



ZEAL AQUA LIMITED

ANNUAL REPORT 2015-2016

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Shantilal Ishwarbhai Patel	-Chairman and Managing Director
Mr. Pradeep Ratilal Navik	- Whole Time Director
Mr. Rohan Pradeep Kumar Navik	-Whole Time Director
Mr. Naginbhai Paragbhai Patel	- Non- Executive Independent Director
Mr. Maheshbhai Nathubhai Mistry	- Non- Executive Independent Director
Mrs. Roshan Melli Kadodwala	- Non- Executive Independent Director

STATUTORY AUDITORS

M/s Pary& Co.,
9005, World Trade Centre,
Udhna Darwaja, Ring Road,
Surat – 395002.
Ph: +91- 0261-3927221
Fax: +91-261-3927221
E-mail- paryco@gmail.com

BANKER TO THE COMPANY

Allahabad Bank
Alaknanda Apartment, 864,
Athugar Street,
Nanpura, Surat-395001
Ph. No.: +91-261-2461879, 2462348
Fax: +91-261-2461156
E mail - br.nanpura@allahabadbank.in

Bank of India

1st Floor, Near BSNL Office,
Opp. Panjrapole, GhodDod Road,
Surat-395 007
Ph. No.: +91-261-2240012/14
Fax : +91-261-2240013
E mail- suratMCB.vadodara@bankofindia.co.in

Punjab National Bank

First Floor, Meghani Tower,
Station Road, Surat-395 002
Ph. No.: +91-261-2422421, 2411037
Fax: +91-261-2422112
E mail- bo0439@pnb.co.in

Syndicate Bank

RatanKutir Building, 277,
Salabatpura Main Branch,
Surat-395003
E mail - br.7170@syndicatebank.co.in

REGISTERED OFFICE

CIN: L05004GJ2009PLC056270
At Olpad GIDC PL
No. 4,5, TaOlpad Surat-394540
Tel.: +91- 02621- 220547
Email: zealaqua@gmail.com
Website: www.zealaqua.com

AUDIT COMMITTEE

Naginbhai Paragbhai Patel	Chairman
Maheshbhai Nathubhai Mistry	Member
Shantilal Ishwarbhai Patel	Member

NOMINATION & REMUNERATION COMMITTEE

Naginbhai Paragbhai Patel	Chairman
Maheshbhai Nathubhai Mistry	Member
Roshan Melli Kadodwala	Member

STAKEHOLDERS, SHAREHOLDERS & INVESTORS GRIEVANCE COMMITTEE

Maheshbhai Nathubhai Mistry	Chairman
Naginbhai Paragbhai Patel	Member
Roshan Melli Kadodwala	Member

COMPANY SECRETARY/COMPLIANCE OFFICER

Ms. Javnika N. Gandharva

BOOK CLOSURE

Date: 20/09/2016 to 25/09/2016
(both days inclusive)

REGISTRAR & SHARE TRANSFER AGENT

M/s Big Share Services Pvt. Ltd
E- 2/3, Ansa Ind Estate,
Ph. No.: +91-261-2323142, 2323771
Saki Vihar Road,
Andheri (E), Sakinaka,
Mumbai – 400072
Tel.: +91-22-40430200
Email: info@bigshareonline.com
Website: www.bigshareonline.com

EIGHT ANNUAL GENERAL MEETING

Date: 26th September, 2016
Time: 11.00 A.M.
Venue: Registered Office
At Olpad GIDC PL
No. 4,5, TaOlpad Surat-394540

Notice of AGM

Notice is hereby given that the 8th Annual General Meeting of the Members of **ZEAL AQUA LIMITED** will be held on Monday, the **26th September, 2016 at 11.30 A.M.** at the Registered Office of the Company at Plot No 4-5 GIDC, Olpad, Dist. Surat-394540 to transact the following businesses:

ORDINARY RESOLUTION :

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2016 and Profit & Loss Account for the year ended on that date together with the report of the Board of Directors & Auditors' thereon.

“RESOLVED THAT the Balance Sheet and Profit and loss account for the year ended 31st March, 2016 along with the Director's Report, be and are hereby considered, Adopt and Approved”

2. To appoint a Director in place of Mr. Pradeep Ratilal Navik, (DIN: 01067716) an Executive Director, liable to retire by rotation in terms of section 152(6) of the Companies Act, 2013 and being eligible seeks re-appointment in the Company.

“RESOLVED THAT pursuant to Sub-Section 6 of Section 152 of the Companies Act, 2013 and other relevant Sections of the said Act, if any, Mr. Pradeep Ratilal Navik (DIN: 01067716) an Executive Director, be and is hereby re-appointed as a Director of the Company liable to retire by rotation.”

3. To ratify the appointment of Auditors and Authorize the Board of Directors to fix their remuneration.

“RESOLVED THAT pursuant to the provisions of Section 139 & 142 and other applicable provisions, if any, of the Companies Act, 2013 and rules made there under; M/s PARY & Co., having firm registration no. 007288C, Chartered Accountants who were appointed in the AGM held on 30.09.2014, as the Statutory Auditors of the company for a period of 5 years subject to annual ratification; be and are hereby ratified for the financial year 2016-17 at such remuneration as may be determined by the Board of Directors of company.”

4. Any other Business with the permission of chair.

For and on behalf of Board of Director
ZEAL AQUA LIMITED

Date: 30/08/2016

Place: SURAT

Sd/-
Javnika N. Gandharva
Company Secretary

Notes:

1. A member entitled to attend and vote at the annual general meeting (the “meeting”) is entitled to appoint a proxy to attend and vote on a poll instead of himself / herself and the proxy need not be a member of the company. The instrument appointing the proxy should, however be deposited at the registered office of the company not less than forty-eight hours before the commencement of the meeting.
2. The business set out in the Notice will be transacted through electronic voting system and the Company is providing facility for voting by electronic means. Instructions and other information relating to e- voting are given in the notice under Note No. 21. The Company will also send communication relating to remote e- voting which inter alia would contain details about User ID and password along with a copy of this Notice to the members, separately.
3. Corporate members intending to send their authorized representatives to attend the meeting are requested to send to the Company a certified copy of Board resolution authorizing their representative to attend and vote on their behalf at the Meeting.
4. The instrument appointing the proxy, duly completed, must be deposited at the company's registered office not less than 48 hours before the commencement of the meeting (on or before September 24, 2016, 11:30A.M. IST). A proxy form for the AGM is enclosed.

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/Proxy holders/ Authorized representatives are requested to bring their copy of Annual Report and Attendance slip sent herewith, duly filled-in for attending the Annual General Meeting.
7. Members are requested to quote Folio number in all their correspondences.
8. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under section 170 of the Companies Act, 2013, will be available for inspection by the members at the AGM.
9. The Register of Contracts & arrangements in which director are interested, maintained under section 189 of the Companies Act, 2013, will be available for inspection by the members at the AGM.
10. The Register of Members and the Share Transfer Books of the Company will remain closed from Tuesday, 20th September, 2016 till Sunday, 25th September, 2016 (both days inclusive).
11. The Shareholders are requested to direct change of address notifications and updates details to their respective Depository Participants(s).
12. Equity Shares of the Company are under compulsory demat trading by all Investor.
13. Pursuant to Section 108 of the Companies Act, 2013 (“the Act”) read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as substituted by Companies (Management and Administration) Amendment, 2015 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has provided a facility to the members to exercise their votes electronically through the electronic voting service facility arranged by CDSL. The facility available for voting through ballot paper will also be made available at the AGM and members attending the AGM, who have not already cast their votes by remote e-voting shall be able to exercise the right at the AGM through ballot paper. 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. The instructions for e- voting are annexed to the Notice.
14. The Annual Report 2015-16, the Notice of the 8th AGM and instructions for e-voting along with the Attendance Slip and Proxy form, are being sent by electronic mode to all the members whose email addresses are registered with the Company/ Depository Participant(s) , unless a member has requested for a physical copy of documents. For members who have not registered their email addresses, physical copies of the documents are being sent by the permitted mode.
15. Members may also note that the Notice of the 8th AGM and the Annual Report 2015-16 will be available on Company’s Website www.zealaqua.com.
16. Additional information, pursuant to Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, in respect of the directors seeking 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.
17. The voting rights of Shareholders shall be in proportion to their shares of the paid up equity capital of the Company as on September 20, 2016.
18. The voting period starts on Friday, 23rd September, 2016 on open of working hours (i.e 9:30 a.m) and ends on Sunday, 25th September, 2016 on close of working hours (i. e 6:00 p.m).
19. 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.
20. Members who have not registered their e-mail addresses so far, are requested to register their e-mail address for receiving all communication from the company electronically and quicker response to their Queries to RTA or company.
21. 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.

INSTRUCTIONS FOR VOTING THROUGH ELECTRONIC MEANS

In compliance with section 108 of the Companies Act 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 substituted by Companies (Management and Administration) Amendment, 2015 and Regulation 44 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the Company is pleased to provide e- voting facility to the members to cast their votes electronically on all resolutions set forth in the Notice convening the 8th Annual General Meeting to be held on Monday, the 26th day of September 2016 at 11.30 AM IST. The Company has engaged the services of CDSL as the authorized agency to provide the e-voting facility. The Notice is displayed on the Company's website, www.zealaqua.com, as per instructions below.

In order to enable its members, who do not have access to e-voting facility, to send their assent or dissent in respect of the resolution as set out in this Notice, a postal ballot Form is annexed. A member desiring to exercise vote by postal ballot shall complete the enclosed Ballot Form with assent (for) or dissent (against) and send it to Shri Ranjit Kejriwal FCS, Company Secretary, 1, Aastha, 2/906, Hira Modi Sheri, Opp. Gujarat Samachar Press, Sagrampura, Ring Road, Surat – 395002 so as to reach him on or before 25th September, 2016 at 18.00 hours. Any Ballot Form received after the said date shall be treated as if the reply from the Members has not been received. Kindly note that members can opt for only one mode of voting i.e. either by postal ballot or through e-voting. If members are opting for e-voting then do not vote by postal ballot or vice versa.

However, in case of Members casting their vote both by postal ballot and e-voting, then voting done through e-voting shall prevail and voting done by Physical Ballot will be treated as invalid.

Instructions to Members for e-voting are as under:

Date and time of commencement of voting through electronic means: Friday, 23rd September, 2016 at 9.30 hours.

Date and time of end of voting through electronic means beyond which voting will not be allowed: Sunday, 25th September, 2016 at 18.00 hours

Details of Website: www.evotingindia.com.

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

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

The e-voting module shall be disabled for voting on **25th September, 2016 at 18.00 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 **20th September, 2016**. (cut-off date).

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

In case of members receiving e-mail:

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

vii.

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) Members who have not updated their PAN with the Company /Depository participant are requested to use the sequence number provided at the attendance slip enclosed herewith in the PAN field.
DOB	Enter the Date of Birth as recorded in your demat account in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the Company's records for the said demat account or folio. If the details are not recorded with the depository or Company please enter the member ID/ folio number in the Dividend Bank details field.

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

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

In case of members receiving the physical copy:

Please follow all steps from Sl. No. i to Sl. No. xvi above to cast vote.

- A. The voting period begins on Friday, the 23rd September, 2016 at 09.30 hours and ends on Sunday, the 25th September, 2016 at 18.00 hours. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- B. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.co.in under help section or write an email to helpdesk.evoting@cdslindia.com
- C. In case of members desiring to exercise vote by Postal Ballot:

A member desiring to exercise vote by postal ballot shall complete the enclosed Ballot Form with assent (for) or

dissent(against) and send it to Shri Ranjit Kejriwal, Company Secretary,1, Aastha, 2/906, Hira Modi Sheri, Opp. Gujarat Samachar Press, Sagrapura, Ring Road, Surat – 395002 so as to reach him on or before 25th September, 2016 at 18.00 hours. Any Ballot Form received after the said date shall be treated as if the reply from the Members has not been received.

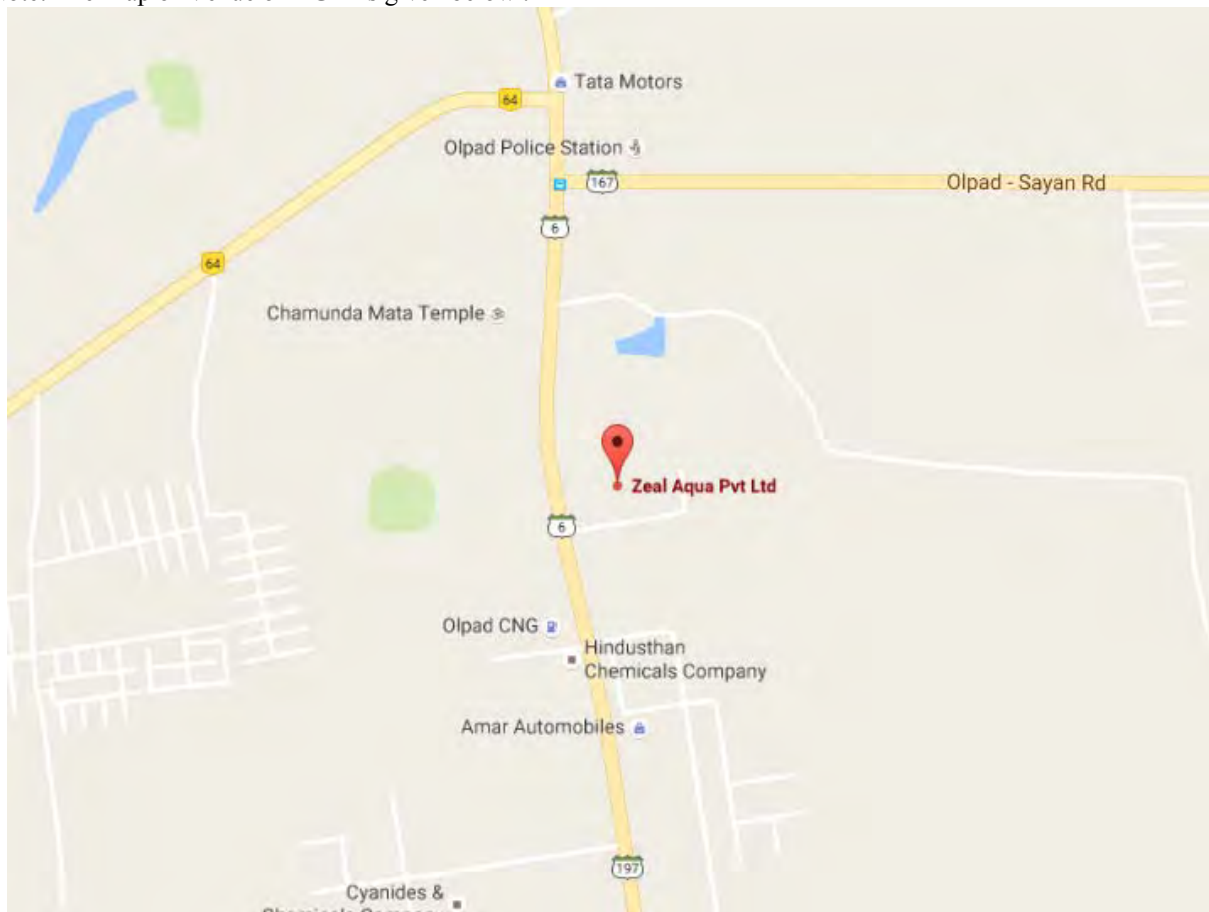
For and on behalf of the Board of Directors

Sd/-

Date: 30th August, 2016
Pace: Surat

Javnika Gandharva
Company Secretary

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



ANNEXURE TO NOTICE:

Details of Director liable to retire by Rotation:

Mr. Pradeep Ratilal Navik (DIN:01067716), is to be re- appointed as Director, who is liable to retire by rotation and as per the Regulation 36(3) of SEBI (Listing Obligations And Disclosure Requirements), Regulations 2015 his details are as under:

Name of Director	Mr. Pradeep Ratilal Navik
DIN	01067716
Date of Birth	15/08/1961
Expertise in specific functional areas	Finance
List of Companies in which directorship is held as on 31st March, 2016	As attached below
Chairman / Member of the Committee of other Company	NIL

List of Companies in which Mr. Pradeep Ratilal Navik holds directorship as on 31st March, 2016:

S.No.	Name of the Company	Nature of Interest	Shareholding	Date on which interest arose/changed
1.	Zeal Aqua Limited	Whole Time Director	415520	06/03/2009
2.	Rati Aqua Private Limited	Director	103300	18/06/2010
3.	Jacob Foods Private Limited	Director	5000	01/11/2011

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

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

For and on behalf of the Board of Directors

Sd/-

Date: 30th August, 2016
Pace: Surat

JavnikaGandharva
Company Secretary

DIRECTOR'S REPORT

TO THE MEMBERS,

Your Directors take pleasure in presenting the Eighth Annual Report on the business and operations of your Company together with the Audited Accounts for the financial year ended 31st March 2016.

FINANCIAL PERFORMANCE/ STATE OF AFFAIRS:

During the year, your Company has recorded gross revenue of Rs. 1,21,28,58,809/- against Rs. 1,71,34,24,417/- in the previous year. Net Profit after Taxation for the financial year ended March 31, 2016 decreased to Rs. 1,90,94,822/- against Rs. 3,07,39,050/- in the preceding year. The overall decrease in financial performance was due to poor production in previous year. Your board assumes that in upcoming year things will improve.

Financial performance of the Company for Financial Year 2015-16 is summarized below:
(Figure in rupees)

Particulars	2015-16*	2014-15*
Sales and Other Income	1,21,52,56,687	1,71,65,29,840
Profit before Interest, Depreciation & Tax	9,16,07,647	10,41,41,121
Less: Interest (Net)	4,46,39,707	3,93,79,857
Profit before Depreciation & Tax	4,69,67,940	6,47,61,264
Less: Depreciation	2,75,71,124	2,40,39,061
Profit before Tax	1,93,96,816	4,07,22,203
Less: Provisions for Taxation	3,01,994	99,83,153
Net Profit after Tax	1,90,94,822	3,07,39,050
Balance brought forward from previous year	9,25,36,950	7,29,73,699
Appropriations	-	(1,11,75,798)
Transfer to General Reserve	-	-
Balance carried to Balance Sheet	11,16,31,773	9,25,36,950

* Figures regrouped wherever necessary.

DIVIDEND:

Keeping in mind the overall performance and outlook for your Company, your Board of Directors recommend that this time the company is not declaring dividends as the company require funds for its upcoming project. Your Directors are unable to recommend any dividend for the year ended 31st March, 2016.

UNCLAIMED DIVIDEND:

There is no balance lying in unpaid equity dividend account.

SHARE CAPITAL

The paid up Equity Share Capital of the Company as on March 31, 2016 was Rs. 306.72 Lakhs. The company has allotted further 11.35 Lakhs equity shares for total consideration of Rs. 1475.50 Lakhs after balance sheet date through IPO in BSE-SME exchange and has been listed thereafter.

TRANSFER TO RESERVES:

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

SUBSIDIARY COMPANY

The Company does not have any subsidiary.

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.

EXTRACT OF ANNUAL RETURN:

The extract of the Annual Return in Form No. MGT – 9 form part of the Board's report in **Annexure I**.

CORPORATE GOVERNANCE

As per the Regulation 27 of SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015 the

Report of the Corporate Governance and the Certificate of the Auditors of the Company in respect of compliance thereof are appended hereto and forming part of this report; is given in **Annexure II**. The requisite certificate from the Auditors of the Company confirming compliance with the conditions of Corporate Governance is attached in the report on Corporate Governance.

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 **Table 1 of Annexure II**.

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. Pradeep Ratilal Patel (DIN: 01067716), Executive Director, retire by rotation and is being eligible offer himself for re-appointment at the ensuing Annual General Meeting.

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

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 134 (3) (c) of the Companies Act, 2013 with respect to Directors' Responsibility Statement, it is hereby confirmed that:

- a. in the preparation of the annual accounts for the year ended March 31, 2016, the applicable Accounting Standards have been followed and there are no material departures from the same;
- b. the Directors have selected such Accounting Policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the State of affairs of the Company as at March 31, 2016 and of the Profit 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 had prepared the annual accounts of the Company on a 'going concern' basis; and
- e. The Directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively;
- f. The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

DECLARATION BY INDEPENDENT DIRECTOR

All the independent directors have submitted their disclosures to the Board that they fulfill all the requirements as stipulated in section 149(6) of the Companies Act, 2013.

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 III**.

BOARD EVALUATION

The board of directors has carried out an annual evaluation of its own performance, board committees and individual directors pursuant to the provisions of the Act and the corporate governance requirements as prescribed by Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations 2015 ("SEBI Listing Regulations").

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.

In a separate meeting of independent directors, performance of non-independent directors, performance of the board as a whole and performance of the chairman was evaluated, taking into account the views of executive directors and non-executive directors. The same was discussed in the board meeting that followed the meeting of the independent directors, at which the performance of the board, its committees and individual directors was also discussed. Performance evaluation of independent directors was done by the entire board, excluding the independent director being evaluated.

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

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 (1) of the companies (appointment and remuneration of managerial personnel) Amendment rules, 2016 are annexed in **Annexure IV**.

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.

The internal auditors independently evaluate the adequacy of internal controls and concurrently audit the majority of the transactions in value terms. Independence of the audit and compliance is ensured by direct reporting of the Internal auditor to the Audit Committee of the Board.

ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS

The companies act, 2013 re-emphasizes the need for an effective internal financial control system in the company. Rule 8(5) (viii) of Companies (Accounts) Rules, 2014 requires the information regarding adequacy of internal financial controls with reference to the financial statements to be disclosed in the board's report. The detailed report forms part of Independent Auditors Report.

WHISTLE BLOWER POLICY / VIGIL MECHANISM

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.aspx>

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 V**.

STATUTORY INFORMATION

The Company is in aquaculture industry, especially prawn farming and is the member of BSE SME Platform. Apart from this business, the Company is not engaged in any other business/activities.

STATUTORY AUDITORS

M/s PARY & Co., Chartered Accountants (having Firm Registration No 007288C) are Statutory Auditors of the Company, who were appointed in AGM held on 30.09.2014 holds office for a period of 5 years needs ratification by members of the company for financial year 2016-17. The Company has received letter from M/s PARY & Co., Chartered Accountants, to the effect that their ratification of appointment, if made, would be within the prescribed limits under Section 139 of the Companies Act, 2013 and that they are not disqualified for such appointment within the meaning of Section 141 of the Companies Act 2013.

SECRETARIAL AUDITOR

The Board had appointed Mr. Ranjit Kejriwal, Practicing Company Secretary to conduct Secretarial Audit for the financial year 2015-16. The Secretarial Audit Report is annexed herewith in **Annexure VI** and does not contain any qualification, reservation or adverse remark.

COMMENTS ON AUDITOR'S REPORT

The notes referred to in the Auditor's Report are self explanatory and as such they do not call for any further explanation.

CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES

Your Board endeavors that all contracts/ arrangements/transactions entered by the Company during the financial year with related parties are in the ordinary course of business and on an arm's length basis only.

During the year under review the Company had entered into contract/ arrangement/transaction with related parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions. The Policy on Related Party Transactions is uploaded on the website of the company. The web link is <http://www.zealaqua.com/policy.aspx> Your Directors draw attention of the members to Note: 25 to the financial statement which sets out related party disclosures.

PARTICULARS OF LOANS GUARANTEES AND INVESTMENTS

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

INSURANCE:

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

RESEARCH & DEVELOPMENT

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

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

The requirements for disclosure in respect of Conservation of Energy, Technology Absorption, in terms of Section 134(3) (m) of the Companies Act, 2013 read with the rule 8 of Companies (Accounts) Rules, 2014 are annexed herewith in **Annexure VII**.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

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

DISCLOSURE REGARDING UTILISATION OF IPO FUNDS:

The details regarding the funds utilised by the company from proceeds of IPO upto 30.08.2016 is attached herewith as **Annexure IX**

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.

ACKNOWLEDGEMENT

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.

For and on behalf of the Board of Directors

Place: Surat
Date: 30th August, 2016

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

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31st March 2016

[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 : L05004GJ2009PTC056270
- 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 Pl No. 4,5, Ta Olpad
Surat - 394540 Gujarat
- vi) Whether listed company : YES
- vii) Name, Address and Contact details of Registrar and Transfer Agent, if any : **Bigshare Services Private Limited**
E/2-3, Ansa Industrial Estate,
Saki Vihar Road, Saki Naka,
Andheri (East), Mumbai 400072
Tel No. +91-22-40430200
Email: ipo@bigshareonline.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sl. No.	Name and Description of main products / Services	NIC Code of the Products/Services	% to total turnover of the company
1	Fishing, Operation Of Fish Hatcheries And Fish Farms; Service Activities Incidental To Fishing	05	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
1	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	
A. Promoters									
1. Indian:									
a. Individual/HUF	0	1838880	1838880	72.46	0	1838880	1838880	59.95	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	0	1036160	1036160	33.78	0	1036160	1036160	33.78	0
e. Banks/ FI	0	0	0	0	0	0	0	0	0

f. Any other (Specify)	0	0	0	0	0	0	0	0	0
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
Total of (1)	0	2875040	2875040	93.74	0	2875040	2875040	93.74	0
2. Foreign									
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
Total of (2)	0	0	0	0	0	0	0	0	0
Total A (1+2)	0	2875040	2875040	93.74	0	2875040	2875040	93.74	0
B. Public Shareholding									
1. Institutions									
a. Mutual Funds	0	0	0	0	0	0	0	0	0
b. Banks/ FI	0	0	0	0	0	0	0	0	0
c. Central Govt.	0	0	0	0	0	0	0	0	0
d. State Govt.	0	0	0	0	0	0	0	0	0
e. Venture Capital Funds	0	0	0	0	0	0	0	0	0
f. Insurance Companies	0	0	0	0	0	0	0	0	0
g. FIIs	0	0	0	0	0	0	0	0	0
h. Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i. Others (Market Maker)	0	0	0	0	0	0	0	0	0
Total of (1)	0	0	0	0	0	0	0	0	0
2. Non-Institutions									
a. Body Corporate									
i. Indian	0	0	0	0	0	0	0	0	0
ii. Overseas	0	0	0	0	0	0	0	0	0
b. Individual									
i. Individual shareholders holding nominal share capital upto Rs. 1 lakh	0	160	160	0.01	0	160	160	0.01	0
ii. Individual shareholders holding nominal share capital in excess of Rs 1 lakh	0	192000	192000	6.26	0	192000	192000	6.26	0
c. Others (Clearing Member)	0	0	0	0	0	0	0	0	0
Total of (2)	0	192160	192160	6.26	0	192160	192160	6.26	0
Total B (1+2)	0	192160	192160	6.26	0	192160	192160	6.26	0
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Total A+B+C	0	3067200	3067200	100	0	3067200	3067200	100	0

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.	Pradeep Ratilal Navik	415520	13.55	0	415520	13.55	0	0

2.	Shantilal Ishwarbhai Patel	447840	14.60	0	447840	14.60	0	0
3.	Rashmibahen S Patel	415680	13.55	0	415680	13.55	0	0
4.	Susan Pradip Navik	415680	13.55	0	415680	13.55	0	0
5.	Rohan Pradipkumar Navik	48160	1.57	0	48160	1.57	0	0
6.	Dhaval Kumar Shantilal Patel	16000	0.52	0	16000	0.52	0	0
7.	Navik Aqua Private Limited	80000	2.61	0	80000	2.61	0	0
8.	Rati Aqua Private Limited	128960	4.20	0	128960	4.20	0	0
9.	Gold Pink Aquaculture Private Limited	80000	2.61	0	80000	2.61	0	0
10.	Susan Aqua Private Limited	80000	2.61	0	80000	2.61	0	0
11.	Agave Tradecom LLP	667200	21.75	0	667200	21.75	0	0
12.	Kimi R Navik	32000	1.04	0	32000	1.04	0	0
13.	Mary Moses	48000	1.56	0	48000	1.56	0	0
	Total	2875040	93.74%		2875040	93.74%	0	0

iii) Change in Promoters' Shareholding (please specify, if there is no change)

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

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.	RAMESH UKKAD KHALASI				
	At the Beginning of the year	16000	0.52%	16000	0.52%

	Date wise Increase/ Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NIL		NIL	
	At the end of the year	16000	0.52%	16000	0.52%
2.	RANJANBEN MUKESHBHAI KHALASI				
	At the Beginning of the year	16000	0.52%	16000	0.52%
	Date wise Increase/ Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NIL		NIL	
	At the end of the year	16000	0.52%	16000	0.52%
3.	PRAVIN KANTI KHALASI				
	At the Beginning of the year	16000	0.52%	16000	0.52%
	Date wise Increase/ Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NIL		NIL	
	At the end of the year	16000	0.52%	16000	0.52%
4.	JAYANTIBHAI CHANIYABHAI KHALASI				
	At the Beginning of the year	16000	0.52%	16000	0.52%
	Date wise Increase/ Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NIL		NIL	
	At the end of the year	16000	0.52%	16000	0.52%
5.	USHABEN AMTHA KHALASI				
	At the Beginning of the year	16000	0.52%	16000	0.52%
	Date wise Increase/ Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NIL		NIL	
	At the end of the year	16000	0.52%	16000	0.52%
6.	AMTHA LALA KHALASI				
	At the Beginning of the year	16000	0.52%	16000	0.52%
	Date wise Increase/ Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NIL		NIL	
	At the end of the year	16000	0.52%	16000	0.52%
7.	CHAMPAK RAMA KHALASI				
	At the Beginning of the year	16000	0.52%	16000	0.52%
	Date wise Increase/ Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NIL		NIL	
	At the end of the year	16000	0.52%	16000	0.52%
8.	DINESH DEVA KHALASI				
	At the Beginning of the year	16000	0.52%	16000	0.52%
	Date wise Increase/ Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NIL		NIL	

	At the end of the year	16000	0.52%	16000	0.52%
9.	MEENABEN RAJESH KHALASI				
	At the Beginning of the year	16000	0.52%	16000	0.52%
	Date wise Increase/ Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NIL		NIL	
	At the end of the year	16000	0.52%	16000	0.52%
10.	UTTAM ISHWAR KHALASI				
	At the Beginning of the year	16000	0.52%	16000	0.52%
	Date wise Increase/ Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NIL		NIL	
	At the end of the year	16000	0.52%	16000	0.52%
11.	MUKESH KHALASI				
	At the Beginning of the year	16000	0.52%	16000	0.52%
	Date wise Increase/ Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NIL		NIL	
	At the end of the year	16000	0.52%	16000	0.52%
12.	UTTAM RAME KHALASI				
	At the Beginning of the year	16000	0.52%	16000	0.52%
	Date wise Increase/ Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NIL		NIL	
	At the end of the year	16000	0.52%	16000	0.52%

v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares	No. of Shares	% of total Shares
1	PRADIP RATILAL NAVIK				
	At the Beginning of the year	415520	13.55%	415520	13.55%
	Date wise Increase/ Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NIL		NIL	
	At the end of the year	415520	13.55%	415520	13.55%
2	SHANTILAL ISHWARBHAIPATEL				
	At the Beginning of the year	447840	14.60%	447840	14.60%
	Date wise Increase/ Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/	NIL		NIL	

	sweat equity etc):				
	At the end of the year	447840	14.60%	447840	14.60%
3	ROHAN PRADIPKUMAR NAVIK				
	At the Beginning of the year	48160	1.57%	48160	1.57%
	Date wise Increase/ Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NIL		NIL	
	At the end of the year	48160	1.57%	48160	1.57%

V. INDEBTEDNESS

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

Particulars	Secured Loans excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning				
i) Principal Amount	35,84,99,879	3,83,64,670	-	39,68,64,549
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total	35,84,99,879	3,83,64,670	-	39,68,64,549
Change in Indebtedness during the year				
· Addition	1,05,20,30,284	2,60,00,000	-	1,07,80,30,284
· Reduction	1,08,92,41,711	11,11,463	-	1,09,03,53,174
Indebtedness at the end				
i) Principal Amount	32,12,88,452	6,26,33,760	-	38,39,22,212
ii) Interest due but not paid	-	6,19,447	-	6,19,447
iii) Interest accrued but not due	-	-	-	-
Total	32,12,88,452	6,32,53,207	-	38,45,41,659

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
1	Gross Salary	Pradeep Ratilal Navik	Shantilal Ishwarbhai Patel	Rohan Pradipkumar Navik	
	(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	72,00,000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961		-		-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961		-		-
2	Stock Option		-		-
3	Sweat Equity		-		-

4	Commission -	-			-
	-as % of Profit	-			-
	-Others, Specify	-			-
5	Others, please specify	24,00,000	24,00,000	24,00,000	72,00,000
	Total (A)	24,00,000	24,00,000	24,00,000	72,00,000
	Ceiling as per the Act	30 lakhs p.a each			

Remuneration to other directors:

Sr. No.	Particulars of Remuneration	Name of Directors			Total Amount
1	Independent Director				
	a. Fees for attending board/ committee meeting	NIL			NIL
	b. Commission				
	c. Others, please specify				
	Total (1)				
2	Other Non-Executive Directors				
	a. Fees for attending board/ committee meeting	NIL			NIL
	b. Commission				
	c. Others, please specify				
	Total (2)				
	Total (B) = (1+2)				
	Total Managerial Remuneration	NIL			NIL
	Overall Ceiling as per the Act	30 Lakhs p.a			30 Lakhs p.a

B. Remuneration To Key Managerial Personnel Other Than Md / Manager / Wtd :

S.No.	Particulars	Key Managerial Personnel	
		Shailendra Singh Patil (CFO)	Total
1	Gross Salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	3,99,104	3,99,104
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission -	-	-
	as % of Profit	-	-
	Others, Specify	-	-
5	Others, please specify	-	-
	Total	3,99,104	3,99,104
	Ceiling as per the Act	Rs. 30.00 Lakhs	

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

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

CORPORATE GOVERNANCE

In terms of Regulation 27 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 the report containing details of corporate governance systems and processes at Zeal Aqua Limited is as under:

1. COMPANY'S PHILOSOPHY ON THE CODE OF CORPORATE 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 Non-Executive and Independent Directors comprising three Executive Non Independent Directors and three Non Executive Independent Directors.

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

(a) Board Strength and representation:

As of March 31, 2016, the Board consisted of six members. The Composition and the category of Directors on the Board of the Company were as under:

Category	Name of Director
Executive Director	Mr. Shantilal Ishwarbhai Patel
	Mr. Pradeep Ratilal Navik
	Mr. Rohan Pradipkumar Navik
Non Executive Independent Director	Mrs. Roshan Melli Kadodwala
	Mr. Naginbhai Paragbhai Patel
	Mr. Maheshbhai Nathubhai Mistry

The Details of Directorship held by the Directors as on 31st March, 2016 and their attendance at the Board meetings during the year are as follows:

Name of Directors	Category	No. of Board meetings held during the financial year 2015-16	No. of Board meetings as attended by the Directors during the financial year 2015-16	Attendance at the Last AGM	No. of Committee positions held including the Company*
Mr. Shantilal Ishwarbhai Patel	Executive Director	12	11	Yes	1
Mr. Pradeep Ratilal Navik	Executive Director	12	12	Yes	0
Mr. Rohan	Executive Director	12	12	Yes	0

Pradipkumar Navik					
Mrs. Roshan Melli Kadodwala	Non- Executive Independent Director	12	12	Yes	2
Mr. Naginbhai Paragbhai Patel	Non- Executive Independent Director	12	12	Yes	3
Mr. Maheshbhai Nathubhai Mistry	Non- Executive Independent Director	12	12	Yes	3

(b) Details of number of Board Meetings held in the financial year.

During the financial year 2015-16, **Twelve Meetings (12)** of the Board of Directors were held on the following dates:

<u>12.05.2015</u>	<u>15.06.2015</u>	<u>18.06.2015</u>	<u>16.07.2015</u>	<u>25.08.2015</u>	<u>29.09.2015</u>
<u>30.09.2015</u>	<u>18/11/2015</u>	<u>15.01.2016</u>	<u>21.01.2016</u>	<u>23.02.2016</u>	<u>01.03.2016</u>

(c) Familiarization to Independent Directors:

The newly appointed 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, 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 programmes attended and the cumulative hours spent by an independent director are uploaded on the website of the company. The web link is <http://www.zealaqua.com/policy.aspx>

3. 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 Finance, Accounts and Law. The Audit Committee also advises the Management on the areas where internal control system can be improved.

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

The Terms of reference of the Audit Committee are in accordance with all the items listed in Regulation 18(3) of SEBI (Listing Obligations & Disclosure Requirements), Regulations 2015 are as follows:

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 (c) of sub-section 3 of section 134 of the Companies Act, 2013;
 - ii. Changes, if any, in accounting policies and practices and reasons for the same;

- iii. Major accounting entries involving estimates based on the exercise of judgment by management;
 - iv. Significant adjustments made in the financial statements arising out of audit findings;
 - v. Compliance with listing and other legal requirements relating to financial statements;
 - vi. Disclosure of any related party transactions;
 - vii. Qualifications in the draft audit report.
5. Reviewing, with the management, the half yearly financial statements before submission to the board for approval.
 6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, right issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/Draft Prospectus/ Prospectus /notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
 7. Review and monitor the auditor's independence, performance and effectiveness of audit process.
 8. Approval or any subsequent modification of transactions of the company with related parties;
 9. Scrutiny of inter-corporate loans and investments;
 10. Valuation of undertakings or assets of the company, wherever it is necessary;
 11. Evaluation of internal financial controls and risk management systems;
 12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems
 13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
 14. Discussion with internal auditors any significant findings and follow up there on.
 15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
 16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
 17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors.
 18. To oversee and review the functioning of the vigil mechanism which shall provide for adequate safeguards against victimization of employees and directors who avail of the vigil mechanism and also provide for direct access to the Chairperson of the Audit Committee in appropriate and exceptional cases.
 19. Call for comments of the auditors about internal control systems, scope of audit including the observations of the auditor and review of the financial statements before submission to the Board;
 20. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.
 21. To investigate any other matters referred to by the Board of Directors;
 22. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

The Audit Committee shall mandatorily review the following information:

- a. Management discussion and analysis of financial information and results of operations;
- b. Statement of significant related party transactions (as defined by the Audit Committee), submitted by the management;

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

Composition and attendance at Meetings:

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

Name of Directors	Categories	Nature of Directorship
Mr. Naginbhai Patel	Chairman	Independent Director
Mr. Maheshbhai Nathubhai Mistry	Member	Independent Director
Mr. Shantilal Ishwarbhai Patel	Member	Executive Director

During the financial year 2015-16, Four (4) meetings of Audit Committee were held on following dates:

18.06.2015

25.08.2015

18.11.2015

23.02.2016

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 Patel	Chairman/ Member	4
Mr. Maheshbhai Nathubhai Mistry	Member	4
Mr. Shantilal Ishwarbhai Patel	Member	4

4. NOMINATION AND REMUNERATION COMMITTEE

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

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

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

Composition of the Nomination & Remuneration Committee and attendance at Meetings:

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

Name of Directors	Categories	Nature of Directorship
Mr. Naginbhai Patel	Chairman	Independent Director
Mr. Maheshbhai Nathubhai Mistry	Member	Independent Director
Mrs. Roshan Melli Kadodwala	Member	Independent Woman Director

During the financial year 2015-16 two (2) meetings of the Nomination & Remuneration Committee were held on following dates:

18.06.2015

23.02.2016

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

Name of Directors	Categories	No. of Meeting Attended
Mr. Naginbhai Patel	Chairman	2
Mr. Maheshbhai Nathubhai Mistry	Member	2
Mrs. Roshan Melli Kadodwala	Member	2

5. REMUNERATION OF DIRECTORS

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

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

6. 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. Mahesh Kumar Saboo (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. Maheshbhai Nathubhai Mistry	Chairman	Independent Director
Mr. Naginbhai Patel	Member	Independent Director
Mrs. Roshan Melli Kadodwala	Member	Independent Woman Director

During the financial year 2015-16, Two (2) meetings of Stakeholders, Shareholders'/ Investors Grievance Committee were held on following dates:

18.06.2015

23.02.2016

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

Name of Directors	Categories	No. of Meeting Attended
Mr. Maheshbhai Nathubhai Mistry	Chairman	2
Mr. Naginbhai Patel	Member	2
Mrs. Roshan Melli Kadodwala	Member	2

Name & Designation and address of the Compliance Officer

Miss Javnika Gandharva – Company Secretary
Zeal Aqua Limited

At Olpad GIDC Pl No. 4,5,, Ta Olpad
Surat - 394540 Gujarat

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

Status of Complaints pending, received, disposed and unresolved:

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

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
2012-13	Monday , 30 th September, 2013 at 11.00 A.M.	38, Hariom Nagar Society, opp.GEB, Jahangirpura, Surat - 395009 Gujarat
2013-14	Tuesday, 30 th September, 2014 at 11.00 A.M.	At Olpad GIDC Pl No. 4,5, Ta Olpad Surat - 394540 Gujarat
2014-15	Wednesday, 30 th September, 2015 at 10.00 A.M.	At Olpad GIDC Pl No. 4,5, Ta Olpad Surat - 394540 Gujarat

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

AGM Date	Resolution	Ordinary / Special	Favor		Against	
			Ballot	E- Votes	Ballot	E-Votes
30 th September, 2013	Adoption of Annual Accounts, Auditor’s Report and Directors Report	Ordinary	All the resolutions were pass unanimously, no ballot or E-voting process has been done		All the resolutions were pass unanimously, no ballot or E-voting process has been done	
	Appointment of Auditors	Ordinary				
30 th September, 2014	Adoption of Annual Accounts, Auditor’s Report and Directors Report:	Ordinary				
	Appointment of Auditors	Ordinary				
	Related Party Transaction	Special				
	Granting of Loans and Investment	Special				
	Taking of Loans and matter related	Special				
	Appointment of Employees	Special				
30 th September, 2015	Adoption of Annual Accounts, Auditor’s Report and Directors Report	Ordinary				
	Appointment of Auditors	Ordinary				

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

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

8. MEANS OF COMMUNICATION

Company Listed on Stock Exchange since 07th July, 2016, Hence during the financial year 2015-16 the Company have not been listed on Stock Exchange, So they have not been came into the criteria to follow the SEBI(Listing Obligations and Disclosure Requirements)Regulations, 2015.

The official news, release, presentation that may be made to the Shareholders at the Annual General Meeting and the presentation as may be done to the analysts will be posted on the Company’s website – www.zealaqua.com

9. GENERAL SHAREHOLDER INFORMATION

9.1	Date, Time and Venue	Monday, 26 th September, 2016 at 11.30 A.M. at the Registered Office of the Company at Olpad GIDC PL No. 4 5., Ta Olpad Surat-394540
9.2	Financial Year	The Financial year of the Company is From April 1 to March 31 of the following year.
9.3	Date of Book Closure	20 th September,2016 to 25 th September,2016
9.4	Listed on Stock Exchanges	SME Platform of BSE Limited, P.J. Towers, Fort, Mumbai
9.5	Scrip Code/ ID	539963 /ZEAL

Market Price Data

Table below gives the monthly high and low prices and volumes of M/s. Zeal Aqua Limited equity shares at SME Platform of BSE Limited for the year 2015-16:

Month	ZEAL	
	High (in Rs.)	Low (in Rs.)
2015-16	The company listed on BSE SME since 07/07/2016. Hence high prices and volume has not applicable.	The company listed on BSE SME since 07/07/2016. Hence low prices and volume has not applicable.

Performance in comparison to other indices:

Table below gives the performance comparison of M/s. Zeal Aqua Limited to BSE Sensex, BSE SME for the F.Y.2015-16 on month to month closing figures:

Month	BSE Sensex	Change in %	BSE SME	Change in %	ZAL	Change in %
2015-16	The company listed on BSE SME since 07/07/2016. Hence it is not applicable.					

Registrar & Transfer Agents:

Bigshare Services Private Limited

E-2/3, Ansa Industrial Estate,
Saki Vihar Road, Saki Naka,
Andheri (East), Mumbai 400072
Tel No. +91-22-40430200
Email: info@bigshareonline.com

Distribution of Shareholdings as on 31st March, 2016:

Share Holding of Nominal Value Rs.	Number of Shareholders	Percentage of Total	Share Amount Rs.	Percentage of Total
Upto 50000	1	3.84	1600	0.01
50001 -100000	0	0	0	0
100001-500000	16	61.54	3361600	10.96
500001-999999999	9	34.62	27308800	89.03
Total	26	100	30672000	100

Category	No of Shares held	Shareholding %
Promoter & Promoter' Relatives	1838880	59.95
Bodies Corporate	1036160	33.78
Individuals	192160	6.27
Total	3067200	100

Share Transfer System: All shares are held in Demat Form since 7th July, 2016 and are traded on BSE SME. During Financial Year 2015-16, share transfer was looked after by the company. Post Listing the share transfer system has been delegated to Bigshare Services Private Limited.

Dematerialization of Shares and Liquidity:

As on 31st March, 2016, a total of 30,67,200 equity shares equivalent to 100% of the total issued, subscribed and paid-up equity share capital of the Company were in Physical Form. The Company Listed on BSE SME Since 7th July, 2016, before listing the shareholder of the company have converted their shares in Demat format.

The equity Shares of the Company are traded on the SME platform of BSE Limited from 7th July, 2016

Outstanding GDRs/ADRs/Warrants or any Convertible Instruments:NIL

Plant Locations: Not Applicable

Address for Correspondence:

Registrar and Share Transfer Agents: Bigshare Services Private Limited

E-2/3, Ansa Industrial Estate,
Saki Vihar Road, Saki Naka,
Andheri (East), Mumbai 400072
Tel No. +91-22-40430200
Email: info@bigshareonline.com

Company & Registered Office: Zeal Aqua Limited

At Olpad GIDC PL No. 4 5., Ta Olpad Surat-394540
Tel No. +91 -261-220547
Email: ipo@zealaqua.com
Website: www.zealaqua.com

10. DISCLOSURES

Related Party Transaction

The Company has transactions with its related parties. The company enters into all related party transaction in the best interest of the company and endeavours it to be at Arm's Length. The Audit Committee reviews the transactions. The policy has been disseminated on the website of the Company. The related party transactions have been enlisted in note no. 25 to balance sheet.

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 last three years.

Whistle Blower Policy/Vigil Mechanism Policy

The Company has a formal Whistle Blower Policy/ Vigil Mechanism Policy. The Directors of the Company affirms that no personnel have been denied access to the Audit Committee.

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.

11. DISCRETIONARY REQUIREMENTS

The Board

The chairperson of the company is an Executive Director.

Shareholder Rights

Half yearly declaration of financial performance is uploaded on the website of the company 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.

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.

Reporting of Internal Auditor

The Company has appointed M/s GRR & Co., as the Internal Auditor of the Company for the F.Y. 2015-16. The Internal Auditor reports to the Audit Committee periodically with Internal Audit Report prepared on monthly basis.

DECLARATION

All the Members of the Board of Directors of the Company and Senior Management Personnel have affirmed compliance with the Code of Conduct for the financial year ended 31st March, 2016 as applicable to them as laid down in Companies Act, 2013 with the code of conduct of Board of directors and senior management.

For Zeal Aqua Limited.

Date: 30th August, 2016

Place: Surat

Sd/-

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

PARY AND CO.
Chartered Accountants

9005, World Trade Center, Ring Road, Surat-395002
Email :paryco@gmail.com, Tel: 0261-3927221

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members of
Zeal Aqua Limited.

We have examined the compliance of the conditions of Corporate Governance by Zeal Aqua Limited (The Company) CIN:L05004GJ2009PLC056270; for the year ended 31st March 2016 as stipulated in Regulation 27(2) of SEBI (Listing Obligation And Disclosure Requirements), Regulations 2015 of the said Company with Bombay Stock Exchange Ltd.

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

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

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

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

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

PLACE: SURAT
DATE: 30.08.2016

Sd/-
CA Akash Rajnikant Gaglani
Partner
M. No. 114255

MANAGEMENT DISCUSSION AND ANALYSIS

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

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

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

MARKET TREND & ECONOMY

Aquaculture continues to be the fastest growing animal food-producing Industry Aquaculture also known as aqua farming of aquatic organisms including fish, molluscs, shrimps/prawns and aquatic plants. Farming implies some form of intervention in the rearing process to enhance production, such as regular stocking, feeding, protection from predators, etc. Farming also implies individual or corporate ownership of the stock being cultivated. For statistical purposes, aquatic organisms which are harvested by an individual or corporate body which has owned them throughout their rearing period contribute to aquaculture while aquatic organisms which are exploitable by public as a common property resource, with or without appropriate licences, are the harvest of fisheries.

World Aquaculture production in 2012 was 90.43 million tonnes including 66.63 million tonnes of food fish, 23.78 million tonnes of aquatic algae (mostly marine macro algae/ seaweeds), and 22.4 thousand tonnes of non food products (pearls & shells etc.) On global average, aquaculture supplied 9.41 of food fish per person for consumption in 2012. However, Production distribution is extremely uneven across the globe and on all continents owing to the imbalance development.

Global fish production has grown steadily in the last five decades, with food fish supply increasing at an average annual rate of 3.2 percent, outpacing world population growth at 1.6 percent. World per capita apparent fish consumption increased from an average of 9.9 kg in the 1960's to 19.2 kg in 2012. This impressive development has been driven by a combination of population growth, rising incomes and urbanization, and facilitated by the strong expansion of Aquaculture production and more efficient distribution channels. China has been responsible for most of the growth in fish availability, owing to the dramatic expansion in its fish production, particularly from aquaculture. Its per capita apparent fish consumption also increased an average annual rate of 6.0 percent in the period 1990-2010 to about 35.1 kg in 2010. Annual per capita fish supply in the rest of the world was about 15.4 kg in 2010 (11.4 kg in the 1960's and 13.5 kg in the 1990's).

OPPORTUNITIES & THREATS

Opportunities:

- ✓ Introduction of schemes of Government to allot coastal lands for aquaculture purposes to promote this industry and generate a source of revenue.
- ✓ 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 so as to sale it to the clients for the end use and thus it will improve the top line of our business.
- ✓ The Processing unit is 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 our Company enjoys the good connectivity with different parts of the states. The site also has connectivity to National Highway No. 8 which is also part of the upcoming Delhi-Mumbai Industrial Corridor (DMIC).

Threats:

- ✓ The Company plans to export the shrimp from the proposed processing unit. Thus, they will be exposed to the risk from foreign exchange fluctuations to the extent its export.
- ✓ The Aqua culture activity is dependent on climate conditions prevailing during season which is unpredictable. Natural Calamities like floods, cyclones, during the culture season can have serious impact on the prospects of successful culture.

SEGMENT WISE OR PRODUCT WISE PERFORMANCE

Your company has only one segment during the financial year 2015-16. The company was engaged in Shrimp Farming with allied activities. The performances are reflected in the balance sheet.

OVERVIEW & OUTLOOK

Shrimp Farming and processing is in a very infant stage in India as compared to other nations. The demand for shrimps has shown upward trend in international markets. Domestic markets also have shown an increase in demand. This year due to good rains your company believes that the production must be good as compared to previous year. But the huge production may also impact the selling prices of the product.

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.

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.

FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

The financial year 2015-16 was not so well for the company. Due to uncontrolled natural reasons, there was lower and poor quality of production. The same has affected the top and bottom line of the company as seen in the audited accounts of the company. This year your company assumes that things will be normal.

HUMAN RESOURCES DEVELOPMENT AND INDUSTRIAL RELATIONS

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.

CAUTIONARY STATEMENT

The report may contain certain statements that the Company believes are, or may be considered to be "forward looking statements" that describe our objectives, plans or goals. All these forward looking statements are subject to certain risks and uncertainties, including but not limited to, government action, economic development and risks inherent in the Company's growth strategy and other factors that could cause the actual results to differ materially from those contemplated by the relevant forward looking statements.

For Zeal Aqua Limited

Date: 30th August, 2016
Place: Surat

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

Annexure IV

The Disclosures pertaining to remuneration as required under section 197(12) of the companies act' 2013 read with rules 5 (1) of the companies (appointment and remuneration of managerial personnel) Amendment rules, 2016 are as under:

- (i) The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2015-16, ratio of the remuneration of the employees of the Company for the financial year 2015-16 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. 2015-16 (in rupees)	% increase in Remuneration in the F.Y. 2015-16	Ratio of Remuneration of each Director/to median remuneration of employees
1.	ShantilalIshwarbhaiPatel * Executive Director & Chairman	24,00,000	NIL	N.A.
2.	PradeepRatilalNavik * Executive Director	24,00,000	NIL	N.A.
3.	RohanPradeepNavik * Executive Director	24,00,000	NIL	N.A.
4.	NaginbhaiParagbhai Patel * Non-Executive Director	N.A.	N.A.	N.A.
5.	MaheshbhaiNathubhaiMistry* Non- Executive Director	N.A.	N.A.	N.A.
6.	RoshanMelliKadodwala* Non- Executive Director	N.A.	N.A.	N.A.
7.	ShailendraChatarsinghPatil Chief Financial Officer	3,99,104	22.35%	

* All the Directors do not receive any remuneration or sitting fees.

- (i) The median remuneration of employees of the Company during the Financial Year was Rs. 15406/-
- (ii) In the Financial year , there was not an increase or decrease in the median remuneration of employees;
- (iii) There were 14 permanent employees on the rolls of the Company as on March 31,2016;
- (iv) Average percentage increase made in the salaries of employees other than the managerial personnel in comparison of the last financial year is 5.61%. There is an average increase of 22.35% in the remuneration of Key Managerial personnel in comparison to the last financial year.
- (v) The remuneration of KMP is as per the recommendations of the Nomination & Remuneration Committee.
- (vi) It is hereby affirmed that the remuneration paid is as per the remuneration policy for Directors, Key Managerial Personnel and other Employees.

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.

Form No. MR-3
SECRETARIAL AUDIT REPORT
 FOR THE FINANCIAL YEAR ENDED 31.03.2016

[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
 (Formerly Known as Zeal Aqua Private Limited)
 (CIN: L05004GJ2009PLC056270)
 At Olpad GIDC Pl No. 4,5,
 Ta Olpad Surat - 394540

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

Based on my/our verification 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 **31st March, 2016** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by **M/s. Zeal Aqua Limited** for the financial year ended on **31st March, 2016** 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, 1992(upto 14th May, 2015) and Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (effective 15th May, 2015);
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
 - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- vi. Other Laws Specifically Applicable to Company:
 - a. There are no other industry specific law applicable to the company except routine fiscal and environmental laws like Income tax act, 1961, VAT act, Pollution control, CRZ etc.

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 made effective from **1st July, 2015**.
- 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 which effective from **1st December, 2015**. As the company was listed on 07/07/2016, LODR was not applicable for Financial year 2015-16 to the company.

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

I further report that, based on the information provided by the company, its officers and authorised representative during the conduct of the audit, and also on the review of reports by CS/CFO 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, 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.

Sd/-

Place: SURAT
Date: 30th August, 2016

Signature:
Name of PCS: Ranjit B. Kejriwal
FCS No.: 6116
C P No.: 5985

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

(See Rule 8 of Companies(Accounts) Rules, 2014)

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

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:

The Company is under process of formulating a CSR policy and is yet to be completed.

2. The Composition of the CSR Committee:-

Name	Designation	Nature of Directorship
Mr. PradeepNavik	Chairman	Executive Director
Mr. Shantilala Patel	Member	Executive Director
Mr. Naginbhai Patel	Member	Independent Director

3. Average net profit of the Company for last three financial year:-3,74,17,281/-

4. Prescribed CSR expenditure (2%of the amount as above):- 7,48,345/-

5. Details of CSR spent during the financial year 2015-16:-

(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)
Sr. No.	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
(1)	NIL						

*Give details of implementing agency:

6. Reason for not spent CSR amount:

The financial year 2014-15 and 2015-16, was a preparatory year for the implementation of CSR policy as per the Companies Act, 2013.

Being the initial year(s), the Company was in the process of evaluating the various focus areas for its CSR activities and conducted number of consultations with organizations working in the area of education, health, sanitation, poverty eradication and livelihood generation.

7. Responsibility Statement: NA

For **ZEAL AQUA LIMITED**

Sd/- Managing Director Shantilal Patel (01362109)	Sd/- Chairman of CSR Committee Pradeep Navik (01067716)
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UTILISATION OF IPO PROCEEDS**PARY AND CO.**

Chartered Accountants

9005, World Trade Center, Ring Road, Surat-395002

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

TO WHOM IT MAY CONCERN

We have examined the books of Zeal Aqua Limited (The Company) CIN:L05004GJ2009PLC056270; for the period upto 30th August 2016 in regards to the utilisations of IPO proceeds of Rs. 1475.50 Lakhs received by issuing of shares at BSE-SME exchange is as Under:

Particulars	Amount (In Rs. Lakhs)	Amount (In Rs. Lakhs)
Net Proceeds from IPO (A)		1475.50
Funds Utilised upto 30.08.2016		
1. Issue Expenses	28.56	
2. Shrimp Processing Unit	215.20	
3. General Corporate Purposes	-	
Total (B)		243.76
Funds Lying Unutilized (A-B)		1231.74

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has utilised the amounts as detailed above.

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

PLACE: SURAT
DATE: 30.08.2016

Sd/-
CA Akash Rajnikant Gagliani
Partner
M. No. 114255

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

I, Shailendra Singh 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: 30th August, 2016
Place: Surat

Sd/-
ShailendrasinghChatarsinghPatil
Chief Financial Officer

PARY AND CO.

Chartered Accountants

9005, World Trade Center, Ring Road, Surat-395002

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

INDEPENDENT AUDITORS' REPORT

To
**The Members Of
Zeal Aqua Limited
Olpad, Surat**

Report on the Financial Statements:

We have audited the accompanying financial statements of **ZEAL AQUA LIMITED** ("the Company") which comprise the Balance Sheet as at 31st March, 2016 and the statement of profit and loss and the cash flow statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements:

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

Auditor's Responsibility:

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

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Auditor's Opinion:

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

- 1). In the case of the Balance Sheet, of the state of affairs of the Company as at **31st March, 2016**;
- 2). In the case of the Statement of Profit and Loss , of the profit/~~loss~~ for the year ended on that date; and
- 3).In the case of the Cash Flow Statement,its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements:

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

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

- 1). We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- 2). In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
- 3). The Balance Sheet, the Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- 4). In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- 5). On the basis of written representations received from the directors as on **31 March, 2016**, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2016, from being appointed as a director in terms of Section 164(2) of the Act.
- 6).With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B".
- 7).With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position, except as reported in note no. 25 to the balance sheet.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

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

Sd/-

**AKASH RAJNIKANT GAGLANI
PARTNER
MEM. NO. : 114255
9005, WORLD TRADE CENTRE,**

**Date : 30/08/2016
Place : Surat**

ZEAL AQUA LIMITED

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

ANNEXURE "A" TO THE AUDITORS REPORT

1.
 - a). The company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets;
 - b). As explanation provided to us fixed assets have been physically verified by the management at reasonable intervals; and no material discrepancies were noticed on such verification.
 - c).The title deeds of immovable properties are held in the name of the company.
2.
 - a). As informed to us, Physical verification of inventory has been conducted at reasonable intervals by the management;
 - b). In our opinion the procedures of physical verification of stocks followed by the management are reasonable and adequate in relation to the size of the company and nature of its business.
 - c). The company has maintained proper records of inventories. As explained to us, there were no material discrepancies noticed on physical verification of inventories as compare to book records.
3. a). The company has not granted any unsecured loans to companies, firms or other parties mentioned under the register maintained u/s. 189 of the Companies Act, 2013.
- 4 In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.
- 5 The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- 6 As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company.
- 7
 - a).According to the records of the company, the company is Generally regular in depositing undisputed statutory dues including provident fund, income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities and there are no any outstanding statutory dues as at the last day of the financial year concerned for a period of more than six months from the date they became payable.

Year	Authority	Amount (In Lakhs)	Status
2010-11	Asst. Comm. Of Comm. Tax	Rs. 774.99 Lakhs	Appealed
2011-12	Asst. Comm. Of Comm. Tax	Rs. 406.98 Lakhs	Appealed
2011-12	Asst. comm. Of Income Tax	Rs. 176.79 Lakhs	Appealed
 - b). According to information and explanation given to us, no dues of income tax, sales tax, service tax, custom duty and excise duty which have not been deposited on account of any disputes.
- 8 In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks. The Company has not taken any loan either from financial institutions or from the government and has not issued any debentures.
- 9 Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.

- 10** Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
- 11** Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act;
- 12** In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- 13** According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- 14** The audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.
- 15** According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- 16** 16) In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

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

Sd/-

**Akash Rajnikant Gaglani
Partner**

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

**Date : 30/08/2016
Place : Surat**

ZEAL AQUA LIMITED

ANNEXURE "B" TO THE AUDITORS REPORT

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

We have audited the internal financial controls over financial reporting of ZEAL AQUA LIMITED ("the Company") as of March 31, 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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 31 March 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

Sd/-

**Akash Rajnikant Gaglani
Partner**

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

Date : 30/08/2016

Place : Surat

ZEAL AQUA LIMITED
Plot No. 4,5, AT Olpad GIDC, Surat, Gujarat - 394540

BALANCE SHEET AS AT 31st March, 2016

Particulars	Note	31.03.2016	31.03.2015
Equity and Liabilities			
1 Shareholder's Fund :			
a Share Capital	1	3,06,72,000	3,06,72,000
b Reserve & Surplus	2	17,80,79,624	16,33,86,949
c Money received against share warrants		-	-
		20,87,51,624	19,40,58,949
2 Share Application Money Pending Allotment		-	-
3 Non Current Liabilities			
a Long Term Borrowings	3	6,69,72,881	4,48,79,730
b Deffered Tax Liabilities (Net)	4	(20,34,829)	3,42,177
c Other Long Term Liabilities	5	8,48,712	6,09,561
d Long Term Provisions		-	-
		6,57,86,764	4,58,31,468
4 Current Liabilities			
a Short-Term Borrowings	6	31,35,94,574	34,33,19,367
b Trade Payables	7	4,34,37,357	2,21,78,132
c Other Current Liabilities	8	35,16,847	90,39,806
d Short-Term Provisions	9	98,44,198	1,57,70,473
		37,03,92,976	39,03,07,778
Total		64,49,31,364	63,01,98,195
Assets			
1 Non Current Assets			
a Fixed Assets	10		
(i) Tangible Assets		13,45,85,248	13,79,37,384
(ii) Intangible Assets		-	-
(iii) Capital Work in Progress		11,83,85,211	6,80,12,320
(iv) Intangible Assets under development		-	-
b Non-Current Investments	11	10,29,257	10,29,257
c Deferred Tax Assets (net)		-	-
d Long Term Loans and Advances	12	32,61,420	28,10,499
e Other Non-Current Assets	13	62,03,913	15,00,000
		26,34,65,048	21,12,89,460
2 Current Assets			
a Current Investments		-	-
b Inventories	14	2,11,88,641	78,69,329
c Trade Receivables	15	27,03,15,839	21,97,11,531
d Cash & Cash Equivalents	16	3,67,96,793	14,27,48,906
e Short-Term Loans and Advances	17	5,31,65,043	4,85,78,969
f Other Current Assets		-	-
		38,14,66,315	41,89,08,735
Total		64,49,31,364	63,01,98,195

Note 25 : Significant Accounting Policies

Note 1 to 25 : Forms Integral Part of Accounts

For ZEAL AQUA LIMITED

Sd/-
(01067716)

Director
PRADEEP R. NAVIK
Date : 30/08/2016

Place : Surat

Sd/-
(01362109)

Director
SHANTILAL PATEL

Sd/-

Company secretary
Javanika Gandharva

Sd/-

C.F.O.
Shailendrasingh Patil

In Terms Of Our Attached Report Of Even Date

FOR PARY AND CO.
CHARTERED ACCOUNTANTS
FRN : 007288C

Sd/-

AKASH RAJNIKANT GAGLANI
PARTNER

MEM. NO. : 114255

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

ZEAL AQUA LIMITED

Plot No. 4,5, AT Olpad GIDC, Surat, Gujarat - 394540

STATEMENT OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2016

PARTICULARS	NOTE	31.03.2016	31.03.2015
Continuing Operation			
1 Income			
a Revenue From Operations	18	1,21,28,58,809	1,71,34,24,417
b Other Income	19	23,81,856	31,05,423
TOTAL REVENUE (a+b)		1,21,52,40,665	1,71,65,29,840
2 Expenses			
a Cost of Material	20	1,01,62,66,700	1,50,50,06,500
b Changes in Inventories	21	(1,33,19,312)	18,87,146
c Employee Benefit Expense	22	1,29,54,354	77,46,350
d Finance Costs	23	4,46,39,707	3,93,79,857
e Depreciation and Amortisation	10	2,75,71,124	2,40,39,061
f Other Expenses	24	10,77,31,275	9,77,48,723
TOTAL EXPENSES(a+b+c+d+e+f)		1,19,58,43,848	1,67,58,07,637
3 Profit Before Exceptional and Extraordinary Items and Tax		1,93,96,816	4,07,22,203
4 Exceptional Items		-	-
5 Profit Before Extraordinary Items and Tax (3-4)		1,93,96,816	4,07,22,203
6 Extraordinary Items		-	-
7 Profit Before Tax (5-6)		1,93,96,816	4,07,22,203
8 Tax expense:			
a Current Tax		26,79,000	1,15,00,000
b Deffered Tax		(23,77,006)	(15,16,847)
9 Profit/(Loss) From Continuing Operations		1,90,94,822	3,07,39,050
DISCONTINUING OPERATIONS			
10 Profit/(Loss) From Discontinuing Operations		-	-
11 Tax Expense Of Discounting Operations		-	-
12 Profit/(Loss) From Discontinuing Operations (10-11)		-	-
13 Profit/(Loss) For the Period (9+12)		1,90,94,822	3,07,39,050
14 Earning Per Equity Share:			
a Basic		6.23	10.02
b Diluted			

Note 25 : Significant Accounting Policies
Note 1 to 25 : Forms Integral Part of Accounts

In Terms Of Our Attached Report Of Even Date

For ZEAL AQUA LIMITED

FOR PARY AND CO.
CHARTERED ACCOUNTANTS
FRN : 007288C

Sd/-
 (01067716)
Director
PRADEEP R. NAVIK
Date : 30/08/2016
Place : Surat

Sd/-
 (01362109)
Director
SHANTILAL PATEL

Sd/-
Company secretary
Javanika Gandharva

 Sd/-
C.F.O.
Shailendrasingh Patil

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

ZEAL AQUA LIMITED			
Plot No. 4,5, AT Olpad GIDC, Surat, Gujarat - 394540			
CASH FLOW STATEMENT AS AT 31st March, 2016			
Particulars		31.03.2016	31.03.2015
Cash Flow From Operating Activities			
(I) Profit BEFORE TAX As per Profit & Loss Account		1,93,96,816	4,07,22,202
Add : Expenses Not Requiring Cash :			
Depreciation	2,77,34,833		2,40,39,061
Interest Expense	4,39,20,586		3,93,42,137
Gratuity	2,39,151		1,02,734
(II) Loan Proceesing Charges	7,19,121	7,26,13,691	37,720
(III) Cash Flow From Operations Before Changes in Working Capital(I+II)		9,20,10,507	10,42,43,854
(IV) (Increase)/Decrease in Current Assets:			
Current Investments	-		8,00,00,000
Inventories	(1,33,19,312)		18,87,146
Trade Receivables	(5,06,04,308)		(8,62,48,260)
Short-Term Loans and Advances	(45,86,074)	(6,85,09,694)	(1,86,84,650)
(V) Increase/(Decrease) in Current Liabilities:			
Short-Term Borrowings	(2,97,24,793)		26,44,81,631
Trade Payables	2,12,59,225		(1,49,23,793)
Other Current Liabilities	(55,22,959)		(3,58,85,022)
Short-Term Provisions	(1,06,30,188)	(2,46,18,715)	(18,62,045)
(VI) Cash Flow From Operations Before Changes in Working Capital(III+IV+V)		(11,17,902)	29,30,08,861
(VII) Other Ajustments			
Provision of Income tax	26,79,000		1,15,00,000
Excess Provision of IT of Earlier Years	44,02,149	70,81,149	(8,33,027)
Net Cash Generated From Operating activities(VI-VII)	(A)	(81,99,051)	28,23,41,888
Cash Flows from Investing Activities			
Purchase of Fixed Assets	(2,47,21,347)		(5,36,20,330)
Investment in Work-In -Progress	(5,03,95,921)		(6,80,12,320)
Investment In FD	-		(15,00,000)
Investment in GEB Deposit	(3,50,921)		-
Investment in Gujarat Aqua Feed Dealers Association	(1,00,000)		-
Sale of Asset	3,61,680	(7,52,06,509)	4,34,534
Net Cash Generated From Investing activities	(B)	(7,52,06,509)	(12,26,98,116)
Cash Flow From Financing activities			
Proceeds form loans and advances From Directors	53,95,626		1,61,922
Repayment loans and advances From FI	(17,23,724)		(29,43,061)
Proceeds form loans and advances From Others	2,12,16,635		-
Repayment of term Loan from Bank	(27,95,386)		(59,41,443)
Long Term loans and advances/Deposits Given	-		(6,69,439)
Finance Cost	(4,46,39,707)	(2,25,46,556)	(3,93,79,857)
Net Cash Generated From Financing activities	(C)	(2,25,46,556)	(4,87,71,878)
(VIII) Net Increase/(Decrease in cash)	(A+B+C)	(10,59,52,115)	11,08,71,895
(IX) Opening Balance of Cash and Cash Equivalents		14,27,48,906	3,18,77,014
Closing Balance of Cash and Cash Equivalents(VIII+IX)		3,67,96,791	14,27,48,909
Note 25 : Significant Accounting Policies			
Note 1 to 25 : Forms Integral Part of Accounts		In Terms Of Our Attached Report Of Even Date	
For ZEAL AQUA LIMITED		Sd/-	FOR PARY AND CO.
		Company secretary	CHARTERED ACCOUNTANTS
		Javanika Gandharva	FRN : 007288C
		Sd/-	Sd/-
		C.F.O.	AKASH RAJNIKANT GAGLANI
Sd/- (01067716) Director	Sd/- (01362109) Director	Shailendrasingh Patil	PARTNER
PRADEEP R. NAVIK	SHANTILAL PATEL		MEM. NO. : 114255
Date : 30/08/2016			9005, WORLD TRADE CENTRE,
Place : Surat			UDHNA DARWAJA, RING ROAD SURAT-395002.

ZEAL AQUA LIMITED				
Notes to financial statements for the year ended March 31st 2016				
Particulars		31.03.2016		31.03.2015
Note 1 : Share Capital:				
Authorised :				
50,00,000 Equity Shares of Rs. 10/- each with voting rights		5,00,00,000		5,00,00,000
(Previous year 50,00,000 Equity Shares of Rs 10/- each with voting rights)				
Issued, Subscribed & Paid up :				
30,67,200 Equity Shares of Rs. 10/- each with voting rights		3,06,72,000		3,06,72,000
(Previous Year 30,67,200 Equity Shares of Rs.10 each with voting rights)				
Total		3,06,72,000		3,06,72,000
No.of shares		30,67,200		30,67,200
The Details of Shareholders				
Pradeep Ratilal Navik	13.55%	4,15,520	13.55%	4,15,520
Shantilal Ishwarbhai Navik	14.60%	4,47,840	14.60%	4,47,840
Rashmiben S. Patel	13.55%	4,15,680	13.55%	4,15,680
Suzanben P. Navik	13.55%	4,15,680	13.55%	4,15,680
Agave Tradecom LLP	21.75%	6,67,200	21.75%	6,67,200
Total	77.01%	23,61,920	77.01%	23,61,920
The Reconciliation Of the Number of Shares Outstanding is as Below				
Equity Shares at the Beginning Of the Year		30,67,200		19,17,000
Addition / (Deletion)				11,50,200
Equity Shares at the Closing Of the Year		30,67,200		30,67,200
Note 2 : Reserves & Surplus:				
Securities Premium Account				
Balance B/F of Premium-	7,08,50,000		7,08,50,000	
Add - Premium on shares issued during the year			-	
Less - Utilised during the year	-	7,08,50,000	-	7,08,50,000
Profit & Loss Account				
Balance B/f of Previous Year	9,25,36,950		7,29,73,699	
Add: Profit Of Current Year	1,90,94,822		3,07,39,050	
Less: Bonus Issue	-		(1,15,02,000)	
Add: Excess/(Less) Provision of IT	(44,02,149)		8,33,027	
Less: Gratuity of earlier years	-		(5,06,827)	
Less: Appropriations	-	10,72,29,624	-	9,25,36,949
Total	-	17,80,79,624	-	16,33,86,949
Note 3 : Long Term Borrowings				
Unsecured				
Loans & Advances From Directors	68,43,388		14,47,762	
Loans & Advances From Financial Institution	-		17,23,724	
Loans & Advances From Others	5,64,09,819	6,32,53,207	3,51,93,184	3,83,64,670
Secured				
Term Loans From Banks	37,19,674	37,19,674	65,15,060	65,15,060
Total	6,01,29,493	6,69,72,881	-	4,48,79,730

(b) Nature of Security and terms of repayment for secured borrowings :

	<u>Nature of Security</u>	<u>Terms of Repayment</u>
i.	Punjab National Bank - TL (1) Terms loan Sanction from Punjab National Bank amounting to Rs. 2,97,00,000.00 are secured by a first <i>pari passu</i> charge over by way of Hypotheication of plant & Mahcineries to the financed by the Bank cositng	Principal amount repayable in 54 monthly instalments commencing from 31.01.2012. Monthly Instalments amount is Rs. 5,50,000.00 respectively and the last instalment will on 31.07.16
ii.	Cash Credit Allahabad Bank Cash Credit limit Sanctioned from Allahabad Bank amounting to Rs. 13,00,00,000 are secured by a way of first <i>pari passu</i> charge over Hypotheication of Stock and book debts and office Building belonging the Company and directors personal properties	1 year, payable on Demand
ii.	Cash Credit Bank of India Cash Credit limit Sanctioned from Bank of India amounting to Rs. 20,00,00,000 are secured by way of first <i>pari passu</i> charge over Hypotheication of Stock & book debts and office Building belonging the Company and directors personal properties	1 year, payable on Demand
iii.	Cash Credit Punjab National Bank Cash Credit Limit Sanctioned from Punjab National Bank amounting to Rs. 12,00,00,000 are secured by a first <i>pari passu</i> charge over Hypotheication of Stock & book debts and office Building belonging the Company and directors personal properties	1 year, payable on Demand
	Punjab National Bank - Fresh Term Loan Terms loan Sanction from Punjab National Bank amounting to Rs. 7,00,000.00 (sub limit: FLC/LOU/ Buyer Credit is Rs. 2,75,00,000) are secured by a first <i>pari passu</i> charge by way of Hypotheication proposed plant & Mahcineries to be financed by the Bank	Principal amount repayable in 74 monthly instalments of Rs. 9,33,000.00 respectively and the last instalment 75th will of Rs. 9,58,000.00 after moratorium of the 9 months from the date of COD. Date of COD is 01/07/2017
	Allahabad Bank - Fresh Term Loan Terms loan Sanction from Punjab National Bank amounting to Rs. 6,00,000.00 (sub limit: FLC/LOU/ Buyer Credit is Rs. 3,19,00,000) are secured by a first <i>pari passu</i> charge by way of Hypotheication proposed plant & Mahcineries to be financed by the Bank	Principal amount repayable in 75 monthly instalments of Rs. 8,00,000.00 from the January ,2017 to march, 2023 with constuction period of 7 months and with moratorium of the 9 months from the date of COD. Date of COD is 01/07/2017
	Syndicate Bank - Fresh Term Loan Terms loan Sanction from Punjab National Bank amounting to Rs. 7,00,000.00 (sub limit: FLC/LOU/ Buyer Credit is Rs. 4,97,00,000) are secured by a first <i>pari passu</i> charge by way of Hypotheication proposed plant & Mahcineries to be financed by the Bank	Principal amount repayable in 74 monthly instalments of Rs. 9,33,000.00 respectively and the last instalment 75th will of Rs. 9,58,000.00 after moratorium of the 9 months from the date of COD. Date of COD is 01/07/2017
ii.	Personal Guarantee Shri Pradip R. Navik , Shri Shanti I Patel ,Smt. Susanben P Navik,Rohan Navik and Smt. Rashmiben P Navik the directors and Relatives of Director the Company, have given personal guarantee for all loan facilities of Company.	
iii.	Vehicle Loan Vehicle term loan is secured by hypothication of that particular vehicle.	Repayable ranging from 36 to 60 equal monthly instalment from the date of disbursement. Where in rate of interest ranges from 9.5% to 10.82%.

ZEAL AQUA LIMITED
Notes to financial statements for the year ended March 31st 2016

Particulars	31.03.2016	31.03.2015
Note 4 : Deferred Tax Liability/ (Asset)		
Opening Balance	3,42,177	18,59,024
Addition/(Deduction)	(23,77,006)	(15,16,847)
Total	(20,34,829)	3,42,177
Note 5 : Other Long Term Liabilities		
Provision for Gratuity	8,48,712	6,09,561
Note 6 : Short-Term Borrowings		
Branch/Division		
Unit-I	-	-
Unit-II	-	-
Bank OD A/c		
Allahabad Bank(50027286770)	8,41,73,825	14,94,04,158
Bank Of India (270930110000023)	13,55,13,422	10,74,91,726
Punjab National Bank	9,39,07,328	8,64,23,483
Total	31,35,94,574	34,33,19,367
Note 7 : Trade Payables		
Creditor for Contract	32,91,216	33,25,182
Creditor for Goods	(2,84,89,963)	4,03,89,426
Creditors for Exp.	3,66,53,750	1,55,15,438
Trade Creditor	3,19,82,353	(3,70,51,914)
Total	4,34,37,357	2,21,78,132
Note 8 : Other Current Liabilities		
-	-	-
Current Maturity of Long Term Debts:		
Loans & Advances From Directors	-	-
Loans & Advances From Financial Institution	-	-
Loans & Advances From Others	-	-
Term Loans From Banks	39,74,204	86,65,452
Other Payables:		
Statutory Remittances		
Professional Tax	4,450	3,150
VAT Payable	-	13,862
TDS Payable	72,000	-
Service Tax Payable	(5,33,807)	-
TDS Payable - Salary	-	3,57,342
Total	(4,57,357)	3,74,354
Note 9 : Short Term Provisions		
Provision - Income Tax	26,79,000	1,15,00,000
Provision - Audit Fees	69,000	50,000
Provision - I T Return Fees Payable	55,000	55,000
Provision - Others	-	-
Provision - Gratuity	23,941	17,421
Provision - Wages Payable	15,24,993	-
Provision - Salary Payable	-	49,600
Provision - Remuneration Payable	54,92,264	40,98,452
Provision - Internet Charges	-	-
Total	98,44,198	1,57,70,473

ZEAL AQUA LIMITED				
Notes to financial statements for the year ended March 31st 2016				
Particulars		31.03.2016		31.03.2015
Note 11 : Non Current Investments				
Investment in NSC	20,000		20,000	
Investment in Gold Coins	10,09,257		10,09,257	10,29,257
Total		10,29,257		10,29,257
Note 12 : Long Term Loans and Advances				
Unsecured, Considered Good				
Security Deposits				
GEB Deposit	19,02,520		15,51,599	
Shri Laxmi Jyot (Gas Deposit)	12,900		12,900	
House Deposoit for Guru	15,000		15,000	
Oxygen Cylinder Deposite	15,000		15,000	
Telephone Deposit	1,000	19,46,420	1,000	15,95,499
Trade Deposits				
Biostand India Ltd-D	15,000		15,000	
Gujarat Aqua Feed Dealers Association	3,00,000		2,00,000	
Srinivasa Custine(Trade Deposit)	10,00,000	13,15,000	10,00,000	12,15,000
Total		32,61,420		28,10,499
Note 13 : Other Current Assets				
FD for Bank Guarantee	15,00,000		15,00,000	
Pre-Operative Expense-Processing Unit	47,03,913	62,03,913	-	15,00,000
Total		62,03,913		15,00,000
Note 14 : Inventories				
Bleaching	13,54,451		72,611	
Feed	59,53,342		14,95,686	
Seed	48,26,249		-	
Feed Supplement	90,54,599	2,11,88,641	63,01,032	78,69,329
(As taken valued and certified by the Management)				
Total		2,11,88,641		78,69,329
Note 15 : Trade Receivables				
Outstanding for more than 6 Months				
	-			
Within 6 Months	27,03,15,839		21,97,11,531	21,97,11,531
Total		27,03,15,839		21,97,11,531
Note 16 : Cash & Cash Equivalents				
Cash Balance on Hand		25,45,070		61,77,225
(As Certified by the Management)				
Balance with Banks :				
In FD Account				
- Fixed Deposit with Allahabad Bank	75,00,000		-	
- Fixed Deposit with Allahabad Bank	75,00,000		-	
- Fixed Deposit with Allahabad Bank	4,06,548		1,76,20,908	
-Fixed Deposit BOI Bank -3 (392)	36,00,000			
- Fixed Deposit with BOI	85,44,052		78,77,649	
In Current Accounts				
- Allahabad Bank	(39,424)		5,05,96,954	
- Punjab National Bank	221		3,00,00,289	
- Bank of India	4,73,882		3,04,75,882	
- Syndicate Bank -(0360SLB160910002)	1,000		-	
- Syndicate Bank (71701010025620)	62,65,443	3,42,51,722	-	13,65,71,681
Total		3,67,96,792		14,27,48,906

ZEAL AQUA LIMITED				
Notes to financial statements for the year ended March 31st 2016				
Particulars		31.03.2016		31.03.2015
Note 17 : Short-term Loans and Advances				
Prepaid Expenses	-			50,900
Loans & Advances To Employees	31,01,884			20,53,684
Balance With Government Authorities	1,28,51,838			1,24,72,184
Advances to Others	1,21,16,420			3,40,02,201
Advances to Suppliers	2,50,94,901			
Other Loans and Advances	-	5,31,65,043		4,85,78,969
Total	-	5,31,65,043		4,85,78,969

ZEAL AQUA LIMITED

Notes to financial statements for the year ended March 31st 2016

Particulars	31.03.2016	31.03.2015
Note 18 : Revenue from Operations		
Sale of Product		
Manufactured Goods:		
Prawns	20,36,89,320	18,18,15,194
Traded Goods / Satellite Farming:		
Bleaching	96,66,832	1,45,55,653
Feed	34,15,19,238	50,20,57,591
Feed Supplement	6,04,09,182	-
Seed	8,14,14,388	17,36,77,545
Satellite Products	50,06,70,222	82,61,84,626
Less: Sales Return	62,73,977	-
Other Operating Revenues:		
Cash Discount	1,00,810	67,518
Rate Difference	2,47,667	1,38,336
Trade Discount	1,57,19,509	2,38,26,208
Written Off	12,319	1,476
Turnover Discount	56,83,298	1,72,10,347
Total	1,21,28,58,809	1,71,34,24,417
Note 19 : Other Income		
Interest:		
Interest on FD	23,81,856	30,83,414
Interest on Liquid Fund BOI	-	22,008
Total	23,81,856	31,05,423
Note 20 : Cost of Materials		
Purchase		
Bleaching	1,04,73,759	1,15,23,920
Feed	31,23,55,603	51,18,85,464
Feed Supplement	10,45,83,431	-
Seed	9,81,10,557	16,57,89,910
Satellite Products	49,57,13,826	81,88,87,707
Less : Purchase Return	49,70,475	-
Total	1,01,62,66,700	1,50,80,87,000
Note 21 : Changes in Inventory		
Inventories at the end of the year:		
Bleaching	13,54,451	72,611
Feed	59,53,342	14,95,686
Seed	48,26,249	-
Feed Supplement	90,54,599	63,01,032
Inventories at the beginning of the year:		
Bleaching	72,611	11,44,649
Feed	14,95,686	30,71,016
Feed Supplement	63,01,032	55,40,810
	(1,33,19,312)	18,87,146

ZEAL AQUA LIMITED

Notes to financial statements for the year ended March 31st 2016

Particulars	31.03.2016	31.03.2015
Note 22 : Employee Benefit Expenses		
Salaries and Wages		
Salaries and Wages	61,42,915	34,38,700
Bonus Expenses	6,06,000	26,450
Contribution to Employee Provident Fund	4,10,310	3,15,433
Staff Welfare Expenses	5,20,746	1,03,687
Compensation Exp.	2,00,000	-
Salary Arrears	1,20,000	-
Workmen Expenses	7,39,177	7,49,134
Conveyance Expenses	4,12,016	4,09,953
Mobile Bill Expenses	4,17,555	2,21,737
Telephone Expenses	1,661	1,470
Travelling Expenses	6,31,829	2,67,815
Vehicle Repair & Maint. Exp.	10,63,198	6,21,506
Gratuity	2,45,671	1,20,155
Employee Insurance	14,43,276	14,70,310
Total	1,29,54,354	77,46,350
Note 23 : Financial Costs		
Interest - Vehicle Loan	4,67,693	6,96,603
Interest - Income Tax	-	12,08,422
Loan Expenses	-	37,720
Loan Closer Charges	73,845	-
Loan Processing Charges	6,45,276	-
Interest Expenses	4,33,48,708	3,68,38,922
Interest - Unsecured Loans	33,163	5,57,482
Interest - Vat	17,058	19,029
Interest-Service Tax	2,319	-
Interest - TDS	51,645	21,679
Total	4,46,39,707	3,93,79,857
Note 24 : Other Expenses		
Manufacturing Expenses		
Consumable Expenses	-	20,23,715
Contract Farming Charges	36,18,612	27,27,226
Contractor	-	1,12,52,000
Electric Exp	36,42,274	17,17,613
Prawns Processing Charge	-	15,00,000
Diesel Exp	1,14,74,847	1,01,07,357
Electric Bill Site Exp	1,75,84,504	1,76,52,879
Harvesting Exp	15,57,500	17,33,500
Ice Exps	4,55,400	5,13,100
JCB Work Exps	11,31,853	10,46,414
Labour Work Exps	1,29,410	30,32,113
Lime and Mollasses Expenses	4,49,717	-
Local Transportation Exps	25,87,190	22,35,748
Oil Expenses	34,60,200	-
Total	4,60,91,507	5,55,41,664

ZEAL AQUA LIMITED

Notes to financial statements for the year ended March 31st 2016

Particulars	31.03.2016	31.03.2015
Manufacturing Expenses		
Pond Cultivation Exps.	16,605	4,07,421
Pond & Culture Exp	43,47,048	49,15,313
Pond Repairing Expenses	75,69,402	-
Purchase of Hapa, Net and Dora	11,80,245	-
Purchase Oil	5,55,950	5,47,639
Direct Transportation Charges	82,41,379	41,35,252
Site Labour and Wages Expenses	1,28,83,109	-
Rice Powder Expenses	2,69,960	-
Unloading Expenses	17,188	25,719
Yest	27,800	-
Oxygen Cylynder	42,793	-
Testing Fees	-	1,63,925
Wooden Item Purchase	21,29,359	25,61,408
Water Exps.	7,26,435	7,96,831
	3,80,07,273	1,35,53,508
Total Manufacturing Expenses	8,40,98,780	6,90,95,172
Administrative & Selling Expenses		
Audit Fees	69,000	50,000
Administrative Charges of PF	30,303	27,172
Advertisement Exp.	-	55,000
Brokerage Expenses	2,000	4,500
Business Tour	-	1,99,730
CSR Exp	66,874	4,800
IPO Exp.	1,17,537	4,07,100
Legal Fee Exp.	6,55,330	5,58,188
Computer exp	47,100	-
Director Remuneration	72,00,000	87,00,000
Donation	1,67,500	-
Insurance Exp	(5,000)	33,923
Stock Insurance Exp	6,69,726	6,67,345
Medical exp	2,94,509	-
Office Exp	12,87,985	42,86,380
Office Refreshment	39,363	-
Bank Charges	14,55,619	33,29,409
Purchase Miscellenous Exps	1,37,333	6,19,719
Packing Exp	200	-
Professional and technical Fees	40,62,650	17,94,556
Rent of Guest House	-	4,500
Repair and Maintanance Exp -Others	61,19,853	73,01,907
ROC fees	1,14,380	-
Sales & Promotion Exp.	-	1,03,264
Stationery and Printing exp	1,59,273	-
Telephone and Mobile exp	24,256	-
Sweeper salary	1,45,830	-
Postage and Courier	6,615	-
Tally Training Charges & Net Subscription	10,800	-
Drinking Water	24,907	-
Vehicle Insurance Expense	4,04,250	-
Internet exp	92,125	-
Round Off	664	-
Total Administrative & Selling Expenses	2,34,00,983	2,81,47,493

ZEAL AQUA LIMITED

Notes to financial statements for the year ended March 31st 2016

Particulars	31.03.2016	31.03.2015
Rates & Taxes Paid or Payable to Government or Local Body		
Village Tax	60,840	51,000
Toll Charges	-	-
	60,840	51,000
Micellaneous Expenses		
Auditor Remuneration		
- Statutory Audit Fees	-	2,02,248
- Internal Audit Fees	86,700	2,52,810
- Stock Audit Fees	51,797	-
Tax Consultancy Fees:		
- Income tax Consultancy	17,175	-
- Sales tax Consultancy	15,000	-
	32,175	-
Total Other Expenses	10,77,31,275	9,77,48,723
Pre-Operative Expenses		
Trade Discount	(7,750)	-
Conveyance Expenses	30,586	-
Vehicle Repair & Maint. Exp.	12,995	-
Loan Processing Charges	10,22,430	-
Interest Expenses	2,726	-
Interest - Unsecured Loans	6,24,756	-
Electric Exp	1,35,869	-
JCB Work Exps	7,32,615	-
Labour Work Exps	10,400	-
Local Transportation Exps	29,880	-
Factory Rent	1,95,000	-
Direct Transportation Charges	5,030	-
Unloading Expenses	3,000	-
Water Exps.	1,27,500	-
Legal Fee Exp.	12,22,165	-
Office Exp	56,591	-
Office Refreshment	75	-
Bank Charges	57	-
Professional and technical Fees	29,300	-
Technical fees	83,220	-
Repair and Maintenance Exp -Others	1,62,489	-
Security Gaurd Exps	33,996	-
Stationery and Printing exp	4,949	-
Sweeper salary	6,600	-
Drinking Water	15,725	-
Total	45,40,204	-

ZEAL AQUA LIMITED												
Notes to financial statements for the year ended March 31st 2016												
AQUACULTURE PROCESSING UNIT												
NOTE 10 : FIXED ASSETS												
No.	Particulars	Gross Block				Depreciation				Net Block		
		01.04.15	Add	Less	31.03.16	Upto 31.03.15	Current Year	Deduction	Other Adj	31.03.16	31.03.16	31.03.15
1	Tangible Assets											
2	ROAD WORK	3,71,156	-	-	3,71,156	38,694	33,025	-	-	71,719	2,99,437	3,32,462
3	MOBILE	21,231	-	-	21,231	10,238	7,221	-	-	17,459	3,772	10,993
4	AIR CONDITIONER	70,858	-	-	70,858	28,192	30,657	-	-	58,849	12,009	42,666
5	Portable Office Container	2,34,000	-	-	2,34,000	41,815	92,806	-	-	1,34,621	99,379	1,92,185
6	Land Purchase(345/B/6)	-	72,00,000	-	72,00,000	-	-	-	-	-	72,00,000	-
	Sub total (A)	6,97,245	72,00,000	-	78,97,245	1,18,939	1,63,709	-	-	2,82,648	76,14,597	5,78,306
II	Intangible Assets											
	Sub total (B)	-	-	-	-	-	-	-	-	-	-	-
III	Capital Work-in-Progress											
1	Boring Expense	75,645	88,000	-	1,63,645	-	-	-	-	-	1,63,645	75,645
2	Diesel Expense	6,09,999	9,794	23,030	5,96,763	-	-	-	-	-	5,96,763	6,09,999
3	Electric Expense	1,26,373	-	-	1,26,373	-	-	-	-	-	1,26,373	1,26,373
4	Electric Installation	2,08,714	14,305	-	2,23,019	-	-	-	-	-	2,23,019	2,08,714
5	Labour work of factory	1,16,32,450	17,05,200	-	1,33,37,650	-	-	-	-	-	1,33,37,650	1,16,32,450
6	Misc.Purchase	18,131	12,294	-	30,425	-	-	-	-	-	30,425	18,131
7	Plant & Machinery	17,87,018	2,79,160	-	20,66,178	-	-	-	-	-	20,66,178	17,87,018
8	Service tax on construction	7,05,709	-	-	7,05,709	-	-	-	-	-	7,05,709	7,05,709
9	Civil work & Construction	3,96,49,546	3,77,78,552	-	7,74,28,098	-	-	-	-	-	7,74,28,098	3,96,49,546
10	Loan Processing Fees (Term Loan)	-	7,59,252	-	7,59,252	-	-	-	-	-	7,59,252	-
11	Pipe Purchase Exp.	-	7,49,587	-	7,49,587	-	-	-	-	-	7,49,587	-
12	Pvc Pipe & Fitting	-	5,70,390	-	5,70,390	-	-	-	-	-	5,70,390	-
13	Bed Material	-	2,96,970	-	2,96,970	-	-	-	-	-	2,96,970	-
14	Civil Work Exps	-	20,77,494	-	20,77,494	-	-	-	-	-	20,77,494	-
15	Cont. Labour Work	-	54,87,489	-	54,87,489	-	-	-	-	-	54,87,489	-
16	Drainage Line Work	-	5,67,434	-	5,67,434	-	-	-	-	-	5,67,434	-
	Sub total (C)	5,48,13,585	5,03,95,921	23,030	10,51,86,476	-	-	-	-	-	10,51,86,476	5,48,13,585
IV	Intangible Assets Under Development											
	Sub total (D)	-	-	-	-	-	-	-	-	-	-	-
	Total[(A)+(B)+(C)+(D)]	5,55,10,830	5,75,95,921	23,030	11,30,83,721	1,18,939	1,63,709	-	-	2,82,648	11,28,01,073	5,53,91,891

ZEAL AQUA LIMITED
SHRIMP HARVESTING AND TRADING UNIT
Notes to financial statements for the year ended March 31st 2016

NOTE 10 : FIXED ASSETS

No.	Particulars	Useful life	Rate (%)	Gross Block				Depreciation					Net Block	
				01.04.15	Add	Less	31.03.16	Upto 31.03.15	Current Year	Deduction	Other Adj	31.03.16	31.03.16	31.03.15
1	Tangible Assets													
1	FREEHOLD LAND	-		3,11,000	-	-	3,11,000	-		-	-	-	3,11,000	3,11,000
2	CIVIL WORK EXP	30	9.50	74,26,241	-	-	74,26,241	8,88,892	6,21,048	-	-	15,09,940	59,16,301	65,37,349
3	BUILDING	30	9.50	1,66,26,054	-	-	1,66,26,054	20,82,030	13,81,682	-	-	34,63,712	1,31,62,342	1,45,44,024
4	GODOWN SHED	3	63.16	2,90,192	-	-	2,90,192	1,19,868	1,07,577	-	-	2,27,445	62,747	1,70,324
5	GODOWN WOODEN STAND	3	63.16	36,100	-	-	36,100	20,980	9,550	-	-	30,530	5,570	15,120
6	OFFICE RENOVATION	30	9.50	4,97,276	-	-	4,97,276	2,25,681	25,802	-	-	2,51,483	2,45,793	2,71,595
7	P-LINE PLASTIC	15	18.10	3,94,24,415	18,55,507	-	4,12,79,922	32,73,820	66,46,891	-	-	99,20,711	3,13,59,211	3,61,50,595
8	POND PREPARATION EXP	15	18.10	46,53,448	27,35,789	-	73,89,237	5,72,183	9,78,478	-	-	15,50,661	58,38,576	40,81,265
9	ELECTRIC POLE & FITTINGS	10	25.89	53,86,809	-	-	53,86,809	6,74,573	12,19,998	-	-	18,94,571	34,92,238	47,12,236
10	PVC PIPE & FITTINGS	15	18.10	20,47,163	-	-	20,47,163	2,56,359	3,24,136	-	-	5,80,495	14,66,668	17,90,804
11	ROAD WORK	30	9.50	25,63,049	-	-	25,63,049	2,67,206	2,18,105	-	-	4,85,311	20,77,738	22,95,843
12	OXYGEN METER	10	25.89	80,488	-	-	80,488	23,737	14,693	-	-	38,430	42,058	56,751
13	PIPE PURCHASE	10	25.89	6,06,105	5,27,423	-	11,33,528	1,15,595	1,46,891	-	-	2,62,486	8,71,042	4,90,510
14	OVEN-LG	10	25.89	8,293	-	-	8,293	2,446	1,514	-	-	3,960	4,333	5,847
15	PURCHASE MACHINERY SPARES	15	18.10	2,12,621	-	-	2,12,621	62,707	27,134	-	-	89,841	1,22,780	1,49,914
16	AREATOR	15	18.10	1,04,98,695	27,56,250	-	1,32,54,945	26,08,277	20,20,253	-	-	46,28,530	86,26,415	78,90,418
17	AREATOR SPARES PARTS	15	18.10	1,02,80,739	-	-	1,02,80,739	30,14,397	13,15,208	-	-	43,29,605	59,51,134	72,66,342
18	BATTERY	10	25.89	57,106	88,474	-	1,45,580	11,339	18,561	-	-	29,900	1,15,680	45,767
19	CANON FAX MACHINE	5	45.07	5,027	-	-	5,027	1,482	1,598	-	-	3,080	1,947	3,545
20	CANON XEROZ MACHINE	5	45.07	40,213	-	-	40,213	11,860	12,779	-	-	24,639	15,574	28,353
21	MEDICIN KIT	-		30,584	-	-	30,584	9,019	-	-	-	9,019	21,565	21,565
22	INVERTOR PURCHASE	10	25.89	24,511	-	-	24,511	7,192	4,484	-	-	11,676	12,835	17,319
23	GEAR MOTOR	10	25.89	11,12,613	12,91,391	-	24,04,004	3,28,134	4,53,856	-	-	7,81,990	16,22,014	7,84,479
24	HAND LORRY	8	31.23	25,797	-	-	25,797	7,607	5,681	-	-	13,288	12,509	18,190
25	ELECTRONICS METERS	10	25.89	65,889	-	-	65,889	19,432	12,028	-	-	31,460	34,429	46,457
26	DEEP FREEZER	10	25.89	49,283	-	-	49,283	11,763	9,714	-	-	21,477	27,806	37,520
27	REFREGERATION-LG	10	25.89	6,187	-	-	6,187	1,807	1,134	-	-	2,941	3,246	4,380
28	STABILZER	10	25.89	3,485	-	-	3,485	1,028	636	-	-	1,664	1,821	2,457
29	VENDING MACHINE	15	18.10	10,813	-	-	10,813	3,188	1,380	-	-	4,568	6,245	7,625
30	GENERATOR PURCHASE 125KA	15	18.10	1,09,41,715	-	-	1,09,41,715	27,20,932	14,87,962	-	-	42,08,894	67,32,821	82,20,783
31	POND BOAT	8	31.23	2,79,235	-	-	2,79,235	82,353	61,486	-	-	1,43,839	1,35,396	1,96,882
32	PLANT & MACHINERY	15	18.10	2,00,08,170	32,75,906	3,38,650	2,29,45,426	41,19,797	30,66,407	-	-	71,86,204	1,57,59,222	1,58,88,373
33	CAMERA TOWER	10	25.89	1,14,998	-	-	1,14,998	33,915	20,992	-	-	54,907	60,091	81,083
34	LOAN PROCESSING FEES(TERM LO	-		3,40,163	-	-	3,40,163	1,00,322	-	-	-	1,00,322	2,39,841	2,39,841
35	TELEVISION	5	45.07	23,100	-	-	23,100	15,192	3,564	-	-	18,756	4,344	7,908
36	MOBILE	5	45.07	3,48,770	62,950	-	4,11,720	1,68,183	97,691	-	-	2,65,874	1,45,846	1,80,587
37	ELECTRICAL FITTINGS	10	25.89	2,03,96,976	42,36,035	-	2,46,33,011	77,37,480	41,00,597	-	-	1,18,38,077	1,27,94,934	1,26,59,496

38	PRINTER PURCHASE	5	45.07	4,224		-	4,224	3,437	355	-	-	3,792	432	787
39	COMPUTER SOFTWARE	5	45.07	80,750		-	80,750	73,177	3,413	-	-	76,590	4,160	7,573
40	COMPUTER	5	45.07	4,50,848		-	4,50,848	3,52,853	44,166	-	-	3,97,019	53,829	97,995
41	PROJECTOR BENQ	5	45.07	26,466		-	26,466	21,533	2,223	-	-	23,756	2,710	4,933
42	UPS PURCHASE	5	45.07	6,964		-	6,964	5,667	585	-	-	6,252	712	1,297
43	AIR CONDITIONER	5	45.07	53,692		-	53,692	21,362	14,571	-	-	35,933	17,759	32,330
44	FURNITURE AND FIXTURE	10	25.89	7,13,884	14,300	-	7,28,184	4,04,984	82,958	-	-	4,87,942	2,40,242	3,08,900
45	BAJAJ PLETINA 5514	10	25.89	14,606		-	14,606	6,583	2,077	-	-	8,660	5,946	8,023
46	TRACTOR TRAILER	8	31.23	3,71,413		-	3,71,413	88,463	88,365	-	-	1,76,828	1,94,585	2,82,950
47	HERO PASSION	10	25.89	62,977		-	62,977	17,859	11,681	-	-	29,540	33,437	45,118
48	ALTO 800LXI	8	31.23	3,38,531		-	3,38,531	1,48,005	59,501	-	-	2,07,506	1,31,025	1,90,526
49	AUDI A4	10	25.89	34,16,850		-	34,16,850	13,57,235	5,33,234	-	-	18,90,469	15,26,381	20,59,615
50	INNOVA CAR - 2	10	25.89	16,81,520		-	16,81,520	6,16,840	2,75,646	-	-	8,92,486	7,89,034	10,64,680
51	TATA XENON	10	25.89	7,77,134		-	7,77,134	3,39,030	1,13,425	-	-	4,52,455	3,24,679	4,38,104
52	TOYOTA FORTUNER	10	25.89	26,69,179		-	26,69,179	10,34,570	4,23,200	-	-	14,57,770	12,11,409	16,34,609
53	FORD FIGO	10	25.89	2,36,406		-	2,36,406	2,13,640	5,894	-	-	2,19,534	16,872	22,766
57	Acer Laptop	5	45.07	89,888		-	89,888	45,730	19,902	-	-	65,632	24,256	44,158
58	Duster(GH 5023)	10	31.23	11,76,333		-	11,76,333	2,13,001	3,00,849	-	-	5,13,850	6,62,483	9,63,332
59	Duster(GH 5183)	10	31.23	11,76,333		-	11,76,333	2,15,973	2,99,920	-	-	5,15,894	6,60,439	9,60,360
60	Duster(GH 6158)	10	31.23	11,76,333		-	11,76,333	2,22,908	2,97,755	-	-	5,20,663	6,55,670	9,53,425
61	Swift(GH 0723)	10	31.23	5,89,344		-	5,89,344	1,38,165	1,40,903	-	-	2,79,068	3,10,276	4,51,179
62	Swift(GH 6717)	10	31.23	6,02,012		-	6,02,012	93,232	1,58,892	-	-	2,52,124	3,49,888	5,08,780
63	Tractor(GH 0086)	8	31.23	9,14,403		-	9,14,403	1,19,312	2,48,307	-	-	3,67,619	5,46,784	7,95,091
64	LAND OLPAD PROPERTY BLOCK(N	-		12,50,000		-	12,50,000	-	-	-	-	-	12,50,000	12,50,000
65	Sumsung Fridge	10	25.89		12,500	-	12,500	-	173	-	-	173	12,327	-
66	Hero Passion (GJ05MD4630)	10	25.89		60,700	-	60,700	-	13,826	-	-	13,826	46,874	-
67	Omni Car(GJ05JP0663)	10	31.23		3,02,061	-	3,02,061	-	5,928	-	-	5,928	2,96,133	-
68	Omni Car (GJ05JP1527)	10	31.23		3,02,061	-	3,02,061	-	3,866	-	-	3,866	2,98,195	-
	Sub total (A)			17,27,13,413	1,75,21,347	3,38,650	18,98,96,110	3,53,54,335	2,75,71,124	-	-	6,29,25,460	12,69,70,650	13,73,59,078

II	Intangible Assets													
	Sub total (B)			-	-	-	-	-	-	-	-	-	-	-
III	Capital Work-in-Progress													
1	JCB Work			1,54,562	-	1,54,562	-	-	-	-	-	1,54,562	1,54,562	
2	Pond Preparation			1,30,33,173	-	1,30,33,173	-	-	-	-	-	1,30,33,173	1,30,33,173	
3	Wages and Labour			11,000	-	11,000	-	-	-	-	-	11,000	11,000	
	Sub total (C)			1,31,98,735	-	1,31,98,735	-	-	-	-	-	1,31,98,735	1,31,98,735	
IV	Intangible Assets Under Development													
	Sub total (D)			-	-	-	-	-	-	-	-	-	-	
	Total[(A)+(B)+(C)+(D)]-UNIT - I			18,59,12,148	1,75,21,347	3,38,650	20,30,94,845	3,53,54,335	2,75,71,124	-	-	6,29,25,460	14,01,69,385	15,05,57,813
	Total[(A)+(B)+(C)+(D)]- UNIT - II			5,55,10,830	5,75,95,921	23,030	11,30,83,721	1,18,939	1,63,709	-	-	2,82,648	11,28,01,073	5,53,91,891
	GRAND TOTAL(UNIT I + II)			24,14,22,978	7,51,17,268	3,61,680	31,61,78,566	3,54,73,274	2,77,34,833	-	-	6,32,08,107	25,29,70,459	20,59,49,704
	Previous Year			12,03,76,665	12,16,32,650	5,86,337	24,14,22,978	1,15,86,016	2,40,39,061	1,51,803	-	3,54,73,274	20,59,49,704	10,87,90,649

Note 25 : Significant Accounting Policies**1 Basis of preparation of Financial Statements**

1 These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on an accrual basis. These financial statements have been prepared to comply in all material aspects with the Accounting Standards specified under section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013.

2 Accounting policies not specifically referred to otherwise are consistent with generally accepted accounting principles followed by the Company.

3 All income and expenditure items & assets and liabilities having a material bearing on the financial statements are recognized on accrual basis.

2 Revenue Recognition

Revenue is recognised when the significant risk and rewards of the ownership of the goods are transferred to the buyer.

3 Use of Estimates:

In preparing the financial statements in conformity with accounting principles generally accepted in India, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosures of contingent liabilities as at the date of financial statements and the amounts of revenue and expenses during the reported period. Actual results could differ from those estimates. Any revision to such estimates is recognised in the period the same is determined.

4 Fixed Assets

i. Fixed assets are stated at acquisition cost net of recoverable taxes, less accumulated depreciation and impairment loss.

ii All costs, including financing costs till commencement of commercial activity attributable to the fixed assets are capitalised.

iii Assets which are not ready for use and other capital work-in-progress are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

iii Pursuant to the enactment of Companies Act 2013, the company has applied the estimated useful lives as specified in the Schedule II. Accordingly, the unamortised carrying value is being depreciated/ amortised over the revised/remaining useful lives.

5 Depreciation, Amortisation and Impairment

Depreciation on fixed assets is charged on Written Down Value as per the useful life prescribed in Schedule II to the Companies Act, 2013.

Impairment is ascertained at each balance sheet date in respect of the Company's fixed assets. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value based on an appropriate discount factor.

6 Borrowing Cost:

Borrowing costs attributable to the acquisition or construction of qualifying assets are capitalised as a part of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to Statement of Profit & Loss in the year in which they are incurred.

7 Investments

Long term Investments are stated at cost. Diminution in the value of investments is provided for by reducing the value of investments and charging the same to the Statement of Profit & Loss only if such diminution is other than temporary.

8 Accounting for Provisions, Contingent Liabilities and Contingent Assets:

Provisions are recognised when there is a present legal obligation as a result of past events, where it is probable that there will be outflow of resources to settle the obligations and when a reliable estimate of the amount of the obligation can be made. 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 can't be measured in term of future outflow of resources, or where a reliable estimate of the obligation can't be made. Obligations are assessed on an ongoing basis and only those having a largely probable outflow of resource are provided for.

9 Employee's Benefits

- i. Contributions to Provident Fund, Gratuity Fund and Family Pension Fund are charged to the Statement of Profit & Loss for the year in which related service is rendered.
- ii. Gratuity is charged to revenue on actuarial valuation as provided by Life Insurance Corporation of India under the Employees Group Gratuity policy with them.
- iii. Provision for Leave encashment is made on the basis of actual leave outstanding at the end of the year based on the present pay structure.

10 Transaction in Foreign Currency

The company has no foreign exchange transaction(s) during the year under consideration.

11 Taxes on Income

- i. Tax expenses are accounted in the same period to which the revenue and expense relate. Provision for current income tax is made for the tax liability payable on taxable income after considering tax allowances, deductions and exemptions' determined in accordance with the prevailing tax laws. The differences between the taxable income and the net profit and loss before tax for the year as per the financial statements are identified and the tax effect of timing differences is recognised as a deferred tax asset or deferred tax liability. The tax effect is calculated on accumulated timing differences at the end of the accounting year, based on effective tax rates substantively enacted by the Balance Sheet date.
- ii. Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off assets against liabilities representing current tax and where the deferred tax assets and the deferred tax liabilities relate to taxes on income levied by the same governing taxation laws.

12 Cash and Cash Equivalents

Cash comprises of the cash on hand and demand deposits with banks. Cash equivalents are short term balances, highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

- 13** As live stock in ponds cannot be measured in quantitative terms and any estimation cannot be reliable, hence the valuation of live stock is not done, if any.

14 Contingent liabilities

i) Disputed Income tax demand for A.Y. 2012-13 not provided for is Rs.1,76,78,940/-. Appeal against this order is pending before CIT(Appeal).

ii) Disputed VAT demand of Rs. 774.99 Lakhs and Rs. 406.98 Lakhs for Financial year 2010-11 and 2011-12 are respectively pending before appellate authorities.

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

16 The company has not received balance confirmation at the end of Balance Sheet date from certain sundry creditors and sundry debtors.

17 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.

18 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 :

a). As stated above, there is no principal amount and the interest due thereon remained unpaid to any MSME supplier at the year end;

b). 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;

c). 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;

d). As specified in above clauses there is no amount of interest accrued at the end of the year;

e). 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.

19 The company's business is only being shrimp farming and all operation are under taken within two units, segment-wise information is not applicable under Accounting Standard 17- 'Segmental Information' (AS-17) specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014.

20 Related party transaction with related party(ies) are attached herewith and form integral part of the Balance sheet.

21 Previous years figures are regrouped or rearranged wherever applicable.

For ZEAL AQUA LIMITED

Sd/-
(01067716)
PRADEEP R. NAVIK
Director
Date : 30/08/2016
Place : Surat

Sd/-
(01362109)
SHANTILAL PATEL
Director

Sd/-
Company secretary
Javanika Gandharva
Sd/-
C.F.O.
Shailendrasingh Patil

FOR PARY AND CO.
CHARTERED ACCOUNTANTS
FRN : 007288C

Sd/-
Akash Rajnikant Gaglani
Partner
MEM. NO. : 114255
9005, WORLD TRADE CENTRE,
UDHNA DARWAJA, RING ROAD SURAT-395002.

Related Party Disclosure (AS 18)

S. No.	Name of party	Relationship	Nature of transaction in current year	Amount	Amount outstanding at year end
1	Pradip R Navik	Director	Loan taken	-	96,188
			Remuneration	24,00,000	18,34,058
2	Shantilal I Patel	Director	Loan taken	60,00,000	61,34,500
			Remuneration	24,00,000	14,90,422
3	Rohan P Navik	Director	Remuneration	24,00,000	17,87,384
			Loan taken	-	3,12,700
4	Susan P Navik	Relative of Director	Loan taken	-	5,53,589
			Other	-	3,80,400
5	Dhaval S Patel	Relative of Director	Salary	1,68,865	1,68,865
			Loan taken	-	34,76,771
6	Kimi S Patel	Relative of Director	Loan taken	-	8,28,803
			Salary	1,21,800	1,21,800
7	Preety Misty	Relative of Director	Loan taken	-	9,07,610
			Salary	1,22,607	1,22,607
8	Jacob Foods Pvt Ltd	Comm. Director	Purchase	3,61,59,281	3,51,34,560
			Sales	3,62,06,560	
9	Rati Aqua Pvt Ltd.	Relative of Director	Purchase	2,30,58,198	61,36,579
			Sales	90,34,184	
10	Susan Aqua Pvt Ltd.	Associate concern	Loan Taken	50,00,000	50,33,831
11	Agni Aqua Farm	Associate concern	Contact Farming Charges	69,718	1,26,450
12	Akash Aqua Farm	Associate concern	Contact Farming Charges	69,718	1,26,450
13	Dhaval Aqua farm	Associate concern	Contact Farming Charges	3,62,629	6,16,971
14	Jal Aqua Farm	Associate concern	Contact Farming Charges	69,718	1,26,450
15	Pruthvi Aqua Farm	Associate concern	Contact Farming Charges	69,718	2,31,664
16	Deep Aqua Farm	Associate concern	Contact Farming Charges	90,507	2,43,233
17	Dinkar Aqua Farm	Associate concern	Contact Farming Charges	90,507	2,43,315
18	Divya Aqua Farm	Associate concern	Contact Farming Charges	90,507	2,56,057
19	Darshan Aqua Farm	Associate concern	Contact Farming Charges	90,507	2,43,315
20	Preety Aqua Farm	Associate concern	Contact Farming Charges	2,68,502	5,14,329
21	Dilip Aqua Farm	Associate concern	Contact Farming Charges	86,957	2,43,313
22	Kimi Aqua Farm	Associate concern	Contact Farming Charges	5,03,775	8,39,750
23	Rohan Aqua Farm	Associate concern	Purchase	75,08,336	3,07,806
			Sales	94,09,653	
24	S. R Aqua Farm	Associate concern	Contact Farming Charges	5,54,899	11,24,605
25	Vayu Aqua Farm	Associate concern	Contact Farming Charges	69,719	1,26,451
26	Tapi Aqua Farm	Associate concern	Contact Farming Charges	4,64,051	16,52,903
27	Dhaval Aqua Engineering	Associate concern	Purchase	83,09,148	17,59,212
28	Manju Aqua Farm	Director is prop	Purchase	1,08,26,025	21,77,210
			Sales	76,13,825	
29	Mahesh M. Mistry	Ind. Director	Other	-	1,00,000
30	Naginbhai P Patel	Ind. Director	Other	-	1,00,000
31	Roshan Kadodwala	Ind. Director	Other	-	1,00,000
32	Rashmiben S Patel	Relative of Director	Other	-	1,00,000
33	Agave Tradecom LLP	Associate concern	Loan taken	-	2,99,80,000

Zeal Aqua Limited

Regd Office: At Olpad, GIDC, Plot No. 4,5, Taluka: Olpad, Surat – 394 540.
Web:- www.zealacqua.com , Email:- zealacqua@gmail.com , Contact No.:- 02621-220547
CIN: L05004GJ2009PLC05627

Attendance Slip

Record of Attendance at the 8th ANNUAL GENERAL MEETING held on Monday, 26th September, 2016 at 11:30 am at registered office of the company at Olpad, GIDC, Plot No. 4,5, Taluka:Olpad, Surat -394 540.

Please complete this attendance slip and Handover at the Entrance of the meeting Venue.

TO BE USED ONLY WHEN THE FIRST NAMED SHAREHOLDER ATTENDS

PLEASE GIVE NAME OF THE FIRST NAMED SHARE HOLDER

NAME OF THE SHAREHOLDER OR PROXY OR REPRESENTATIVE ATTENDING THE MEETING

Mr./Mrs./Ms.

(In Capitals)

Members' Folio No. Signature.....

(in case the shares are held in Demat Mode)

DP ID.....

Client ID.....

Mr./Mrs./Ms.....

.....Members' Folio No..... No. of Shares

Held.....

Dated: , 2016

Form No. MGT-11

Proxy form

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

CIN: L05004GJ2009PLC056270

Name of the company: ZEAL AQUA LIMITED

Registered office: Olpad, GIDC, Plot No. 4,5, Taluka: Olpad, Surat -394 540

Name of the member(s):

Registered address:

E-mail Id:

Folio No/ Client Id:

DP ID:

I/We, being the member (s) of shares of the above named company, hereby appoint

1. Name:
Address:
E-mail Id:
Signature:
or failing him

2. Name:
Address:
E-mail Id:
Signature:

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at theAnnual general meeting/ Extraordinary general meeting of the company, to be held on the day of..... at..... a.m. / p.m. at.....(place) and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.

- 1.....
- 2.....
- 3.....

Affix a Re. 1 Revenue Stamp

Signed this..... day of..... 20....

Signature of shareholder

Signature of Proxy holder(s)

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.

POSTAL BALLOT FORM

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

Item No.	Item	Nature of Resolution	No. of shares	I/We assent to the Resolution (FOR)	I/We dissent to the Resolution (AGAINST)	(ABSTAIN)
1	Adoption of Accounts	Ordinary				
2	App. of Director Mr. Pradeep Navik liable to retire by rotation	Ordinary				
3	Ratification of App. of Auditors	Ordinary				

Place:

Date:

.....
(Member)

ELECTRONIC VOTING PARTICULAR

EVSN (E VOTING SEQUENCE NUMBER)	USER ID	PASSWORD/PIN
Refer Instructions		

e-Voting shall remain open till Friday, 23rd September, 2016 till the close of working hours of 25th September, 2016 (i.e. 18:00 hours).

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