given below:

<b>Name of the statute</b>	<b>Nature of dues</b>	<b>Amt. under dispute not yet deposited As on 31<sup>st</sup> March, 2020 (₹. In Lacs)</b>	<b>Periods to which the amount relates (A.Y.)</b>	<b>Forum where the dispute is pending</b>
Income Tax Act, 1961	Income Tax	176.79	AY 2012-13	CIT (A)

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]**

**Place :- Surat,**  
**Date :- 30<sup>th</sup> June, 2020**

SD/-  
**Akash Rajnikant Gaglani**  
**Partner**  
**[Membership No 114255]**  
UDIN : 20114255AAAABI4650

**ZEAL AQUA LIMITED**  
**CIN : - L05004GJ2009PLC056270**  
**BALANCE SHEET AS AT 31 MARCH 2020**

	PARTICULARS	NOTE NO	As at 31/03/2020		As at 31/03/2019	
			₹. In Lakhs	₹. In Lakhs	₹. In Lakhs	₹. In Lakhs
<b>I</b>	<b>ASSETS</b>					
<b>1</b>	<b>Non Current Assets</b>					
	(a) Property, Plant & Equipment	1	4,023.84		4,633.67	
	(b) Capital Work in Progress	1	541.68		307.38	
	(c) Non-current Financial Assets					
	(i) Investments	2	10.09		10.29	
	(ii) Trade Receivables		-		-	
	(iii) Others	3	109.36		105.33	
	(d) Deferred Tax Assets	4	239.13	4,924.10	110.07	5,166.74
<b>2</b>	<b>Current Assets</b>					
	(a) Inventories	5	8,774.98		5,138.68	
	(b) Financial Assets					
	(i) Investments		-		-	
	(ii) Trade Receivables	6	6,269.92		5,796.19	
	(iii) Cash and Cash Equivalents	7	496.14		392.05	
	(iv) Loans and Advances	8	523.66		1,026.32	
	(v) Others	9	65.93		61.71	
	(c) Current Tax Assets (Net)	10	-		-	
	(d) Other Current Assets	11	111.83	16,242.46	228.45	12,643.40
	<b>TOTAL</b>			<b>21,166.56</b>		<b>17,810.14</b>
<b>II</b>	<b>EQUITY AND LIABILITIES</b>					
<b>1</b>	<b>Equity</b>					
	(a) Equity Share Capital	12	1,260.66		1,260.66	
	(b) Other Equity	13	4,233.49	5,494.15	3,595.21	4,855.87
<b>2</b>	<b>Non Current Liabilities</b>					
	(a) Financial Liabilities					
	(i) Borrowings	14	1,866.97		1,950.68	
	(ii) Trade Payables		-		-	
	(iii) Others		-		-	
	(b) Deferred Tax Liabilities		-		-	
	(c) Other Non Current Liabilities	15	11.60	1,878.57	13.57	1,964.25
<b>3</b>	<b>Current Liabilities</b>					
	(a) Financial Liabilities					
	(i) Borrowings	16	6,957.58		6,395.26	
	(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	6,223.47		3,708.21	
	(iii) Others		-		-	
	(b) Provisions	18	55.82		298.55	
	(c) Other Current Liabilities	19	610.13		523.67	
	(d) Current Tax Liabilities (Net)	20	-53.16	13,793.84	64.33	10,990.02
	<b>TOTAL</b>			<b>21,166.56</b>		<b>17,810.14</b>

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

For ZEAL AQUA LIMITED

SD/-  
KHUSHBOO MAHESH VAISHNAV  
Company Secretary

FOR PARY AND CO.  
CHARTERED ACCOUNTANTS  
FRN : 007288C

SD/-                      SD/-  
**SHANTILAL PATEL**      **PRADIP NAVIK**  
**Managing Director**    **Whole Time Director**  
**DIN:- 01362109**      **DIN:- 01067716**  
Date : 30/06/2020  
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  
UDIN : 20114255AAAABI4650

ZEAL AQUA LIMITED				
CIN : - L05004GJ2009PLC056270				
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2020				
	PARTICULARS	NOTE NO	As at 31/03/2020	As at 31/03/2019
			₹. In Lakhs	₹. In Lakhs
<b>1</b>	<b>Revenue</b>			
	(a) Revenue from operations	21	23,851.88	23,181.30
	(b) Other income	22	1,109.14	630.32
	<b>Total income</b>		<b>24,961.02</b>	<b>23,811.62</b>
<b>2</b>	<b>Expenses</b>			
	(a) Cost of materials consumed and Purchase Stock In Trade	23	22,402.93	19,541.43
	(b) Changes in inventories of finished goods, work-in-progress and stock-in-trade	24	-3,228.55	-1,668.48
	(c) Employee benefit expense	25	723.51	654.59
	(d) Finance costs	26	1,176.78	1,004.79
	(e) Depreciation and Amortisation Expense	27	718.26	848.98
	(f) Other Expenses	28	2,563.98	2,496.13
	<b>Total expenses</b>		<b>24,356.91</b>	<b>22,877.44</b>
<b>3</b>	<b>Total profit before exceptional items and tax</b>		<b>604.11</b>	<b>934.18</b>
<b>4</b>	Exceptional items		-	-
<b>5</b>	<b>Total profit before tax</b>		<b>604.11</b>	<b>934.18</b>
<b>6</b>	<b>Tax expense</b>			
	(a) Current tax	20	100.00	231.00
	(b) Deferred tax		-129.06	-47.14
<b>7</b>	<b>Total profit (loss) for period after Tax</b>		<b>633.17</b>	<b>750.32</b>
<b>8</b>	<b>Other comprehensive income</b>			
	(a) Items that will not be reclassified to the Profit or Loss Income tax relating to Items that will not be reclassified	OCI	5.11	-4.67
	(b) for Profit and Loss		-	-
	<b>Total Other comprehensive income</b>		<b>5.11</b>	<b>-4.67</b>
<b>9</b>	<b>Total Comprehensive Income for the period</b>		<b>638.28</b>	<b>745.65</b>
<b>10</b>	<b>Earnings per equity share</b>			
	(a) Basic earnings (loss) per share from continuing and discontinued operations		5.06	5.91
	(b) Diluted earnings (loss) per share from continuing and discontinued operations		5.06	5.91
<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/- KHUSHBOO MAHESH VAISHNAV Company Secretary				
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 : 30/06/2020			9005, WORLD TRADE CENTRE,	
Place : Surat			UDHNA DARWAJA, RING ROAD	
			SURAT-395002.	
			UDIN : 20114255AAAABI4650	

<b>ZEAL AQUA LIMITED</b>				
<b>CIN : - L05004GJ2009PLC056270</b>				
<b>CASHFLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2020</b>				
PARTICULARS	As at 31st March, 2020		As at 31st March, 2019	
	₹. In Lakhs	₹. In Lakhs	₹. In Lakhs	₹. In Lakhs
<b>[1] Cash Flow From Operating Activities</b>				
Profit before Tax as per Profit & Loss Account		604.11		934.18
<b>Adjustments for:</b>				
<b>Add : Expenses/ (Incomes) Not Requiring Cash :</b>				
Depreciation and Amortisation of Preliminary and Pre Ope. Expenses	718.26		848.98	
Unrealised Foreign Exchange (Gain)/Loss	-		28.24	
Interest income	-44.87		-26.56	
Finance Cost	1,176.78		1,004.79	
Current portion of Provision for Gratuity	1.97	1,852.14	-3.07	1,852.38
<b>Cash Flow From Operations Before Changes in Working Capital</b>		<b>2,456.25</b>		<b>2,786.56</b>
<b>(Increase)/Decrease in Current Assets:</b>				
Inventories	-3,636.30		-1,710.76	
Trade Receivables [after Adjusting Foreign Exchange Gain/ Loss]	-473.73		-1,786.04	
Other Current Assets	121.86		48.05	
Short-Term Loans and Advances	502.66	-3,485.51	-639.03	-4,087.78
<b>Increase/(Decrease) in Current Liabilities:</b>				
Trade Payables	2,515.26		2,540.59	
Other Current Liabilities	86.46		394.59	
Short-Term Provisions	-242.73	2,358.99	27.79	2,962.97
<b>Cash Flow From Operations after Changes in Working Capital</b>		<b>1,329.73</b>		<b>1,661.75</b>
<b>Other Adjustments</b>				
Income Tax Paid	-240.38		-267.27	
Adjustment due to OCI	5.11	-235.27	-4.67	-271.94
<b>Net Cash Generated From Operating activities</b>		<b>(A) 1,094.46</b>		<b>(A) 1,389.81</b>
<b>[2] Cash Flows from Investing Activities</b>				
Sale of Non-current Financial Investments	0.20			
Purchase of Fixed Assets and Capital Wrok In Progress	-333.26		-425.91	
		-333.06		-425.91
<b>Net Cash Generated From Investing activities</b>		<b>(B) -333.06</b>		<b>(B) -425.91</b>
<b>[3] Cash Flow From Financing activities</b>				
Proceeds from/(Repayment of) non current borrowing	-83.71		229.11	
Proceeds from/(Repayment of) current borrowing	562.34		-421.69	
Long Term loans and advances/Deposits Given	-4.03		-14.94	
Finance Cost [including Interest paid]	-1,176.78		-1,004.79	
Interest Income on Fixed Deposit	44.87	-657.31	26.56	-1,185.75
<b>Net Cash Generated From Financing activities</b>		<b>(C) -657.31</b>		<b>(C) -1,185.75</b>
<b>[4] Net Increase/(Decrease in cash)</b>		<b>(A+B+C) 104.09</b>		<b>(A+B+C) -221.85</b>
Cash and Cash Equivalents at the beginning of the year		392.05		613.90
<b>[5] Cash and Cash Equivalents at the end of the year</b>		<b>496.14</b>		<b>392.05</b>
<b>Components of the Cash and Cash Equivalents:</b>				
Cash on Hand	27.86		39.64	
With Banks - in form of current accounts	28.18		19.32	
With Banks - in form of demand deposits	440.10	496.14	333.09	392.05
The significant accounting policies and accompanying notes forming an integral part of financial statements				
<b>For ZEAL AQUA LIMITED</b>		<b>SD/-</b>		<b>FOR PARY AND CO.</b>
<b>SHANTILAL PATEL</b>		<b>KHUSHBOO MAHESH VAISHNAV</b>		<b>CHARTERED ACCOUNTANTS</b>
<b>Managing Director</b>		<b>Company Secretary</b>		<b>FRN : 007288C</b>
<b>DIN:- 01362109</b>		<b>SHAIENDRASINGH PATIL</b>		<b>AKASH RAJNIKANT GAGLANI</b>
<b>Date : 30/06/2020</b>		<b>C.F.O.</b>		<b>PARTNER</b>
<b>Place : Surat</b>		<b>MEM. NO. : 114255</b>		<b>9005, WORLD TRADE CENTRE,</b>
				<b>UDHNA DARWAJA, RING ROAD</b>
				<b>SURAT-395002.</b>
				<b>UDIN : 20114255AAAABI4650</b>

**ZEAL AQUA LIMITED**  
**CIN : - L05004GJ2009PLC056270**  
**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2020**

**A EQUITY SHARE CAPITAL**

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

Particulars	₹. In Lakhs	
	No	
As at 31 March 2018	42,02,200	420.22
Increase/(Decrease) during the year	84,04,400	840.44
As at 31 March 2019	1,26,06,600	1,260.66
Increase/(Decrease) during the year	-	-
As at 31 March 2020	1,26,06,600	1,260.66

**B OTHER EQUITY**

For the Year Ended 31st March 2019 and 31st March 2020

₹. In Lakhs

Particulars	₹. In Lakhs	
	Securities Premium	Surplus in P & L
Balance as at 31 March, 2018	2,070.50	1,619.50
Profit for the Year 2018-19	-	745.65
Bonus Share Issued	-840.44	-
Balance as at 31 March, 2019	1,230.06	2,365.15
Profit for the Year 2019-20	-	638.28
Bonus Share Issued	-	-
Balance as at 31 March, 2020	1,230.06	3,003.43

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

For ZEAL AQUA LIMITED

SD/-  
**KHUSHBOO MAHESH VAISHNAV**  
 Company Secretary

**FOR PARY AND CO.**  
**CHARTERED ACCOUNTANTS**  
**FRN : 007288C**

SD/-                      SD/-  
**SHANTILAL PATEL      PRADIP NAVIK**  
 Managing Director    Whole Time Director  
**DIN:- 01362109      DIN:- 01067716**  
 Date : 30/06/2020  
 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.

UDIN : 20114255AAAABI4650

ZEAL AQUA LIMITED		
CIN : - L05004GJ2009PLC056270		
Other comprehensive income		
Particulars	31.03.2020	31.03.2019
	₹. In Lakhs	₹. In Lakhs
<b>Amount of items that will not be reclassified to profit and loss</b>		
Prior Period Items	-	-2.46
(Excess)/Less Provision of IT	22.64	-24.48
(Excess)/Less Provision of Audit Fees	-	-
(Excess)/Less Provision of Gratuity	7.58	1.96
Interest on Loan From Directors	21.40	-11.17
Interest on Loan From Others	-	-7.19
Reversal of interest for earlier year on Loan from Others	14.26	1.30
Interest on Loan to Employees	5.99	7.91
Interest on Loan to Others	4.77	2.30
Provision Writtenoff - Loan from Directors	-32.43	16.12
Provision Writtenoff - Loan from Others	-30.28	19.41
Provision Writtenoff - Loan to Employees	-5.20	-5.78
Provision Writtenoff - Loan to Others	-3.62	-2.59
<b>Total Amount of items that will not be reclassified to profit and loss</b>	<b>5.11</b>	<b>-4.67</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>5.11</b>	<b>-4.67</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>
	SD/-	<b>CHARTERED ACCOUNTANTS</b>
	<b>KHUSHBOO MAHESH VAISHNAV</b>	<b>FRN : 007288C</b>
	Company Secretary	
SD/-	SD/-	SD/-
<b>SHANTILAL PATEL</b>	<b>PRADIP NAVIK</b>	<b>AKASH RAJNIKANT GAGLANI</b>
<b>Managing Director</b>	<b>Whole Time Director</b>	<b>PARTNER</b>
<b>DIN:- 01362109</b>	<b>DIN:- 01067716</b>	<b>MEM. NO. : 114255</b>
Date : 30/06/2020		9005, WORLD TRADE CENTRE,
Place : Surat		UDHNA DARWAJA, RING ROAD
		SURAT-395002.
		UDIN : 20114255AAAABI4650

**ZEAL AQUA LIMITED**  
CIN :- L05004GJ2009PLC056270

Note-'I'  
Property, plant and equipment (owned, unless otherwise stated) Amount ₹. 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, 2018	207.27	2,347.90	952.93	53.27	3,151.26	298.02	9.44	7,020.11
Additions	-	18.87	15.10	3.88	77.91	29.01	-	144.77
Disposals	-	-	-	-	-	-	-	-
As at March 31, 2019	207.27	2,366.77	968.03	57.15	3,229.17	327.03	9.44	7,164.88
Additions	-	10.38	0.06	0.87	58.04	29.60	-	98.95
Disposals	-	-	-	-	-	-	-	-
As at March 31, 2020	207.27	2,377.15	968.09	58.02	3,287.21	356.63	9.44	7,263.83
<b>Depreciation</b>								
As at March 31, 2018	-	228.95	335.02	29.05	944.24	152.96	5.22	1,695.43
Additions	-	208.76	145.99	11.30	419.32	47.88	2.53	835.78
Disposals	-	-	-	-	-	-	-	-
As at March 31, 2019	-	437.71	481.01	40.35	1,363.56	200.84	7.75	2,531.21
Additions	-	187.35	110.42	7.12	360.96	41.76	1.17	708.78
Disposals	-	-	-	-	-	-	-	-
As at March 31, 2020	-	625.06	591.43	47.47	1,724.52	242.60	8.92	3,239.99
<b>Net Block</b>								
As at March 31, 2019	207.27	1,929.06	487.02	16.80	1,865.61	126.19	1.69	4,633.67
As at March 31, 2020	207.27	1,752.09	376.66	10.55	1,562.69	114.03	0.52	4,023.84
<b>Capital Work In Progress</b>								
<b>Cost</b>								
As at March 31, 2018	-	-	26.26	-	-	-	-	-
Additions	-	-	336.34	-	-	-	-	-
Disposals	-	-	55.22	-	-	-	-	-
As at March 31, 2019	-	-	307.38	-	-	-	-	-
Additions	-	-	234.30	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-
As at March 31, 2020	-	-	541.68	-	-	-	-	-

ZEAL AQUA LIMITED					
CIN : - L05004GJ2009PLC056270					
Notes on Ind - AS Financial Statement for the Year ended on 31st March, 2020				₹. In Lakhs	
Note No	Particulars	31.03.2020		31.03.2019	
		Total		Total	
	<b><u>Non-current Financial Assets</u></b>				
2	<b>Investments</b>				
	(a) Investment in NSC	-		0.20	
	(b) Investment in Gold Coins	10.09	10.09	10.09	10.29
3	<b>Others</b>				
	<b>Unsecured Considered Good</b>				
	<b>Security Deposits</b>				
	Excutive Eng KRBC Division Surat(FD)PNB	8.55		7.55	
	GEB Deposit	84.55		81.85	
	Gas Security Deposit & ESD (Gujarat Gas)	0.71		0.71	
	HP Gas Cylinder Deposit	0.05		0.02	
	Shri Laxmi Jyot (Gas Deposit)	0.13		0.13	
	House Depsoit for Guru	0.45		0.15	
	Oxygen Cylinder Deposit	0.15		0.15	
	Parth GAS	1.00		1.00	
	Telephone Deposit	0.02	95.61	0.02	91.58
	<b>Trade Deposits</b>				
	Biostand India Ltd-D	0.25		0.25	
	Gujarat Aqua Feed Dealers Association	3.50		3.50	
	Srinivasa Custine(Trade Deposit)	10.00	13.75	10.00	13.75
	<b>Total</b>		<b>109.36</b>		<b>105.33</b>
4	<b><u>Deferred Tax Assets</u></b>				
	DTA / (DTL)	239.13	<b>239.13</b>	110.07	<b>110.07</b>
5	<b><u>Inventories</u></b>				
	<b>A. Finished Goods</b>				
	Finished Product	7,518.21	7,518.21	4,256.68	4,256.68
	<b>B. Raw Materials/ Traded Items</b>				
	Bleaching	1.66		8.67	
	Feed	26.06		0.09	
	Pond Machinery	4.59		19.26	
	Feed Supplement	37.74	70.05	11.87	39.89
	<b>(As taken valued and certified by the Management)</b>				
	<b><u>Biological Assets</u></b>				
	Prawns	962.82		585.23	
	Seed Live Stock - WIP	223.90	1,186.72	256.88	842.11
	<b>(As taken valued and certified by the Management)</b>				
	<b>Total</b>		<b>8,774.98</b>		<b>5,138.68</b>
	<b><u>Current Financial Assets</u></b>				
6	<b>Trade Receivables</b>				
	Outstanding more than 6 Months	368.56		916.39	
	Other	5,901.36	<b>6,269.92</b>	4,879.80	<b>5,796.19</b>

<b>ZEAL AQUA LIMITED</b>					
<b>CIN : - L05004GJ2009PLC056270</b>					
<b>Notes on Ind - AS Financial Statement for the Year ended on 31st March, 2020</b>				<b>₹. In Lakhs</b>	
<b>Note No</b>	<b>Particulars</b>	<b>31.03.2020</b>		<b>31.03.2019</b>	
		<b>Total</b>		<b>Total</b>	
7	<b>Cash and Cash Equivalents</b>				
	Cash Balance on Hand (As Certified by the Management)	27.86	27.86	39.64	39.64
	Balance with Banks:				
	- Allahabad Bank	265.28		181.06	
	- Bank of India	162.63		146.27	
	- Axis Bank	11.83		5.40	
	- Syndicate Bank	0.36	440.10	0.36	333.09
	<b>- In Current Accounts</b>				
	- Allahabad Bank	3.71		6.11	
	- Axis Bank (918020087152359)	16.55		14.51	
	- Canara Bank	-0.06		-	
	- Axis Bank (EEFC USD)	5.10		-	
	- Punjab National Bank (EEFC USD)	-		-4.27	
	- Punjab National Bank	1.81		1.81	
	- Bank of India	1.05		1.06	
	- Syndicate Bank (71701010025620)	0.02	28.18	0.10	19.32
	<b>Total</b>		<b>496.14</b>		<b>392.05</b>
8	<b>Loans and Advances</b>				
	Prepaid Expenses	8.19		39.96	
	Loans & Advances To Employees	63.07		66.80	
	Advance Salary	0.18		0.14	
	Balance With Government Authorities	430.37		167.75	
	Advances to Others	21.85		25.34	
	Advances to Suppliers	-	523.66	726.33	1,026.32
9	<b>Others</b>				
	Demand Deposits				
	Axis Bank (276) of BG	-		1.99	
	Margin Money FD (Infracra & Namdung)	30.93		28.67	
	Margin of B/G for 3rd EPGC 15% FD	4.35		4.35	
	Margin of B/G for CT FD (BC)	2.36		2.36	
	Margin of B/G for Frick & GEA FD	2.42		2.42	
	PNB FD Marign Money of CT& Guntner 4142	25.87	65.93	21.92	61.71
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)	15.68		15.68	
	Duty Drawback Receivable	-		7.73	
	MEIS Receivable	-		92.83	
	Prepaid Expenses - Employees	19.79		22.75	
	Prepaid Expenses - Others	8.34		11.96	
	Preliminary Expenses	13.78		17.23	
	Pre-Operative Expense	54.24	111.83	60.27	228.45

ZEAL AQUA LIMITED					
CIN : - L05004GJ2009PLC056270					
Notes on Ind - AS Financial Statement for the Year ended on 31st March, 2020				₹. In Lakhs	
Note No	Particulars	31.03.2020		31.03.2019	
		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)		1,300.00		1,300.00
	<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>1,260.66</b>		<b>1,260.66</b>
	<b>Total</b>		1,260.66		1,260.66
	<b>No. of shares</b>		12606600		12606600
	<b>- The Details of Shareholders holding more than 5% 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	9.89%	1247040	9.89%	1247040
	Agave Tradecom LLP	15.88%	2001600	15.88%	2001600
	<b>Total</b>	56.21%	7085760	56.21%	7085760
	<b>- Reconciliation Of the Number of Shares Outstanding:</b>				
		<b>No. of Shares</b>	<b>Amount</b>	<b>No. of Shares</b>	<b>Amount</b>
	Equity Shares at the Beginning Of the Year	1,26,06,600	1,260.66	42,02,200	420.22
	Addition / (Deletion)	-	-	84,04,400	840.44
	Equity Shares at the Closing Of the Year	1,26,06,600	1,260.66	1,26,06,600	1,260.66
13	<b>Other Equity</b>				
	<b>Securities Premium</b>				
	Opening Balance	1,230.06		2,070.50	
	Add :- Addition	-		-	
	Less :- Appropriation	-		840.44	
	Closing Balance		1,230.06		1,230.06
	<b>Profit And Loss Account</b>				
	Opening Balance	2,365.15		1,619.50	
	Add :- Addition	638.28		745.65	
	Less :- Appropriation	-		-	
	Closing Balance		3,003.43		2,365.15
	<b>TOTAL</b>		<b>4,233.49</b>		<b>3,595.21</b>
	<b>Non Current Financial Liabilities</b>				
14	<b>Borrowings</b>				
	<b>Secured</b>				
	Term Loan From Bank	697.25		1,076.27	
	<b>Unsecured</b>				
	Loans & Advances From Directors	308.47		129.01	
	Loans & Advances From Others	861.25	<b>1,866.97</b>	745.40	<b>1,950.68</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.				

**ZEAL AQUA LIMITED**

CIN : - L05004GJ2009PLC056270

**Notes on Ind - AS Financial Statement for the Year ended on 31st March, 2020**

₹. In Lakhs

Note No	Particulars	31.03.2020		31.03.2019	
		Total		Total	
15	<b>Others Non Current Liabilities</b>				
	Gratuity Provision	11.60	<b>11.60</b>	13.57	<b>13.57</b>
16	<b>Short Term Borrowings from Bank</b>				
	Bank short term borrowing	6,957.58	<b>6,957.58</b>	6,395.26	<b>6,395.26</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 Goods - Harvesting	4,775.37		1,448.04	
	Creditors for Exp.	180.52		385.88	
	Trade Creditors	1,267.58	<b>6,223.47</b>	1,874.29	<b>3,708.21</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, 2020 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 - Director Loan	-		127.92	
	Provision- Other Loan	-		114.73	
	Provision - Statutory Audit Fees	3.50		2.50	
	Provision - Internal Audit Fees	2.40		-	
	Provision - I T Return Fees Payable	0.55		0.55	
	Provision - ROC Fees	-		0.20	
	Provision - GST Consultancy Fees	0.25		0.25	
	Provision - Gratuity	0.28		0.65	
	Provision - Labour Welfare Fund	0.01		-	
	Provision - Wages Payable	4.20		-	
	Provision - Salary Payable	0.44		0.84	
	Provision - Remuneration Payable	44.19		50.91	
	Provision - Internet Charges	-	<b>55.82</b>	-	<b>298.55</b>
19	<b>Other Current Liabilities</b>				
	<b>Current Maturity of Long Term Debts:</b>				
	Term Loans From Banks	596.05	596.05	511.65	511.65
	<b>Statutory Remittances</b>				
	Professional Tax	0.79		0.35	
	Provident Fund Payable	1.90		0.91	
	TDS Payable	11.39		9.03	
	GST Payable	-	14.08	1.73	12.02
	Total		<b>610.13</b>		<b>523.67</b>
20	<b>Current Tax Liabilities</b>				
	Current Tax Provision	100.00		231.00	
	Less :- Advance Tax Paid	150.00		165.00	
	Less :- TDS / TCS	3.16	<b>-53.16</b>	1.67	<b>64.33</b>

**ZEAL AQUA LIMITED**  
CIN : - L05004GJ2009PLC056270

Notes on Ind - AS Financial Statement for the Year ended on 31st March, 2020

₹. In Lakhs

Note No	Particulars	31.03.2020		31.03.2019	
		Total		Total	
<b>21</b>	<b>Revenue from operations</b>				
	Sale of Product				
	A. Manufactured/Processed Goods:				
	Finished Product	14,506.55	14,506.55	6,923.04	6,923.04
	B. Manufactured/Processed Goods- Local Sales:				
	Prawns	-	-	2,600.76	2,600.76
	C. Traded Goods / Harvested Farming - Local Sales:				
	Bleaching	5.76		72.41	
	Feed	1,455.64		3,289.40	
	Feed Supplement	-		0.43	
	Seed	191.56		617.80	
	Pond Machinery	47.52		601.10	
	Harvested Products	7,615.93	9,316.41	8,833.73	13,414.87
	Less: (Sales Return )	-19.37	-19.37	-47.64	-47.64
	D. Other Operating Revenues:				
	Rate Difference	3.48		-16.82	
	Trade Discount	3.37		119.44	
	Written Off	-0.03		0.22	
	Turnover Discount	41.47	48.29	187.43	290.27
	<b>Total</b>		<b>23,851.88</b>		<b>23,181.30</b>
<b>22</b>	<b>Other income</b>				
	Interest:				
	Interest on FD	41.02		26.56	
	Interest on Income Tax Refund	3.85		-	
	Duty Drawback	306.82		169.13	
	Foreign Exchange Gain	130.71		-80.07	
	MEIS	626.74	1,109.14	514.70	630.32
<b>23</b>	<b>Cost of materials consumed and Purchase Stock In Trade</b>				
	<b>Inventories at the beginning of the year:</b>				
	Prawns	585.23		372.69	
	Bleaching	8.67		3.64	
	Feed	0.09		50.39	
	Pond Machinery	19.26		15.61	
	Feed Supplement	11.87	625.12	140.51	582.84
	<b>Purchase</b>				
	Prawns	-		49.01	
	Bleaching	35.37		82.33	
	Feed	2,253.01		3,904.74	
	Pond Machinery	2.45		49.15	
	Feed Supplement	356.03		666.26	
	Seed	378.17		634.97	
	Harvested Products	19,798.35		14,292.23	
	Less : (Purchase Return)	-12.70	22,810.68	-94.98	19,583.71
	<b>Inventories at the end of the year:</b>				
	Prawns	962.82		585.23	
	Bleaching	1.66		8.67	
	Feed	26.06		0.09	
	Pond Machinery	4.59		19.26	
	Feed Supplement	37.74	1,032.87	11.87	625.12
	<b>Cost of materials consumed and Purchase Stock In Trade</b>		<b>22,402.93</b>		<b>19,541.43</b>

**ZEAL AQUA LIMITED**  
CIN : - L05004GJ2009PLC056270

Notes on Ind - AS Financial Statement for the Year ended on 31st March, 2020

₹. In Lakhs

Note No	Particulars	31.03.2020		31.03.2019	
		Total		Total	
<b>24</b>	<b>Changes in Inventory</b>				
	<b>Inventories at the end of the year:</b>				
	A. Finished Goods				
	Finished Product	7,518.21		4,256.68	
	B. Work in Process				
	Seed Live Stock - WIP	223.90	7,742.11	256.88	4,513.56
	<b>Inventories at the beginning of the year:</b>				
A. Finished Goods					
Finished Product	4,256.68		2,332.85		
B. Work in Process					
Seed Live Stock - WIP	256.88	4,513.56	512.23	2,845.08	
	<b>Changes in Inventory</b>		<b>-3,228.55</b>		<b>-1,668.48</b>
<b>25</b>	<b>Employee benefit expense</b>				
	Salaries and Wages	453.13		361.02	
	Director Remuneration	96.00		96.00	
	Bonus Expenses	19.27		52.15	
	Contribution to Employee Provident Fund	9.99		8.67	
	Staff Welfare Expenses	41.85		30.05	
	Salary Arrears	0.13		-	
	Conveyance Expenses	9.41		5.92	
	Mobile Bill Expenses	3.47		6.01	
	Telephone Expenses	-		0.04	
	Travelling Expenses	7.66		15.45	
	Vehicle Repair & Maint. Exp.	16.68		8.09	
	Medical exp	1.40		1.58	
	Gratuity	5.24		5.20	
	House Rent Allowance	1.06		0.88	
	Leave Encashment	13.43		0.40	
Employee Insurance	44.79	<b>723.51</b>	63.13	<b>654.59</b>	
<b>26</b>	<b>Finance costs</b>				
	Interest - Vehicle Loan	5.07		5.41	
	BG Commission Charges	1.11		4.52	
	Loan Processing Charges	41.62		17.97	
	Buyers' Credit Charges	-		0.01	
	Interest on PCFC	29.69		-	
	Interest on Secured Loans	868.56		841.29	
	Interest - Unsecured Loans	176.68		96.06	
	Bank Charges	50.99		37.61	
FLC Charges	3.06	<b>1,176.78</b>	1.92	<b>1,004.79</b>	
<b>27</b>	<b>Depreciation and Amortisation Expense</b>				
	Depreciation on PPE	708.78		835.78	
	Preliminary Expense Written off	3.45		5.74	
	Preoperative Expense Written off	6.03	<b>718.26</b>	7.46	<b>848.98</b>

## ZEAL AQUA LIMITED

CIN : - L05004GJ2009PLC056270

Notes on Ind - AS Financial Statement for the Year ended on 31st March, 2020

₹. In Lakhs

Note No	Particulars	31.03.2020		31.03.2019	
		Total		Total	
28	<b>Other Expenses</b>				
	<b>[A] Manufacturing Expenses</b>				
	Consumable Expenses	82.97		87.82	
	Contract Farming Charges	18.71		63.76	
	Electrical Exp - Site	16.86		47.49	
	Diesel Exp	121.98		133.51	
	Electricity Charges - Site	419.17		395.03	
	Harvesting Exp	12.13		18.90	
	Ice Exps	37.31		40.99	
	JCB Work Exps	37.94		25.43	
	Labour Work Exps	369.42		233.04	
	Local Transportation Exps	43.93		29.05	
	Freight & THC Charges	197.62		122.60	
	Pond & Culture Exp	61.92		67.63	
	Pond Repairing Expenses	128.50		95.22	
	Purchase Oil	4.18		2.55	
	Direct Transportation Charges	49.98		191.76	
	Site Labour and Wages Expenses	122.53		170.40	
	Salt Purchase Expenses	6.40		4.36	
	Loading Unloading Expenses	2.02		5.44	
	Pre Harvesting Testing Expenses	4.13		1.06	
	Lab Testing Exp./Laboratory Expenses	77.40		50.97	
	Plastic Container Seals	0.15		0.31	
	Wooden Item Purchase	16.60		21.71	
	Water Exps.	17.67	1,849.52	16.23	1,825.26
	<b>[B] Administrative &amp; Selling Expenses</b>				
	Administrative Charges of PF	0.43		0.42	
	CHA Agency Fees	4.56		2.73	
	Agent Commission Exp.	104.45		115.12	
	Custom Clearance Expenses	-		1.40	
	Adhesive Stamp	0.16		0.30	
	Advertisement Exp.	0.20		-	
	Expo Exp.	1.52		-	
	Meeting Exp.	-		0.50	
	Membership Fees	0.50		0.50	
	EPCG Processing & Redemption Expenses	0.05		2.65	
	CSR Exp	-		8.80	
	GIDC Tax	-		0.01	
	Legal Exp.	40.34		29.30	
	Computer Exp	1.25		1.04	
	Donation	2.66		2.01	
	Office Exp	12.67		65.90	
	Tea & Refreshment	6.03		2.10	
	Purchase Miscellaneous Exps	-		0.28	
	Packing & Forwarding Exp	261.89		175.96	
	Professional and Technical Fees	39.71		58.28	
	Repair and Maintenance Exp	116.65		159.37	
	Garden Maintenance Exp.	0.01		0.11	
	ROC fees	0.20		0.36	
	Stationery and Printing exp	37.88		1.60	
	Mobile exp	0.08		-	
	Sweeper Salary	-		0.31	
	Testing Fees	1.73		2.15	
	Postage and Courier	5.17		0.09	
	Security Guard Exp.	14.31		-	
	Nursery Rent	4.80		5.20	
	Vehicle Insurance Expense	10.36		5.73	
	Property Insurance Exp	2.83		2.69	
	Internet exp	-		0.14	
	ETP Processing Exp.	11.93		3.64	
	Interest - TDS	1.00		0.78	
	Late Fees of GST	0.13		0.06	
	Factory Rent	2.34		2.34	
	Housekeeping Exp.	18.63	704.47	10.21	662.08

**ZEAL AQUA LIMITED**  
CIN : - L05004GJ2009PLC056270

Notes on Ind - AS Financial Statement for the Year ended on 31st March, 2020

₹. In Lakhs

Note No	Particulars	31.03.2020		31.03.2019	
		Total		Total	
<b>28</b>	<b>Other Expenses (Contd...)</b>				
	<b>[C] Rates &amp; Taxes to Government or Local Body</b>				
	Village Tax	4.75		3.78	
	Value Added Tax	0.34		-	
	Toll Charges	-	5.09	-	3.78
	<b>[D] Auditor Remuneration</b>				
	- Statutory Audit Fees	2.50		2.50	
	- Internal Audit Fees	2.40		1.42	
	- Stock Audit Fees	-	4.90	0.27	4.19
	<b>[E] Tax Consultancy Fees</b>				
	- Income Tax Consultancy	-		0.55	
	- Sales Tax/GST Consultancy	-	-	0.25	0.80
	<b>Total Other Expenses</b>		<b>2,563.98</b>		<b>2,496.13</b>

ZEAL AQUA LIMITED CIN : - L05004G12009PLC056270		
<b>DEFERRED TAX LIABILITIES AS ON 31-03-2020</b>	<b>31.03.2020 (₹. In Lakhs)</b>	<b>31.03.2019 (₹. In Lakhs)</b>
WDV as per Books	4,023.84	4,633.67
WDV as per IT Act	4,741.93	4,961.43
	-718.09	-327.76
Deferred Tax Liability @ 33.06%	-237.40	-108.35
	-237.40	-108.35
<b><u>DEFERRED TAX ASSETS AS ON 31-03-2019</u></b>		
- On provision for Gratuity	5.23	5.20
- On provision for Bonus	-	-
	5.23	5.20
Provision for Employees Benefit	1.73	1.72
	1.73	1.72
<b>Net deferred tax liability</b>	<b>-239.13</b>	<b>-110.07</b>
Add: Deferred Tax Asset due to Ind-AS	-	-
	-	-
Net Deferred Tax Liability as on 31-03-2020	<b>-239.13</b>	<b>-110.07</b>
<b>Deferred Tax Liability/Asset as on Previous Year</b>	<b>-110.07</b>	<b>-62.93</b>
Additional Provision for Deferred Tax Assets or Liability	-129.06	-47.14
Additional Provision for Deferred Tax Asset due to Ind-AS	-	-
<b>Net deferred Tax Liability/(Assets) as on 31.03.2019</b>	<b>-239.13</b>	<b>-110.07</b>

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

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## **Notes to the Financial Statements for the year ended March 31, 2020**

### **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, 2020. 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, 2020**

### **29.4 Notes to the Financial Statements for the year ended March 31, 2020**

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 and

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

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**Notes to the Financial Statements for the year ended March 31, 2020**

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, 2020**

### ➤ **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.

### **Financial liabilities**

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

## **Notes to the Financial Statements for the year ended March 31, 2020**

### **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.

### ➤ **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

## **Notes to the Financial Statements for the year ended March 31, 2020**

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.

### **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).

## **Notes to the Financial Statements for the year ended March 31, 2020**

### **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.

#### **(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.

## **Notes to the Financial Statements for the year ended March 31, 2020**

### ➤ **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.

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

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

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**Notes to the Financial Statements for the year ended March 31, 2020**

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.

➤ **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, 2020.

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

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**Notes to the Financial Statements for the year ended March 31, 2020**

**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.

**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.

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.

## **Notes to the Financial Statements for the year ended March 31, 2020**

### ➤ **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.

### ➤ **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.

## **Notes to the Financial Statements for the year ended March 31, 2020**

### **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 cash generating 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.

### **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.

## **Notes to the Financial Statements for the year ended March 31, 2020**

### **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 noncurrent classification of assets and liabilities.

**ZEAL AQUA LIMITED**  
CIN: - L05004GJ2009PLC056270

**Notes to the Financial Statements for the year ended March 31, 2020**

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

Particulars	31st March, 2020				Fair Value (₹. 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	-	-	6,223.47	6,223.47	-	-	6,223.47	6,223.47
Borrowings	-	-	6,957.59	6,957.59	-	-	6,957.59	6,957.59
	-	-	<b>15,048.03</b>	<b>15,048.03</b>	-	-	<b>15,048.03</b>	<b>15,048.03</b>

Particulars	31st March, 2019				Fair Value (₹. In Lakhs)			Total
	FVTPL	FVOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	
<b>Non Current Financial Assets</b>								
Investments	-	-	10.29	10.29	-	10.29	-	10.29
Others	-	-	105.33	105.33	-	-	105.33	105.33
<b>Current Financial Assets</b>								
Trade Receivables	-	-	5,796.19	5,796.19	-	-	5,796.19	5,796.19
Cash and Cash Equivalents	-	-	392.05	392.05	-	-	392.05	392.05
Loans and Advances	-	-	1,026.32	1,026.32	-	-	1,026.32	1,026.32
Others	-	-	61.71	61.71	-	-	61.71	61.71
	-	-	<b>7,391.89</b>	<b>7,391.89</b>	-	<b>10.29</b>	<b>7,381.60</b>	<b>7,391.89</b>
<b>Non Current Financial Liabilities</b>								
Borrowings	-	-	1,950.68	1,950.68	-	-	1,950.68	1,950.68
<b>Current Financial Liabilities</b>								
Trade Payables	-	-	3,708.21	3,708.21	-	-	3,708.21	3,708.21
Borrowings	-	-	6,395.25	6,395.25	-	-	6,395.25	6,395.25
	-	-	<b>12,054.14</b>	<b>12,054.14</b>	-	-	<b>12,054.14</b>	<b>12,054.14</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, 2020**

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. 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' 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 does not have any significant concentration of credit risk. There are no customers which account for 10% or more of the total trade receivables as at the year end."

**ZEAL AQUA LIMITED**  
CIN: - L05004GJ2009PLC056270

**Notes to the Financial Statements for the year ended March 31, 2020**

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 2020	31 <sup>st</sup> March 2019
Past due 1–180 days	5,901.36	4,879.80
More than 180 days	368.56	916.39
<b>Total</b>	<b>6269.92</b>	<b>5,796.19</b>

**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 analyses the Company's financial liabilities into relevant maturity groupings based on their contractual maturities:

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	6,223.47	6,223.47	-
Other financial liabilities	-	-	-
<b>Total</b>	<b>15,048.02</b>	<b>13,181.05</b>	<b>1,866.97</b>
<b>31<sup>st</sup> March 2019</b>	<b>Carrying amount</b>	<b>Upto 1 year</b>	<b>More than 1 year</b>
<b>Financial liabilities</b>			
Borrowings	8,345.94	6,395.26	1,950.68
Trade payables	3,708.21	3,708.21	-
Other financial liabilities	-	-	-
<b>Total</b>	<b>12,054.15</b>	<b>10,103.47</b>	<b>1,950.68</b>

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

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**Notes to the Financial Statements for the year ended March 31, 2020**

**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.

<b>Particulars</b>	<b>31<sup>st</sup> March 2020</b>	<b>31<sup>st</sup> March 2019</b>
<b>Fixed-rate Borrowings</b>	338.63	380.52
<b>Floating-rate Borrowings</b>	7983.00	7,765.07
<b>Total</b>	<b>8,321.63</b>	<b>8,145.59</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.

The Company has adequate cash and bank balances and continues to remain debt-free. The company monitors its capital by a careful scrutiny of the cash and bank balances, and a regular assessment of any debt requirements. Due to the presence of insignificant debt as compared to cash balances, the Company has not computed its debt equity ratio as the same may not be relevant."

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

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**Notes to the Financial Statements for the year ended March 31, 2020**

**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
- 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
- Pradipkumar Navik 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 |
| - Shailendra Patil                                   | CFO      |
| - Javanika Gandharva<br>(Resigned as on 31.05.2019)  | CS       |
| - Khushboo Vaishnav<br>(Appointed w.e.f. 02.09.2019) | CS       |

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

**Notes to the Financial Statements for the year ended March 31, 2020**

**- Relatives of Key Managerial Personnel**

-	Susan P Navik	Relative of Director
-	Kimi S Patel	Relative of Director
-	Preety Mistry	Relative of Director
-	Rashmiben S Patel	Relative of Director
-	Lilavati Ratilal Navik	Relative of Director
-	Bhanumati Ratilal Navik	Relative of Director
-	Bharat Ratilal Navik	Relative of Director

**B RELATED PARTY TRANSACTIONS AND BALANCES AS AT 31<sup>ST</sup> MARCH, 2020**

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

(₹. in Lakhs)

Sr	Particulars	Key Managerial Persons/ their relatives	Associate Companies/Concerns or over which Significant Influence is exercised
1	Contract Farming Charges paid	-	16.47
2	Rent paid	7.14	-
3	Purchase of Fixed Assets	-	4.37
4	Interest on Unsecured Loan paid	63.48	56.19
5	Unsecured Loan received	15.60	-
6	Repayment of Unsecured Loan	-	6.00
7	Loan & Advances Repaid	0.66	-
8	Purchase of Goods	-	1,094.56
9	Remuneration paid	96.00	-
10	Repair and Maintenance Expense paid	-	27.41
11	Salary paid	12.93	-
12	Sales of Goods	-	646.92
	<b>Total</b>	<b>195.81</b>	<b>1,851.92</b>
<b>Balances as at 31st March, 2020</b>			
1	Unsecured Loans	572.69	497.09
2	Trade Payables	0.23	252.24
3	Contract Farming Charges Payable	-	129.87
4	Repair and Maintenance Expense Payable	-	9.22
5	Director's Remuneration and Salary Payable	44.19	-
5	Rent Expenses Payable	11.65	-
6	Loan & Advances	1.40	-
7	Trade Receivable	-	464.31
	<b>Total</b>	<b>630.16</b>	<b>1,352.73</b>

**ZEAL AQUA LIMITED**  
CIN: - L05004GJ2009PLC056270

**Notes to the Financial Statements for the year ended March 31, 2020**

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

**A Contribution to Defined Contribution Plans, recognised as expense for the year is as under:**  
(₹. in Lakhs)

Sr.	Particulars	2019-20	2018-19
1	Employer's contribution to Provident Fund	9.99	8.67

**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:

(₹. In Lakhs)

	Particulars	2019-20	2018-19
-	<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>	4.27	4.35
	<i>Interest cost on benefit obligation</i>	0.97	0.85
	<i>Net benefit Expenses</i>	5.24	5.20
	<b><u>Net employee benefit expenses recognised in employee cost in Other Comprehensive Income</u></b>		
	<i>Net Acturial Losses recognised</i>	(7.58)	(1.96)
	<i>Net benefit Expenses</i>	(7.58)	(1.96)
-	<b>Balance Sheet</b>		
	<b><u>Present value of defined benefit obligation</u></b>		
	<i>Opening defined benefit obligation</i>	14.23	10.99
	<i>Current service cost</i>	4.27	4.35
	<i>Interest cost on benefit obligation</i>	0.97	0.85
	<i>Acturial Losses/(Gains)</i>	(7.58)	(1.96)
	Benefits paid during the year	-	-
	<i>Closing defined benefit obligation</i>	11.88	14.23

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

**Notes to the Financial Statements for the year ended March 31, 2020**

-	<b>Principal assumptions used</b>		
	<i>Discount Rate</i>	6.80%	7.70%
	<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>	0.28	0.65
	<i>Non - Current liability (Amount due over one year)</i>	11.60	13.57

**34. CONTINGENT LIABILITIES**

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

- i. Disputed Income tax demand for A.Y. 2012-13 not provided for is Rs.1,76,78,940/-. Company has opted for the scheme of "Vivad Se Vishwas". As per this scheme, there will be the total liabilities of ₹. 1,29,52,659/-. 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/-, this both value is shown as Income Tax Refundable in the books of Account. The Net Liabilities to be paid against this demand is ₹. 9,81,500/-.

**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 (₹. In Lakhs)
1	10-11-2016	3 Years	Comm. Of Customs, EPCG Group	Syndicate Bank	3.24
<b>Total</b>					<b>3.24</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, 2020**

### **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 year end;
- 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.

### **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)

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

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**Notes to the Financial Statements for the year ended March 31, 2020**

**40. Impact of Covid**

The company has assessed the impact of COVID-19 on its financial statement on the basis of information provided by the management and the company believes that the probability of the occurrence of their forecasted transactions is not impacted by COVID-19 pandemic.

**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 ₹. 12,18,958. Gross amount actual spent towards CSR expenses is Nil.

**42. Approval of Financial Statements**

The financial statements were approved for issue by the Board of Directors on June 30, 2020.

**For ZEAL AQUA LIMITED**

SD/-  
**SHANTILAL PATEL**  
**MANAGING DIRECTOR**  
**DIN :- 01362109**

SD/-  
**KHUSHBOO VAISHANAV**  
**COMPANY SECRETARY**

SD/-  
**SHAIENDRASINGH PATIL**  
**C.F.O.**

**Place :- Surat,**  
**Date :- 30<sup>th</sup> June , 2020**

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

SD/-  
**Akash Rajnikant Gaglani**  
**Partner**  
**[Membership No 114255]**  
**UDIN : 20114255AAAABI4650**

# ZEAL AQUA LIMITED

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

## Form No. MGT-11

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

### PROXY FORM

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

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

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

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

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

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

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

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

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

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

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

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

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

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the 12<sup>th</sup> Annual General Meeting of Zeal Aqua Limited to be held on Tuesday, 29<sup>th</sup> September, 2020, at 11:30 a.m. at Olpad GIDC, PL. No. 4,5, Ta.: Olpad, Dist.:Surat-394540 and at any adjournment(s) thereof, in respect of such resolutions as are indicated below:

Sr. No.	Ordinary Business	For	Against
1	Adoption of Annual Accounts, Auditor's & Director's Report. (Ordinary Resolution)		
2	Re-appointment of Mr. Dhavalkumar Shantilal Patel (DIN: 02961674), Director, retire by rotation. (Ordinary Resolution)		

Signed this.....day of ....., 2020

Signature of Shareholder: .....

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

Affix  
Revenue  
Stamp

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

# ZEAL AQUA LIMITED

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

## ATTENDANCE SLIP

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

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

I / We being the registered shareholder / proxy for the registered shareholder\*\* of the Company, hereby record my / our presence at the 12<sup>th</sup> Annual General Meeting of the Company held on Tuesday, the 29<sup>th</sup> September, 2020 at 11:30 a.m. at ATOlpad GIDC, PL. No. 4,5, Ta.: Olpad, Dist.:Surat- 394540 and at any adjournment(s) thereof.

### Member's / Proxy's Signature

\* Applicable for members holding shares in electronic form.

\*\* Strike-off whichever is not relevant

### NOTES:

1. Please read the instructions to exercise e-voting option printed under Note Number 21 to the Notice convening the 12<sup>th</sup> Annual General Meeting of the Company printed in the accompanying Annual Report for 2020.
2. Members are requested to bring their copy of the Annual Report and this Attendance Slip at the Annual General Meeting of the Company.

### **BALLOT FORM**

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

Item No.	Item	Nature of Resolution	No. of shares	I/We Assent to the Resolution (FOR)	I/We dissent to the Resolution (AGAINST)	(ABSTAIN)
1	Adoption of Annual Accounts, Auditor's & Director's Report.	Ordinary				
2	Re-appointment of Mr. Dhavalkumar Shantilal Patel (DIN: 02961674), Director, retire by rotation.	Ordinary				

Place:

Date:

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

### **ELECTRONIC VOTING PARTICULAR**

EVSN (E VOTING SEQUENCE NUMBER)
<b>200903096</b>

E-Voting shall remain open from Saturday, 26<sup>th</sup> September, 2020 till the close of working hours of Monday 28<sup>th</sup> September, 2020 (i.e. 17:00 hours).

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

**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.**



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