

ZEAL AQUA LIMITED ANNUAL REPORT FY. 2022-2023





CIN: L05004GJ2009PLC056270

Block No. 347, Vill: Orma, Ta: Olpad, Surat-394540, Guj, India

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COMPANY OVERVIEW

ZEAL AQUA LIMITED is the World's Premium seafood supplier. Aquaculture farms and processing plants are vertically integrated into a coherent supply chain and farm-to-fork model. The company produces and exports quality Seafood across the world which reflects its quality standards.

Zeal Aqua is An Aquaculture Company that takes pride in its ability to consistently produce high-quality seafood to customers. With a production capacity of 1500 tons of shrimp in 2015, the company's commitment to quality and excellence is evident. Zeal Aqua understands the importance of utilizing the latest technology to produce the best quality shrimp and has a team of dedicated professionals who are passionate about their work and committed to staying on top of the latest developments in the industry. It takes great care to ensure that its shrimp is produced in an optimal environment. Overall, Zeal Aqua is committed to delivering the best quality shrimp to its customers and end consumers through advanced technology, professional work ethic, and sustainable practices.

Zeal Aqua is committed to delivering high-quality shrimp that is free from antibiotics and banned substances, healthy, and delicious. We use the latest technologies and research to enhance productivity while complying with the strictest quality control standards. Zeal Aqua strictly follows Standard Operating Procedures at all production sites, and state-of-the-art technology such as Bio-Security, Auto Feeder, and Aeration Systems are utilized to ensure the optimal growth and health of our shrimp. Zeal Aqua's dedication to quality has earned recognition from the Government of India, and we continue to set the standard for shrimp production in the industry. Choose Zeal Aqua for a product that is superior in quality and safety.

CHAIRMAN'S MESSAGE TO THEIR SHAREHOLDERS

Dear Valued Shareholders,

As you are seeing the growth path of the Company in the last few years, I am of the view that significant efforts have been put in by the Management in the growth of the Company. I would also like to appreciate the valuable guidance and contributions by the Independent Directors that not only led the company in improving Corporate Governance standards but also in its growth. The relentless commitment and dedication of every member of the zeal aqua family helped our business navigate through the many challenges that comes through our way.

I extend my sincere appreciation to my fellow Board members, the leadership team, employees, our suppliers and business partners for their continued support which has helped us serve our customers even better during these challenging times. I would like to thank all our shareholders and look forward to your continued support and guidance, as the Company progresses towards its mission of 'best quality sourced shrimp to customers worldwide' in the coming years.

India is the 2nd largest aquaculture nation in the world after China. The Blue Revolution in India demonstrated importance of Fisheries and Aquaculture sector. The sector is considered as a sunrise sector and is poised to play a significant role in the Indian economy in near future. In the recent past, Indian fisheries has witnessed a paradigm shift from marine dominated fisheries to inland fisheries, with the latter emerging as a major contributor of fish production from 36% in the mid-1980 to 70% in the recent past. Within inland fisheries, a shift from capture to culture-based fisheries has paved the way for sustained blue economy.

Although inland fisheries and aquaculture have grown in absolute terms, the development in terms of its potential is yet to be realized. In India, fisheries are a significant economic sector and offers vast opportunities for development. This is attributed to the diverse resources and potential of the country. Andhra Pradesh is the leading shrimp producer, accounting for more than 50% of the total output followed by Gujarat.

The Indian Government is promoting sustainable shrimp farming practices to produce high-quality 'sustainable' shrimp in order to minimize the environmental effects of shrimp aquaculture. Moreover, the Seafood Exporters Association of India (SEAI) and the Marine Products Export Development Authority (MPEDA) are supporting the export of shrimp, especially for ready-to-eat and ready-to-cook products.

Our Buyer includes companies from countries like **BELGIUM, DENMARK, FRANCE, GERMANY, GREECE, JAPAN, SOUTH KOREA, BUSAN, NETHERLANDS, USA, VIETNAM, SPAIN AND AUSTRALIA**. We are also ASC, BRC certified and HACCP which enables us to target different geographies and increase our footprints. To support this growth, we have alongside embarked on several marketing initiatives and planning to participate in all major exhibitions, Expo meets and virtual Meetings.

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

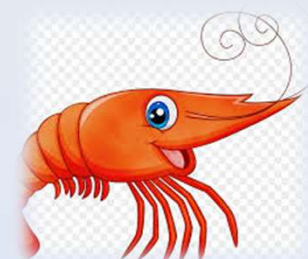
Love and peace from us to you.

Sd/-

Shantilal Ishwarlal Patel

Chairman & Managing Director

DIN: 01362109



CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Shantilal Ishwarlal Patel

Chairman & Managing Director (Executive)

DIN: 01362109

Mr. Pradipkumar Ratilal Navik

Whole Time Director (Executive)

DIN: 01067716

Mr. Rohan Pradipkumar Navik

Whole Time Director (Executive)

DIN: 02531248

Mr. Dhavalkumar Shantilal Patel

Whole Time Director (Executive)

DIN: 02961674



Mr. Naginbhai Paragbhai Patel

Independent Director (Non-Executive)

DIN: 01675923

Mr. Cyrus Dinsha Bhathena

Independent Director (Non-Executive)

DIN: 07967136

Mr. Shahzad Yazdi Gandhi

Independent Director (Non-Executive)

DIN: 08013857

Mrs. Sharmin Mehernosh Dordi

Women Independent Director (Non-Executive)

DIN: 08193337

CHIEF FINANCIAL OFFICER

Mr. Jayan Rajeshkumar Patel

COMPANY SECRETARY & COMPLIANCE OFFICER

Ms. Priyanka Gyanchand Jain (Resigned as on 30.05.2023)

Mr. Jayan Rajeshkumar Patel (Compliance Officer w.e.f. 30.05.2023)

REGISTERED OFFICE

CIN: L05004GJ2009PLC056270

Block No. 347, Vill: Orma, Ta: Olpad, Surat-394540, Guj, INDIA

Tel: +91-02621-220047

Email: zealaqua@gmail.com

Website: www.zealaqua.com

Scrip ID/Code: ZEAL/539963

ISIN: INE819S01025

REGISTRAR & SHARE TRANSFER AGENT

M/s. Bigshare Services Private Limited.

Office No. S6-2, 6th Floor, Pinnacle Business Park,

Next to Ahura Centre, Mahakali Caves Road,

Andheri (East) Mumbai- 400093, Maharashtra

Tel.:+91-022-62638200

Fax: +91-022-62638299

Email: info@bigshareonline.com

Website: www.bigshareonline.com

STATUTORY AUDITORS

M/s. PARY & Co.

Chartered Accountants (FRN: 007288C)

9005, World Trade Centre,

Near Empire State Building,

Ring Road, Surat-395002

Ph: +91- 0261-3927221

Fax: +91-261-3927221

Mob:98253 04177

E-mail: paryco@gmail.com

Website: www.paryca.org



BANKER TO THE COMPANY:

Indian Bank

Salabatpura Branch,
Shop No.4, Trade House, Ring Road,
Salabatpura, Surat-3895002
Ph. No.: 0261-2360441
Website: www.indianbank.in
Email: salabatpura@indianbank.co.in

Bank of India

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

Punjab National Bank

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

Axis Bank

Digvijay Towers, Opp. St. Xaviers School,
GhodDod Rd, Surat, Gujarat 395001
Tel: +91- 0261-4082300/4082341
Tel no: 079-26409322
Fax No: 07926409321

BOOK CLOSURE

Date: 12/09/2023 – 18/09/2023
(both days inclusive)

15TH ANNUAL GENERAL MEETING

Date: 18th September, 2023 Monday

Time: 11.00 A.M.

Deemed Venue: Registered Office (As through VC/OAVM)

NOTICE OF 15TH ANNUAL GENERAL MEETING

NOTICE is hereby given that the **15th** Annual General Meeting of the Members of **Zeal Aqua Limited** will be held on **Monday, 18th Day of September, 2023** at **11:00 AM** through Video Conferencing (VC) or Other Audio Visual Means (OAVM) to transact with or without modification(s), as may be permissible, the following items of business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the company for the financial year ended on 31st March, 2023, together with the Reports of the Board of Directors and Auditors' thereon.

“RESOLVED THAT the Audited Balance Sheet, Profit and loss account and Cash Flow Statement for the year ended 31st March, 2023 along with the Auditor's report and Director's Report, be and are hereby considered, Adopted and Approved.”

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

“RESOLVED THAT pursuant to Section 152(6) of the Companies Act, 2013 and other relevant Sections of the said Act, if any, **Mr. Pradipkumar 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. **Appointment of Statutory Auditor and authorise directors to approve their remuneration and in this regards, to consider and if through fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:**

"RESOLVED THAT pursuant to provisions of Section 139, 142 and other applicable provisions of the Companies Act, 2013, if any, read with the Companies (Audit & Auditors) Rules, 2014, including any statutory enactment or modification thereof, M/s Patel Kabrawala & Co., Chartered Accountants, (Firm Registration No.0130952W) be and is hereby appointed as the Statutory Auditors of the Company for the period of consecutive five years commencing from the conclusion of this 15th Annual General Meeting till the conclusion of 20th Annual General Meeting of the Company, at a remuneration to be decided by the Board of Directors in consultation with the Auditors.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized for and on behalf of the Company to take all necessary steps and to do all such acts, deeds, matters and things which may deem necessary in this behalf."

SPECIAL BUSINESS:

4. To consider the increase in remuneration of Mr. Shantilal Ishwarlal Patel (DIN: 01362109), Managing director of the company:

To consider and if thought fit, to pass with or without modification, the following resolution as a **SPECIAL RESOLUTION:**

"RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and the Rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013 the approval of the Members of the Company, be and is hereby accorded to increase remuneration of Mr. Shantilal Ishwarlal Patel (DIN: 01362109), Managing director of the Company, on the terms and conditions as approved by the Board on recommendation of Nomination and Remuneration Committee.

RESOLVED FURTHER THAT the remuneration payable to Mr. Shantilal Ishwarlal Patel (DIN: 01362109), Managing director, shall be as under:

Remuneration: Rs. 3,00,000/- (Rupees Three Lakhs Only) per month inclusive of all perquisite.

RESOLVED FURTHER THAT the consent and ratification of the Members of the Company be and is hereby accorded that Mr. Shantilal Ishwarlal Patel (DIN: 01362109), Managing director of the Company be paid remuneration by way of Salary, Perquisites and allowances upto a maximum of Rs. 3,00,000/- (Rupees Three lacs only) per month as minimum remuneration for the remaining period in case the Company has no profits or its profit are inadequate.

RESOLVED FURTHER THAT the above remuneration shall be subject to modification, as may be deemed fit by the Board from time to time and subject to the limits and stipulations prescribed by the Companies Act, 2013 read with Schedule V thereto, and/or any guidelines prescribed by the Government from time to time.

RESOLVED FURTHER THAT where in any financial year, during the currency of the tenure of Mr. Shantilal Ishwarlal Patel (DIN: 01362109), Managing director, the Company has no profits or its profits are inadequate, the Company will pay remuneration by way of salary, perquisites and allowances as specified above as minimum remuneration, subject to the limits and conditions prescribed under Schedule V of the Companies Act, 2013, as may be amended from time to time.

RESOLVED FURTHER THAT except for the aforesaid revision in salary, all other terms and conditions of his appointment as Managing Director of the Company, as approved by the Members in the 11th Annual General Meeting held on 30th September, 2019 shall remain unchanged.

RESOLVED FURTHER THAT the Board of Director or the Company Secretary thereof be and are hereby authorized to do all such acts, deeds and things, to enter into such agreement(s), deed(s) of attachment(s) or any such document(s), as the Board may, in its absolute discretion, consider necessary, expedient or desirable including power to sub-delegate, in order to give effect to this resolution."

5. To consider the increase in remuneration of Mr. Pradipkumar Ratilal Navik (DIN: 01067716), Whole-time director of the company:

To consider and if thought fit, to pass with or without modification, the following resolution as a **SPECIAL RESOLUTION:**

"RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and the Rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013 the approval of the Members of the Company, be and is hereby accorded to increase remuneration of Mr. Pradipkumar Ratilal Navik (DIN: 01067716), Whole-time director of the Company, on the terms and conditions as approved by the Board on recommendation of Nomination and Remuneration Committee.

RESOLVED FURTHER THAT the remuneration payable to Mr. Pradipkumar Ratilal Navik (DIN: 01067716), Whole-time director, shall be as under:

Remuneration: Rs. 3,00,000/- (Rupees Three Lakhs Only) per month inclusive of all perquisite.

RESOLVED FURTHER THAT the consent and ratification of the Members of the Company be and is hereby accorded that Mr. Pradipkumar Ratilal Navik (DIN: 01067716), Whole-time director of the Company be paid remuneration by way of Salary, Perquisites and allowances upto a maximum of Rs. 3,00,000/- (Rupees Three lacs only) per month as minimum remuneration for the remaining period in case the Company has no profits or its profit are inadequate.

RESOLVED FURTHER THAT the above remuneration shall be subject to modification, as may be deemed fit by the Board from time to time and subject to the limits and stipulations prescribed by the Companies Act, 2013 read with Schedule V thereto, and/or any guidelines prescribed by the Government from time to time.

RESOLVED FURTHER THAT where in any financial year, during the currency of the tenure of Mr. Pradipkumar Ratilal Navik (DIN: 01067716), Whole-time director, the Company has no profits or its profits are inadequate, the Company will pay remuneration by way of salary, perquisites and allowances as specified above as minimum remuneration, subject to the limits and conditions prescribed under Schedule V of the Companies Act, 2013, as may be amended from time to time.

RESOLVED FURTHER THAT except for the aforesaid revision in salary, all other terms and conditions of his appointment as Whole-Time Director of the Company, as approved by the Members in the 11th Annual General Meeting held on 30th September, 2019 shall remain unchanged.

RESOLVED FURTHER THAT the Board of Director or the Company Secretary thereof be and are hereby authorized to do all such acts, deeds and things, to enter into such agreement(s), deed(s) of attachment(s) or any such document(s), as the Board may, in its absolute discretion, consider necessary, expedient or desirable including power to sub-delegate, in order to give effect to this resolution."

6. To consider the increase in remuneration of Mr. Rohan Pradipkumar Navik (DIN: 02531248), Whole-Time director of the company:

To consider and if thought fit, to pass with or without modification, the following resolution as a **SPECIAL RESOLUTION:**

“RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and the Rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013 the approval of the Members of the Company, be and is hereby accorded to increase remuneration of Mr. Rohan Pradipkumar Navik (DIN: 02531248), Whole-Time director of the Company, on the terms and conditions as approved by the Board on recommendation of Nomination and Remuneration Committee.

RESOLVED FURTHER THAT the remuneration payable to Mr. Rohan Pradipkumar Navik (DIN: 02531248), Whole-Time director, shall be as under:

Remuneration: Rs. 3,00,000/- (Rupees Three Lakhs Only) per month inclusive of all perquisite.

RESOLVED FURTHER THAT the consent and ratification of the Members of the Company be and is hereby accorded that Mr. Rohan Pradipkumar Navik (DIN: 02531248), Whole-Time director of the Company be paid remuneration by way of Salary, Perquisites and allowances upto a maximum of Rs. 3,00,000/- (Rupees Three lacs only) per month as minimum remuneration for the remaining period in case the Company has no profits or its profit are inadequate.

RESOLVED FURTHER THAT the above remuneration shall be subject to modification, as may be deemed fit by the Board from time to time and subject to the limits and stipulations prescribed by the Companies Act, 2013 read with Schedule V thereto, and/or any guidelines prescribed by the Government from time to time.

RESOLVED FURTHER THAT where in any financial year, during the currency of the tenure of Mr. Rohan Pradipkumar Navik (DIN: 02531248), Whole-Time director, the Company has no profits or its profits are inadequate, the Company will pay remuneration by way of salary, perquisites and allowances as specified above as minimum remuneration, subject to the limits and conditions prescribed under Schedule V of the Companies Act, 2013, as may be amended from time to time.

RESOLVED FURTHER THAT except for the aforesaid revision in salary, all other terms and conditions of his appointment as Whole-Time Director of the Company, as approved by the Members in the 11th Annual General Meeting held on 30th September, 2019 shall remain unchanged.

RESOLVED FURTHER THAT the Board of Director or the Company Secretary thereof be and are hereby authorized to do all such acts, deeds and things, to enter into such agreement(s), deed(s) of attachment(s) or any such document(s), as the Board may, in its absolute discretion, consider necessary, expedient or desirable including power to sub-delegate, in order to give effect to this resolution."

7. To consider the increase in remuneration of Mr. Dhavalkumar Shantilal Patel (DIN: 02961674), Whole-Time director of the company:

To consider and if thought fit, to pass with or without modification, the following resolution as a **SPECIAL RESOLUTION**:

“RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and the Rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013 the approval of the Members of the Company, be and is hereby accorded to increase remuneration of Mr. Dhavalkumar Shantilal Patel (DIN: 02961674), Whole-Time director of the Company, on the terms and conditions as approved by the Board on recommendation of Nomination and Remuneration Committee.

RESOLVED FURTHER THAT the remuneration payable to Mr. Dhavalkumar Shantilal Patel (DIN: 02961674), Whole-Time director, shall be as under:

Remuneration: Rs. 3,00,000/- (Rupees Three Lakhs Only) per month inclusive of all perquisite.

RESOLVED FURTHER THAT the consent and ratification of the Members of the Company be and is hereby accorded that Mr. Dhavalkumar Shantilal Patel (DIN: 02961674), Whole-Time director of the Company be paid remuneration by way of Salary, Perquisites and allowances upto a maximum of Rs. 3,00,000/- (Rupees Three lacs only) per month as minimum remuneration for the remaining period in case the Company has no profits or its profit are inadequate.

RESOLVED FURTHER THAT the above remuneration shall be subject to modification, as may be deemed fit by the Board from time to time and subject to the limits and stipulations prescribed by the Companies Act, 2013 read with Schedule V thereto, and/or any guidelines prescribed by the Government from time to time.

RESOLVED FURTHER THAT where in any financial year, during the currency of the tenure of Mr. Dhavalkumar Shantilal Patel (DIN: 02961674), Whole-Time director, the Company has no profits or its profits are inadequate, the Company will pay remuneration by way of salary, perquisites and allowances as specified above as minimum remuneration, subject to the limits and conditions prescribed under Schedule V of the Companies Act, 2013, as may be amended from time to time.

RESOLVED FURTHER THAT except for the aforesaid revision in salary, all other terms and conditions of his appointment as Whole-Time Director of the Company, as approved by the Members in the 14th Annual General Meeting held on 26th August, 2022 shall remain unchanged.

RESOLVED FURTHER THAT the Board of Director or the Company Secretary thereof be and are hereby authorized to do all such acts, deeds and things, to enter into such agreement(s), deed(s) of attachment(s) or any such document(s), as the Board may, in its absolute discretion, consider necessary, expedient or desirable including power to sub-delegate, in order to give effect to this resolution."

8. Re-appointment of Mrs. Sharmin Mehernosh Dordi (DIN: 08193337) as an Independent Director for a further period of 5 (five) years

To consider and, if thought fit, to pass the following resolution as **SPECIAL RESOLUTION**:

“RESOLVED THAT pursuant to the provisions of Section 149 and 152 read with Schedule IV and any other applicable provisions of the Companies Act, 2013 (‘the Act’) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015,, the approval of the Members of the Company be and is hereby accorded for the proposed re-appointment of **Mrs. Sharmin Mehernosh Dordi (DIN: 08193337)**, Independent Director of the Company who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Companies Act, 2013 for a further period of 5 (Five) years commencing from 24th September, 2023 to 24th September, 2028 , and whose office shall not be liable to retire by rotation.”

“RESOLVED FURTHER THAT Board of Directors of the company be and is hereby authorized to do all such acts, deeds and things as may be required to give effect to the above resolution.”

9. To Set The Borrowing Limits Of The Company

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

“RESOLVED THAT in supersession of the earlier resolution passed by the members of the Company at their meeting held on September 22, 2017 and pursuant to the provisions of Section 180 (1)(c) and all other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modifications, or re-enactments thereof) and pursuant to the provisions of the Articles of Association of the Company, approval of the shareholders of the Company be and is hereby accorded to the Board of Directors to borrow for and on behalf of the Company, from time to time, any sum or sums of monies, from any one or more of the Company’s bankers and/or from any one or more other banks, persons, firms, companies/body corporate, financial institutions, institutional investor(s) and/or any other entity/entities or authority/authorities, whether in India or abroad, and whether by way of cash credit, advance, deposits, loans, or bill discounting, issue of debentures, commercial papers, long or short term loan(s), syndicated loans, either in rupees and/or such other foreign currencies as may be permitted by law from time to time, and/or any other instruments/securities or otherwise and whether unsecured or secured by mortgage, charge, hypothecation or lien or pledge of the Company’s assets, licenses and properties (whether movable or immovable, present or future) and all or any of the undertaking of the Company, stock-in-process or debts, for the purpose of the Company’s business, notwithstanding that the monies to be borrowed together with the monies already borrowed by the Company, if any, (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) will or may exceed, at any time, the aggregate of the Paid-up Capital of the Company and its Free Reserves, that is to say, reserves which are not set apart for any specific purposes, provided that the total amount up to which the monies may be borrowed by the Board of Directors and outstanding at any time shall not exceed INR 300,00,00,000/- (Indian Rupees Three Hundred Crore Only).

RESOLVED FURTHER THAT the Board of Directors of the Company and/or any person authorized by the Board from time to time in this regard be and is hereby empowered and authorized to arrange or fix the terms and conditions of all such monies to be borrowed from time to time as to interest, repayment, securities or otherwise as they may think fit.

RESOLVED FURTHER THAT Board of Directors of the Company and/or any person authorized by the Board from time to time be and is hereby empowered and authorised to take such steps as may be necessary for obtaining approvals, statutory or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto and to sign and to execute deeds, applications, documents and writings that may be required, on behalf of the Company and generally to do all such acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to this resolution.

RESOLVED FURTHER THAT a certified true copy of the aforesaid resolution be forwarded to the concerned and they be requested to act thereon.”

By order of the Board of Directors
For Zeal Aqua Limited

Sd/-
PRADIPKUMAR RATILAL NAVIK
WHOLE-TIME DIRECTOR
01067716

Date: 17.08.2023

Place: Surat

NOTES:

1. The Ministry of Corporate Affairs (“MCA”) has vide its circular dated May 5, 2020 read with circulars dated April 8, 2020, April 13, 2020, January 13, 2021, December, 14, 2021, May 5, 2022 and December 28, 2022 (collectively referred to as “MCA Circulars”) and Securities Exchange Board of India (SEBI) vide its Circular No. SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 5, 2023, and other applicable circulars issued in this regard, permitted the holding of the Annual General Meeting (“AGM”) through VC / OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 (“Act”), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) and MCA Circulars, the AGM of the Company is being held through VC / OAVM. The deemed venue for the 15th AGM of the Company shall be the registered office of the Company.
2. In terms of the MCA circular, since this AGM is being held through VC / OAVM pursuant to the MCA’s circulars, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies under section 105 of the Act by the Members will not be available for this AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
3. A Statement pursuant to Section 102(1) of the Companies Act, 2013 (“the Act”), relating to the Special Business to be transacted at the Annual General Meeting (“Meeting”) is annexed hereto.
4. Pursuant to the provisions of the Act, A Member entitled to attend and vote at Annual General Meeting (“meeting/AGM”) is entitled to appoint a proxy to attend and to vote on a poll instead of himself / herself and the proxy need not be a member of the company. A person can act as a proxy on behalf of members not exceeding 50 and holding in the aggregate not more than 10% of the total share capital of the company. However, a member holding more than 10%, of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or member. The instrument appointing proxy in order to be valid and effective should be lodged / deposited with the company at its registered office of the company not less 48 hours before the scheduled time of the commencement of 15th Annual General Meeting. The Proxy holders shall provide his identity at the time of attending the meeting.
5. Corporate Members pursuant to Section 113 of the Companies Act, 2013 intending to attend the Annual General Meeting through their authorized representatives, are requested to send to the Company, a certified copy of relevant Board resolution together with the respective specimen signatures of those representative(s) authorized under the said resolution to attend the AGM through VC / OAVM on its behalf and to vote through remote e-voting.
6. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
7. In compliance with the aforesaid MCA Circulars and SEBI Circular SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021, SEBI/HO/CFD/CMD2/CIRP/P/2022/62 dated May 13, 2022 and SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 5, 2023, Notice of the AGM along with the Annual Report 2022-23 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ RTA/ Depositories. Members may note that the Notice and Annual Report 2022-23 will also be available on the Company’s website at www.zealaqua.com, on website of BSE Limited at www.bseindia.com and on the website of NSDL <https://www.evoting.nsdl.com>.

8. 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 6.00 p.m. up to the date of the Annual General Meeting.
9. The Company is providing facility for voting by electronic means (e-voting) through an electronic voting system which will include remote e-voting and the business set out in the Notice will be transacted through such voting. Information and instructions including details of user id and password relating to e-voting are sent herewith in the e-voting communication. Once the vote on a resolution is cast by a member, whether partially or otherwise, the member shall not be allowed to change it subsequently or cast the vote again. Members who have cast their vote(s) by using remote e-voting may also attend the Meeting but shall not be entitled to cast their vote(s) again at the Meeting.
10. Members may note that the VC/OAVM Facility, provided by NSDL, allows participation upto 1,000 Members on a on a first-come-first-served basis. The large shareholders (i.e. shareholders holding 2% or more shareholding), promoters, institutional investors, directors, key managerial personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, auditors, etc. can attend the 15th AGM without any restriction on account of first-come first-served principle.
11. Members who have not yet registered their email addresses are requested to register the same with their DPs in case the shares are held by them in electronic form and with the Company/RTA in case the shares are held by them in physical form.
12. Register of Members and Share Transfer Books of the Company shall remain closed from 12th day of September, 2023 to 18th day of September, 2023 (both day inclusive) for determining the names of Members eligible for e-voting for Annual General Meeting.
13. Members seeking any information/document as referred in the notice are requested to write to the Company on or before 18th September, 2023 through email at cs@zealaqua.com. The same will be addressed by the Company suitably.
14. Equity shares of the Company are under compulsory demat trading by all Investors.
15. 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.
16. Additional information, pursuant to Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, in respect of the directors seeking appointment/re- appointment at the AGM, is furnished as annexure to the Notice. The directors have furnished consent / declaration for their appointment/ re-appointment as required under the Companies Act, 2013 and the Rules there under.
17. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013 and the Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013, will be available for inspection by the members at the Annual General Meeting.
18. The voting rights of Shareholders shall be in proportion to their shares of the paid-up equity share capital of the Company as on Monday, 11th September, 2023.
19. Since this AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.
20. Members are requested to contact our Registrar and Transfer Agent for any query related to shares and other inquiry at following address: -

M/s. Bigshare Services Private Limited

Office No. S6-2, 6th Floor, Pinnacle Business Park, Next to Ahura Centre,

Mahakali Caves Road, Andheri (East) Mumbai – 400093

Tel.: +91-022-62638200, Fax: +91-022-62638299,

E-mail: info@bigshareonline.com, Website: www.bigshareonline.com

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

21. Information and other instructions relating to e-voting are as under:

- I. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote at the 15th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM (“remote e-voting”) will be provided by National Securities Depository Limited (NSDL).
- II. The members who are entitled to vote and participate in the AGM through VC / OAVM, and have not cast their vote on the resolutions through remote e-voting shall be eligible to vote through e-voting system during the AGM.
- III. The members who have voted through e-voting are also entitled to attend/ participate in the AGM through VC / OAVM but not entitled to cast their vote during the meeting.
- IV. Shri Ranjit Binod Kejriwal, Practicing Company Secretary has been appointed to act as a scrutinizer to scrutinize the e-voting during the Annual General Meeting and the remote e-voting process in a fair and transparent manner.
- V. Voting rights shall be reckoned on the paid up value of shares registered in the name of the member as on the cut-off date i.e. Monday, 11th September, 2023.
- VI. A person, whose name is recorded in the register of members as on the cut-off date, i.e. Monday, 11th September, 2023 only shall be entitled to avail the facility of remote e-voting / voting.
- VII. The e-voting facility will be start from 15th day of September, 2023 at 9:00 a.m. and will end on 17th day of September, 2023 on 5:00 p.m.
- VIII. The Scrutinizer, after scrutinising the votes cast at the meeting and through remote e-voting, will, not later than two working days of conclusion of the Meeting, make a consolidated scrutinizer’s report and submit the same to the Chairman. The results declared along with the consolidated scrutinizer’s report shall be placed on the website of the Company. The results shall be communicated to the Stock Exchanges.
- IX. Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the Meeting, i.e. Monday, 18th September, 2023.
- X. Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes member of the Company after the notice is send through e-mail and holding shares as of the cut-off date i.e. **Monday, 11th September, 2023**, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or Issuer/RTA. However, if you are already registered with NSDL for remote e-voting, then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using “Forgot User Details/Password” or “Physical User Reset Password” option available on www.evoting.nsdl.com or call on toll free no. **022-48867000 and 022-24997000**. In case of Individual Shareholders holding securities in demat mode who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date i.e. Monday, 11th September, 2023 may follow steps mentioned in the Notice of the AGM under “Access to NSDL e-Voting system”.

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

- I. Members will be able to attend the AGM through VC / OAVM provided by NSDL at <https://www.evoting.nsdl.com> by using their remote e-voting login credentials and selecting the EVEN for Company's AGM.
- II. Members who do not have the User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same by following the remote e-voting instructions mentioned in the Notice. Further Members can also use the OTP based login for logging into the e-voting system of NSDL.
- III. Members are encouraged to join the Meeting through Laptops for better experience.
- IV. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- V. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
- VI. Facility of joining the AGM through VC / OAVM shall open 30 minutes before the time scheduled for the AGM and will be available for Members on first come first served basis.
- VII. Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered email address mentioning their name, DP ID and Client ID/folio number, PAN, mobile number at cs@zealaqua.com from 15th September, 2023 (9:00 a.m. IST) to 17th September, 2023 (5:00 p.m. IST). Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING ARE AS UNDER:-

The remote e-voting period begins on Friday, 15th September, 2023 at 09:00 A.M. and ends on Sunday, 17th September, 2023 at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter.



How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of following method:





Step 1: Access to NSDL e-Voting system

Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

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

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



| Type of shareholders | Login Method |
|--|--|
| Individual Shareholders holding securities in demat mode with NSDL | <ol style="list-style-type: none"> <li data-bbox="549 300 1441 792">1. Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsd.com either on a Personal Computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. <li data-bbox="549 824 1441 972">2. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com. Select “Register Online for IDeAS Portal” or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp <li data-bbox="549 1003 1441 1541">3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. <li data-bbox="549 1572 1441 1680">4. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience. <div data-bbox="708 1704 1347 1986" style="text-align: center;"> <p>NSDL Mobile App is available on</p> <div style="display: flex; justify-content: space-around; align-items: center;"> <div style="text-align: center;">  <p>App Store</p>  </div> <div style="text-align: center;">  <p>Google Play</p>  </div> </div> </div> |

| | |
|---|---|
| <p>Individual Shareholders holding securities in demat mode with CDSL</p> | <ol style="list-style-type: none"> 1) Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. 2) After successful login of Easi/Easiest the user will be also able to see the e-Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote. 3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasinew/Registration/EasiRegistration 4) Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress. |
|---|---|

| | |
|---|--|
| <p>Individual Shareholders (holding securities in demat mode) login through their depository participants</p> | <p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Upon logging in, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on options available against company name or e-Voting service provider name and you will be redirected to e-Voting service provider website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p> |
|---|--|

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

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

| Login type | Helpdesk details |
|--|--|
| Individual Shareholders holding securities in demat mode with NSDL | Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at 022 - 4886 7000 and 022 - 2499 7000 |
| Individual Shareholders holding securities in demat mode with CDSL | Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33 |

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

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

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL e-services i.e. IDeAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL e-services after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below:

| Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical | Your User ID is: |
|--|--|
| a) For Members who hold shares in demat account with NSDL. | 8 Character DP ID followed by 8 Digit Client ID For example, if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****. |
| b) For Members who hold shares in demat account with CDSL. | 16 Digit Beneficiary ID For example, if your Beneficiary ID is 12***** then your user ID is 12*****. |
| c) For Members holding shares in Physical Form. | EVEN Number followed by Folio Number registered with the company For example, if folio number is 001*** and EVEN is 125227 then user ID is 125227001*** |

5. Password details for shareholders other than Individual shareholders are given below:
- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
 - c) How to retrieve your 'initial password'?
- (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
- a) Click on "[Forgot User Details/Password?](#)" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) [Physical User Reset Password?](#)" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

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

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

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

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPEG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to rbksurat@gmail.com with a copy marked to evoting@nsdl.co.in.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “[Forgot User Details/Password?](#)” or “[Physical User Reset Password?](#)” option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 022 - 4886 7000 and 022 - 2499 7000 or send a request at evoting@nsdl.co.in

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

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

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

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

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

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM" placed under "**Join meeting**" menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.

2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Members who would like to express their views or ask questions during the AGM may send their questions in advance mentioning their Name, DP ID and Client ID/Folio Number, PAN, Mobile Number at cs@zealaqua.com. The same will be replied by the company suitably.

Please note the following:

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

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

Other information:

Your login id and password can be used by you exclusively for e-voting on the resolutions placed by the companies in which you are the shareholder.

It is strongly recommended not to share your password with any other person and take utmost care to keep it confidential.

By order of the Board of Directors
For Zeal Aqua Limited

Sd/-

PRADIPKUMAR RATILAL NAVIK

WHOLE-TIME DIRECTOR

DIN: 01067716

Date: 17.08.2023

Place: Surat

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

Item No. 3

The Board of Directors, at its meeting held on August 17, 2023, based on the recommendation of the Audit Committee, approved the appointment of M/s Patel Kabrawala & Co., Chartered Accountants, (Firm Registration No.0130952W) as the Statutory Auditors of the Company for the period of consecutive five years commencing from the conclusion of this 15th Annual General Meeting till the conclusion of 20th Annual General Meeting of the Company, at a remuneration to be decided by the Board of Directors in consultation with the Auditors.

Based on the recommendation made by the Audit Committee, the Board recommends the appointment of M/s Patel Kabrawala & Co., Chartered Accountants, (Firm Registration No. 0130952W) as the Statutory Auditors of the Company for the first term of 5 years, as set out in the Resolution no. 3, for approval of the Members as an Ordinary Resolution.

The Board of Directors has approved remuneration of Rs. 3,50,000 plus applicable taxes and out of pocket expenses for the year 2023-24, subject to their re-appointment by the Members. The remuneration to be paid to the Statutory Auditors for the remaining period would be decided in line with the existing remuneration and shall commensurate with the services to be rendered by them during the said tenure. The Board of Directors, in consultation with the Audit Committee, may alter and vary the terms and conditions of appointment, including remuneration, in such manner and to such extent as may be mutually agreed with the Statutory Auditors.

None of the Director, Key Managerial Personnel, or their respective relatives are, in any way, concerned or interested, financially or otherwise, in the said resolution.

The Board recommends this Resolution for Members approval.

Item No. 4

To consider the increase in remuneration of Mr. Shantilal Ishwarlal Patel (DIN: 01362109), Managing director of the company:

The Company had appointed Mr. Shantilal Ishwarlal Patel (DIN: 01362109), Managing director of the Company for a period of five years from 25th March, 2020 till 24th March, 2025.

Considering his knowledge of various aspects relating to the Company's affairs and long business experience, the Board of Directors is of the opinion that for smooth and efficient running of the business.

Taking into consideration the increased business activities of the Company coupled with higher responsibilities cast on Mr. Shantilal Ishwarlal Patel, the Board of Directors, on recommendation of the Nomination and Remuneration Committee of the Company, has approved the proposal to increase the remuneration to Rs. 3,00,000/- per month with effect from 01st November, 2022, subject to the approval of shareholders, as set out in the resolution being item no. 4 of the accompanying notice.

Minimum Remuneration: Where in any financial year, during the currency of the tenure of Mr. Shantilal Ishwarlal Patel as Managing Director, the Company has no profits or its profits are inadequate, the Company will pay remuneration to him by way of salary, perquisites and allowances as specified in the resolution being item no. 4 of the accompanying notice as minimum remuneration, subject to the limits and conditions as prescribed under Schedule V of the Companies Act, 2013, as may be amended from time to time.

Out of abundant caution and in view of the relevant extant provisions of law relating to managerial remuneration, the Company is complying with the provisions of Schedule V of the Companies Act, 2013 which prescribes that in case of no profits or inadequate profits, the remuneration can be paid by the Company to its managerial personnel as minimum remuneration within the limits arrived at in accordance with the requirements of the said section, if subject to the following:

(i) The payment of remuneration is approved by a resolution passed by the Board at a meeting held on 17th October, 2022 and also by the Nomination and Remuneration Committee of Directors at a meeting held on 17th October, 2022.

(ii) Further, the Company has not made any default in repayment of any of its debts or interest payable thereon.

Except for the aforesaid revision in salary, all other terms and conditions of his appointment as Managing Director of the Company as approved by the members of the Company shall remain unchanged. Accordingly, Special Resolution is submitted to the meeting for the consideration and approval of Members.

Mr. Dhavalkumar Shantilal Patel is the Son of Mr. Shantilal Ishwarlal Patel, except him none of the Directors/Key Managerial Personnel of the Company/their relatives, is in any way concerned or interested, in the said resolution.

Item No. 5

To consider the increase in remuneration of Mr. Pradipkumar Ratilal Navik (DIN: 01067716), Whole-time director of the company:

The Company had appointed Mr. Pradipkumar Ratilal Navik (DIN: 01067716), Whole-time director of the Company for a period of five years from 25th March, 2020 till 24th March, 2025.

Considering his knowledge of various aspects relating to the Company's affairs and long business experience, the Board of Directors is of the opinion that for smooth and efficient running of the business.

Taking into consideration the increased business activities of the Company coupled with higher responsibilities cast on Mr. Pradipkumar Ratilal Navik, the Board of Directors, on recommendation of the Nomination and Remuneration Committee of the Company, has approved the proposal to increase the remuneration to Rs. 3,00,000/- per month with effect from 01st November, 2022, subject to the approval of shareholders, as set out in the resolution being item no. 5 of the accompanying notice.

Minimum Remuneration: Where in any financial year, during the currency of the tenure of Mr. Pradipkumar Ratilal Navik as Whole-Time Director, the Company has no profits or its profits are inadequate, the Company will pay remuneration to him by way of salary, perquisites and allowances as specified in the resolution being item no. 4 of the accompanying notice as minimum remuneration, subject to the limits and conditions as prescribed under Schedule V of the Companies Act, 2013, as may be amended from time to time.

Out of abundant caution and in view of the relevant extant provisions of law relating to managerial remuneration, the Company is complying with the provisions of Schedule V of the Companies Act, 2013 which prescribes that in case of no profits or inadequate profits, the remuneration can be paid by the Company to its managerial personnel as minimum remuneration within the limits arrived at in accordance with the requirements of the said section, if subject to the following:

(i) The payment of remuneration is approved by a resolution passed by the Board at a meeting held on 17th October, 2022 and also by the Nomination and Remuneration Committee of Directors at a meeting held on 17th October, 2022.

(ii) Further, the Company has not made any default in repayment of any of its debts or interest payable thereon.

Except for the aforesaid revision in salary, all other terms and conditions of his appointment as Whole-Time Director of the Company as approved by the members of the Company shall remain unchanged. Accordingly, Special Resolution is submitted to the meeting for the consideration and approval of Members.

Mr. Rohan Pradipkumar Navik is the Son of Mr. Pradipkumar Ratilal Navik, except him none of the Directors/Key Managerial Personnel of the Company/their relatives, is in any way concerned or interested, in the said resolution.

Item No. 6

To consider the increase in remuneration of Mr. Rohan Pradipkumar Navik (DIN: 02531248), Whole-Time director of the company:

The Company had appointed Mr. Rohan Pradipkumar Navik as Wholetime Director of the Company for a period of five years from 25th March, 2020 till 24th March, 2025.

Considering his knowledge of various aspects relating to the Company's affairs and long business experience, the Board of Directors is of the opinion that for smooth and efficient running of the business.

Taking into consideration the increased business activities of the Company coupled with higher responsibilities cast on Mr. Rohan Pradipkumar Navik, the Board of Directors, on recommendation of the Nomination and Remuneration Committee of the Company, has approved the proposal to increase the remuneration to Rs. 3,00,000/- per month with effect from 01st November, 2022, subject to the approval of shareholders, as set out in the resolution being item no. 6 of the accompanying notice.

Minimum Remuneration: Where in any financial year, during the currency of the tenure of Mr. Rohan Pradipkumar Navik, as Whole-Time Director, the Company has no profits or its profits are inadequate, the Company will pay remuneration to him by way of salary, perquisites and allowances as specified in the resolution being item no. 6 of the accompanying notice as minimum remuneration, subject to the limits and conditions as prescribed under Schedule V of the Companies Act, 2013, as may be amended from time to time.

Out of abundant caution and in view of the relevant extant provisions of law relating to managerial remuneration, the Company is complying with the provisions of Schedule V of the Companies Act, 2013 which prescribes that in case of no profits or inadequate profits, the remuneration can be paid by the Company to its managerial personnel as minimum remuneration within the limits arrived at in accordance with the requirements of the said section, if subject to the following:

(i) The payment of remuneration is approved by a resolution passed by the Board at a meeting held on 17th October, 2022 and also by the Nomination and Remuneration Committee of Directors at a meeting held on 17th October, 2022.

(ii) Further, the Company has not made any default in repayment of any of its debts or interest payable thereon.

Except for the aforesaid revision in salary, all other terms and conditions of his appointment as Whole-Time Director of the Company as approved by the members of the Company shall remain unchanged. Accordingly, Special Resolution is submitted to the meeting for the consideration and approval of Members.

Mr. Rohan Pradipkumar Navik is the Son of Mr. Pradipkumar Ratilal Navik, except him none of the Directors/Key Managerial Personnel of the Company/their relatives, is in any way concerned or interested, in the said resolution.

Item No. 7

To consider the increase in remuneration of Mr. Dhavalkumar Shantilal Patel (DIN: 02961674), Whole-Time director of the company:

The Company had appointed Mr. Dhavalkumar Shantilal Patel as Wholetime Director of the Company for a period of five years from 22nd September, 2022 till 21st September, 2027.

Considering his knowledge of various aspects relating to the Company's affairs and long business experience, the Board of Directors is of the opinion that for smooth and efficient running of the business.

Taking into consideration the increased business activities of the Company coupled with higher responsibilities cast on Mr. Dhavalkumar Shantilal Patel, the Board of Directors, on recommendation of the Nomination and Remuneration Committee of the Company, has approved the proposal to increase the remuneration to Rs. 3,00,000/- per month with effect from 01st November, 2022, subject to the approval of shareholders, as set out in the resolution being item no. 7 of the accompanying notice.

Minimum Remuneration: Where in any financial year, during the currency of the tenure of Mr. Dhavalkumar Shantilal Patel, as Whole-Time Director, the Company has no profits or its profits are inadequate, the Company will pay remuneration to him by way of salary, perquisites and allowances as specified in the resolution being item no. 6 of the accompanying notice as minimum remuneration, subject to the limits and conditions as prescribed under Schedule V of the Companies Act, 2013, as may be amended from time to time.

Out of abundant caution and in view of the relevant extant provisions of law relating to managerial remuneration, the Company is complying with the provisions of Schedule V of the Companies Act, 2013 which prescribes that in case of no profits or inadequate profits, the remuneration can be paid by the Company to its managerial personnel as minimum remuneration within the limits arrived at in accordance with the requirements of the said section, if subject to the following:

(i) The payment of remuneration is approved by a resolution passed by the Board at a meeting held on 17th October, 2022 and also by the Nomination and Remuneration Committee of Directors at a meeting held on 17th October, 2022.

(ii) Further, the Company has not made any default in repayment of any of its debts or interest payable thereon.

Except for the aforesaid revision in salary, all other terms and conditions of his appointment as Whole-Time Director of the Company as approved by the members of the Company shall remain unchanged. Accordingly, Special Resolution is submitted to the meeting for the consideration and approval of Members.

Mr. Dhavalkumar Shantilal Patel is the Son of Mr. Shantilal Ishwarlal Patel, except him none of the Directors/Key Managerial Personnel of the Company/their relatives, is in any way concerned or interested, in the said resolution

Item No. 8

As per Section 149(10) of the Companies Act, 2013 (Companies Act, 2013), an Independent Director shall hold office for a term of upto five consecutive years on the Board of a Company, but shall be eligible for re-appointment on passing a special resolution by the Company for further term of upto five consecutive years on the Board of a Company.

In line with the aforesaid provisions of the Companies Act, 2013 and in view of long, rich experience, continued valuable guidance to the management and strong Board performance of Mrs. Sharmin Mehernosh Dordi, it is proposed to re-appoint her for the second term as an independent director on the Board of the company for a period of five years w.e.f. 24th September, 2023 to 24th September, 2028 and In the opinion of the Board, **Mrs. Sharmin Mehernosh Dordi** fulfills the conditions specified in the Act.

The Board considers that their continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mrs. Sharmin Mehernosh Dordi as an Independent Director. Accordingly, the Board recommends passing of the Resolution at Item No. 8 of the Notice as a Special Resolution.

Except Mrs. Sharmin Mehernosh Dordi, none of the Directors or Key Managerial Personnel (KMP) of the Company or their relatives are concerned or interested, financial or otherwise, in the resolution set out at Item No.3



Item No. 9

Pursuant to the provisions of Section 180(1)(c) of the Companies Act, 2013 the Board of Directors of a Company cannot, except with the consent of Members of the Company in the General Meeting by way of a special resolution, borrow any sum or sums of money from time to time for the purposes of business of the Company, if the monies already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in ordinary course of business) exceeds the aggregate of the Paid-up Capital of the Company and its Free Reserves, that is to say, reserves not set apart for any specific purpose.

Members of the Company had on September 27, 2017 authorized Board of Directors to borrow long term or medium term loans from Banks, Financial Institutions, any other lenders or debenture trustees for an amount not exceeding INR 150,00,00,000/- (Indian Rupees One Hundred and Fifty Crore Only). However, in view of the business expansion, the Company may require, from time to time, additional banking facilities to meet the funding requirements of the Company. Considering the quantum of present borrowing already sanctioned by the Bank and proposed sum intended to be borrowed by Company at a future date, it is therefore proposed that the existing borrowing limits of INR 150,00,00,000/- (Indian Rupees One Hundred and Fifty Crore Only) be increased to INR 300,00,00,000/- (Indian Rupees Three Hundred Crore Only).

At present your company is having credit facilities from Indian Bank, Bank of India, Punjab National Bank and Axis Bank.

The Special resolution as set out in Item no. 9 of this Notice is accordingly recommended for your approval.

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

ANNEXURE TO NOTICE

Details of directors seeking Re-Appointment at the forthcoming annual general meeting (Pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015) and Secretarial Standard 2 issued by the Institute of Company Secretaries of India)

| Particulars | Mr. Pradipkumar Ratilal Navik | Mrs. Sharmin Mehernosh Dordi |
|--|---|---|
| DIN No. | 01067716 | 08193337 |
| Date of birth | 15.08.1961 | 18.11.1969 |
| Qualification | H.sc | B.com |
| Expertise in specific functional areas | He has more than more than 26 years of experience in Aquaculture industry | She has more than 23 years of experience in teaching field |
| Terms and Conditions of Appointment/Reappointment | As per Resolution at Item No. 2 of the Notice convening this meeting, Mr. Pradipkumar Ratilal Navik is reappointed as Independent Director for a further period of five years | As per Resolution at Item No. 8 of the Notice convening this meeting, Mrs. Sharmin Mehernosh Dordi is re-appointed as Independent Director for a further period of five years |
| Remuneration last drawn | 3,00,000 p.m. | NA |
| Remuneration proposed | 3,00,000 p.m. | NA |
| Date of First Appointment | 06.03.2009 | 16.08.2018 |
| Relationship with Directors/Key managerial Personnel | Mr. Pradipkumar Navik is the father of Rohan Navik | None |
| List of Companies/LLP in which directorship is held as on 31st March, 2023 | As per detailed below | As per detailed below |
| Chairman / Member of the Committee of other Company | None | None |
| No. of Meetings of the Board Attended during the year | 11 | 11 |

1. List of Companies in which Mr. PRADIPKUMAR RATILAL NAVIK holds directorship as on 31st March, 2023:

| Name of the Company | Nature of Interest | Shareholding | Date on which interest arose/changed |
|-----------------------------|---------------------|--------------|--------------------------------------|
| Zeal Aqua Limited | Whole-time Director | 1,24,65,600 | 06.03.2009 |
| Rati Aqua Private Limited | Director | 1,03,300 | 18.06.2010 |
| Jacob Foods Private Limited | Director | 5,000 | 01.01.2011 |

LLP in which he is a Partner:

| | | | | |
|----|-----------------------|--------------------|--------|------------|
| 1. | BRIGHT COMMOTRADE LLP | Individual Partner | 40.74% | 17.07.2015 |
|----|-----------------------|--------------------|--------|------------|

Mr. Pradipkumar Ratilal Navik is the father of Mr. Rohan Pradipkumar Navik

2. List of Companies/LLP in which Mrs. SHARMIN MEHERNOSH DORDI holds directorship as on 31st March, 2023:

| Sr. No. | Name of the Company | Nature of Interest | Shareholding | Date on which interest arose/changed |
|---------|---------------------|--------------------|--------------|--------------------------------------|
| 1. | Zeal Aqua Limited | Director | 0 | 24.09.2018 |

By order of the Board of Directors
For Zeal Aqua Limited

DATE: 17.08.2023
PLACE: SUART

Sd/-
PRADIPKUMAR RATILAL NAVIK
WHOLE-TIME DIRECTOR
DIN: 01067716

DIRECTORS' REPORT

To,
The Members of
Zeal Aqua Limited

Your Directors are having immense pleasure in presenting the 15th Annual Report on the business and operations of the Company together with the Audited Statement of Accounts for the Financial Year ended 31st March, 2023 and the report of the Auditors thereon.

1. FINANCIAL HIGHLIGHTS/STATE OF AFFAIRS:

The Company's financial performance for the year ended on 31st March, 2023 is summarized below:

| Financial Results and Appropriations | Year Ended | Year Ended |
|---|------------|------------|
| | 31.03.2023 | 31.03.2022 |
| Gross Income from Operations | 36,268.737 | 34,522.31 |
| Other Income | 837.853 | 770.75 |
| Total Revenue | 37,106.590 | 35,293.07 |
| Profit Before Tax and Exceptional items | 817.922 | 718.81 |
| <u>Less:</u> | | |
| Exceptional items | - | - |
| Profit Before Tax (PBT) | 817.922 | 718.81 |
| <u>Less: Taxation</u> | 112.57 | 144.10 |
| Net Profit after Tax (PAT) | 705.355 | 574.71 |

The Company discloses financial results on quarterly basis of which results are subjected to limited review and publishes audited financial results on an annual basis. The Financial Statements as stated above are also available on the Company's website www.zealaqua.com.

2. FINANCIAL PERFORMANCE:

During the year, your Company recorded **Total Revenue of 37,106.590 Lacs** in financial year 2022-23 as compared to Total Revenue of 35,293.07 Lacs in financial year 2021-22 and **Profit before Tax stood at 817.922 Lacs** for the year 2022-23 as compared to Profit before tax of 718.81 Lacs in financial year 2021-22. **Profit after Tax stood at 705.355 Lacs** for the financial year 2022-23 as compared to Profit after Tax of 574.71 Lacs in financial year 2021-22.

A detailed analysis on the Company's performance is included in the "Management's Discussion and Analysis" Report, which forms part of this Report.

3. ROAD AHEAD

The Company is continuously working on all fronts focusing on well-defined targets and goals to sustain and strengthen its leadership in the Aqua Market. Earlier, the company had only Vannamei but now they have added SPF Tiger -P Monodone. The company has added Fish Fillets to the list. The Company is certified by **ASC, The BRC Food, H.A.C.C.P. Food Safety, FSSAI, FDA**. The Company is moving forward towards vertical integration with EU Markets. The company has strengthened ties with **LENK Frozen Foods**. The Board is very well structured and oriented towards investing new capabilities ensuring the growth of the company and forwarding such to the stakeholders in the form of increased percentage of profit.

4. DIVIDEND

Keeping in mind the overall performance and outlook for your Company, your Board of Directors are not declaring dividends as the company require funds for its ongoing project. Your Directors do not recommend any dividend for the year ended 31st March, 2023.

5. UNCLAIMED DIVIDEND

There is no balance lying in unpaid dividend account.

6. TRANSFER TO RESERVES

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



7. ANNUAL RETURN

Pursuant to Section 92(3) read with Section 134(3) (a) of the Companies Act, 2013 the Annual Return as on March 31, 2023 is available on the Company's website and accessible through web link at <https://www.zealaqua.com/annual-report.php>.

8. CORPORATE GOVERNANCE

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

9. DETAILS OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

In accordance with Section 152(6) of the Companies Act, 2013 read with the Articles of Association of the Company, Mr. Pradipkumar Ratilal Navik (DIN: 01067716), Whole-time Director, retire by rotation and is being eligible has offered himself for re-appointment at the ensuing Annual General Meeting. Company's policy on directors' appointment and remuneration is available on the website of the company at <http://www.zealaqua.com/policy.php>

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

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

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

| Name of Directors | Category & Designation | Appointment date | Change in designation | Resignation date |
|--------------------------------|---|------------------|-----------------------|------------------|
| Shantilal Ishwarlal Patel* | Executive/ Managing Director | 06.03.2009 | 25.03.2015 | - |
| Pradipkumar Ratilal Navik | Executive/ Whole-time Director | 06.03.2009 | 25.03.2015 | - |
| Rohan Pradipkumar Navik | Executive/ Whole-time Director | 06.06.2011 | 25.03.2015 | - |
| Dhaval Kumar Shantilal Patel** | Executive/ Whole-time Director | 22.09.2017 | -- | - |
| Naginbhai Paragbhai Patel | Non-Executive/ Independent Director | 25.03.2015 | -- | - |
| Cyrus Dinsha Bhathena | Non-Executive/ Independent Director | 14.10.2017 | 24.09.2018 | - |
| Shahzad Yazdi Gandhi | Non-Executive/ Independent Director | 29.12.2017 | 24.09.2018 | - |
| Sharmin Mehernosh Dordi | Non-Executive/ Independent Director | 24.09.2018 | - | - |
| Jayan Rajeshkumar Patel | Chief Financial Officer | 14.04.2022 | - | - |
| Priyanka Jain*** | Company Secretary & Compliance Officer | 02.08.2021 | - | 30.05.2023 |

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

**Dhaval Kumar Shantilal Patel was reappointed in AGM held on 26th August, 2022.

***Priyanka Gyanchand Jain resigned from the post of Company Secretary and Compliance Officer w.e.f. 30.05.2023 and JAYAN RAJESHKUMAR PATEL has been appointed as an Interim Compliance Officer w.e.f. 30.05.2023

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

10. NUMBER OF MEETING HELD DURING THE YEAR

The Details of all meeting of Board of Directors and Committee meeting had taken place during the year and their details along with their attendance, is given in **Annexure 1** in the Corporate Governance Report.

11. COMPOSITION OF BOARD AND ITS COMMITTEE

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

12. ANNUAL EVALUATION BY THE BOARD

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

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

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

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

The Board acknowledged certain key improvement areas emerging through this exercise and action plans to address these are in progress. The performance evaluation of the Non Independent Directors, performance of Board as a whole including Chairman was carried out by the Independent Directors at a separate meeting of the Independent Directors on 14th February, 2023.

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

13. DECLARATION BY INDEPENDENT DIRECTORS

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

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

14. SEPARATE MEETING OF INDEPENDENT DIRECTORS

In terms of requirement of Schedule IV of the Companies Act, 2013, the Independent Directors of the company have complied with the code of Independent Director. Independent Directors met separately on 14th February, 2023 to inter alia review the performance of Non-Independent Directors (Including the Chairman), the entire Board and the quality, quantity and timeliness of the flow of the information between the Management and the Board.

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

Information relating to Conservation of Energy, Technology Absorption and Foreign Earning and Outgo, as required under Section 134(3) (m) of the Companies Act, 2013 read together with Rule 8(3) of the Companies (Accounts) Rules, 2014 forms part of this Report as **Annexure 2**.

16. PARTICULARS OF EMPLOYEES AND OTHER ADDITIONAL INFORMATION

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

17. PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES

All contracts/arrangements/transactions entered by the Company during the financial year with related parties were in the ordinary course of the business and on an arm's length basis.

The Policy on Related Party Transactions is uploaded on the website of the company. The web link is <http://www.zealaqua.com/policy.php>. Particulars of contracts or arrangements with related parties referred to in Section 188(1) of the Companies Act, 2013, in the prescribed Form AOC-2, are attached and forms part of this Directors' Report as **Annexure 4**.

18. AUDITORS

Statutory Auditors:

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

The Board of Directors on recommendation of Audit Committee, have proposed to appoint M/s. Patel Kabrawala & Co., Chartered Accountants (Firm Registration No. 130952W) as Statutory Auditors of the Company for a term of five years from the conclusion of the 15th Annual General Meeting until the conclusion of 20th Annual General Meeting of the Company.

The Board has received the letter from the auditor, that their appointment, if made, would be within the prescribed limit under section 139(2) of the Companies Act, 2013 and that they are not disqualified for such appointment under section 141 of the Companies Act, 2013. Your Board proposes for the appointment of M/s Patel Kabrawala & Co.

Internal Auditor

M/s. GRR & Co., Chartered Accountants, Surat has been internal Auditor of the Company for the period of five years from Financial Year 2019-20 to 2023-24. Internal Auditors are appointed by the Board of Directors of the Company on yearly basis, based on the recommendation of the Audit Committee. The Internal Auditor reports their findings on the internal Audit of the Company to the Audit Committee on a quarterly basis. The Scope of Internal audit is approved by the Audit Committee.

Secretarial Auditor

In accordance with the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, your Company had appointed **Mr. Ranjit Binod Kejriwal**, Practicing Company Secretary (Membership No. FCS: 6116; CP No: 5985), to undertake the Secretarial Audit of the Company for the period of Five years from Financial Year 2019-20 to 2023-24. The Secretarial Audit Report for the Financial Year 2022-23 is annexed to this Report as **Annexure 5**.

19. COMMENTS ON AUDITOR'S REPORT

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

20. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

As per the Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015, the Management Discussion and Analysis of the financial condition and results of consolidated operations of the Company under review, is annexed and forms an integral part of the Directors' Report, is given in **Annexure 6**.

21. CEO & CFO CERTIFICATION

Pursuant to Regulation 17(8) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Certificate from Mr. Jayan Rajeshkumar Patel, Chief Financial Officer of the Company, for the year ended 31st March, 2023 is attached herewith as **Annexure 7**.

22. DIRECTORS' RESPONSIBILITY STATEMENT

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

- a) In preparation of Annual Accounts, the applicable accounting standards have been followed and that no material departures have been made from the same;
- b) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that period;
- c) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) The Directors have prepared the annual accounts for the year ended 31st March, 2023 on going concern basis.
- e) The Directors have laid down the internal financial controls to be followed by the Company and that such Internal Financial Controls are adequate and were operating effectively; and
- f) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

23. SUBSIDIARY, JOINT-VENTURE AND ASSOCIATES COMPANIES

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

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

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

25. PUBLIC DEPOSIT

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

| Sr. No. | Name of Directors | O/S Amount as on year end (Amount in Lacs) |
|----------------|--------------------------|---|
| 1 | Dhaval Patel | 23.321 |
| 2 | Pradipkumar Navik | 231.417 |
| 3 | Rohan Navik | 0.322 |
| 4 | Shantilal Patel | 75.433 |

26. LISTING AT STOCK EXCHANGE

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

27. SIGNING OF THE FINANCIAL STATEMENTS

This is to inform you that the Company has approved and authenticated its Audited Financial Results for the year ended 31stMarch, 2023 in the Board meeting duly held on 30thMay, 2023, which is well within the statutory time limits as prescribed in the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

28. DISCLOSURES

Share Capital

The paid up Equity Share Capital of the Company as on March 31, 2023 was Rs. 1260.66 Lacs. Apart from this company has not issued any shares with differential voting rights, sweat equity shares or employee stock options.

Meetings of Board of Directors and Committees

The Details of All meeting of Board of Directors and Committee meeting had taken place during the year and their details along with their attendance, is given in **Table 2 of Annexure 1**.

Composition of Board and its Committee

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

29. MATERIAL CHANGES AND COMMITMENT AFFECTING FINANCIAL POSITION OF THE COMPANY

No material changes and commitments affecting the financial position of your Company have occurred between the end of the financial year of the Company to which financial statements relates and the date of this report.

30. CHANGE IN NATURE OF COMPANY BUSINESS

The Company is engaged in aquaculture industry, especially prawn farming and trading of Seed, Feed and Medicines required for Shrimp Farming. The company has started Shrimp Processing Unit and commercial production of the Shrimp Processing Unit and started export of processed shrimp. The company has added more items to its product line like Fish Fillets.

31. CORPORATE SOCIAL RESPONSIBILITY (CSR)

The disclosures as per Rule 9 of Companies (Corporate Social Responsibility Policy) Rules, 2014 are applicable to the Company. The Disclosure shall be in **Annexure 8**.

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

32. VIGIL MECHANISM & WHISTLE BLOWER POLICY

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

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

33. POLICY ON RELATED PARTY TRANSACTIONS

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

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

34. PARTICULARS OF LOAN GIVEN, INVESTMENTS MADE, GUARANTEE GIVEN AND SECURITY PROVIDED

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

35. 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.

36. RISK MANAGEMENT POLICY AND INTERNAL CONTROL ADEQUACY

The Board has adopted the policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial disclosures. The Company's internal control systems are commensurate with the nature of its business and the size and complexity of its operations. These are routinely tested and certified by Statutory as well as Internal Auditors. Significant audit observations and follow up actions thereon are reported to the Audit Committee. For ensuring independence of audits, the Internal Auditors report directly to the Audit Committee. Both Internal and Statutory Auditors have exclusive executive sessions with the Audit Committee on a regular basis. In addition, during the year, the Management performed a review of key financial controls, at entity as well as operating levels.

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

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the Internal, Statutory and Secretarial Auditors and external consultants and the reviews performed by Management and the relevant Board committees, including the Audit Committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during the financial year 2022-23.

37. STATEMENT ON RISK MANAGEMENT

During the financial year under review a statement on risk management including identification therein of elements of risk, if any, which in the opinion of the Board may threaten the existence of the company as per the provisions of Section 134(3) (n) of Companies Act, 2013; has been annexed in **Annexure 9**.

38. CODE OF CONDUCT

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

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

39. PREVENTION OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE

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

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

40. COST RECORDS

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

41. SECRETARIAL STANDARDS ISSUED BY THE INSTITUTE OF COMPANY SECRETARIES OF INDIA (ICSI)

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

42. PREVENTION OF INSIDER TRADING

The Company has adopted a Code of Internal Procedures and Conduct for Regulating, Monitoring and Reporting of trading by Insiders and Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Board is responsible for implementation of the Code.

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

43. INSURANCE

All the properties and the insurable interest of the company including building, plants and machinery and stocks wherever necessary and to the extent required have been adequately insured. The company keeps reviewing the insurance amount every year as per requirement.

44. RESEARCH & DEVELOPMENT

Research and Development is important for businesses because it provides powerful knowledge and insights, leads to improvements to existing processes where efficiency can be increased and costs reduced. It also allows businesses to develop new products and services to allow it to survive and thrive in competitive markets. The benefits of Research & Development extend into entire sectors as well as positively impacting the wider economy. A sector that invests heavily in this will develop and achieve more, including providing real-world benefits to people.

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.

45. FRAUD REPORTING

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

46. OPINION OF BOARD

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

47. 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.

48. ACKNOWLEDGEMENTS

Your Directors take this opportunity to thank the Regulatory and Government Authorities, Bankers, Business Associates, Shareholders and the Customers of the Company for their continued support to the Company. The Directors express their deep sense of appreciation towards all the employees and staff of the Company and wish the management all the best for achieving greater heights in the future. Your Directors also wish to place on record their deep sense of appreciation for the commitment displayed by all executives, officers and staff, resulting in successful performance of the Company during the year.

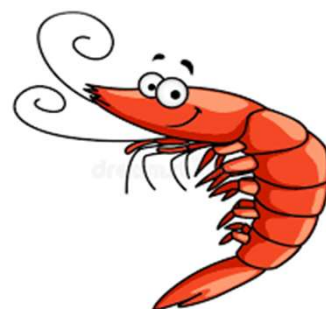
**By order of the Board of Directors
For Zeal Aqua Limited**

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

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

Date: 17.08.2023

Place: Surat



“Annexure – 1”

REPORT ON CORPORATE GOVERNANCE FOR THE YEAR 2022-23 (AS REQUIRED UNDER REGULATION 27(2) OF THE SEBI (LODR) REGULATIONS, 2015)

Report on Corporate Governance pursuant to Regulation 34(3) and Schedule V (C) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and forming Part of the Directors’ Report for the year ended 31st March, 2023. The Company has complied with the corporate governance requirements specified in regulation 17 to 27.

1. COMPANY’S PHILOSOPHY ON CODE OF GOVERNANCE

The Company’s philosophy on Corporate Governance is to strive to do the right things, we explore innovative ideas and thinking with positive outlook. 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.

The Company believes in abiding by the Code of Governance so as to be a responsible corporate citizen and to serve the best interests of all the stakeholders, viz., the employees, shareholders customers, vendors and the society at large. The Company seeks to achieve this goal by being transparent in its business dealings, by disclosure of all relevant information in an easily understood manner, and by being fair to all stakeholders, by ensuring that the Company’s activities are managed by a professionally competent and independent board of directors.

This Report, therefore, states compliance as per requirements of the Companies Act, 2013 and SEBI Listing Regulations, as applicable to the Company. In accordance with the provisions of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 and amendments thereto, given below are the corporate governance policies and practices of Zeal Aqua Ltd. for the year 2022-23.

2. BOARD OF DIRECTORS

The Company’s policy is to have optimum combination of Executive and Non- Executive Directors, to ensure independent functioning of the Board. The Board consists of both promoters, external and Independent Directors and includes a Woman Director. The functions, responsibility, role and accountability of the Board are well defined. The detailed reports of the Company’s activities and performances are periodically placed before the Board for effective decision making.

None of the Directors hold directorship in more than 7 listed companies nor is a member of more than 10 committees or chairman of more than 5 committees across all the public limited companies in which they are Directors.

2.1 Board Strength and representation:

As of March 31, 2023, the Board consisted of eight members. The Composition and the category of Directors on the Board of the Company were as under:

| Category | Sr. no. | Name of Director |
|---|----------------|---------------------------------|
| Managing Director | 1. | Mr. Shantilal Ishwarlal Patel |
| Executive Director | 2. | Mr. Pradipkumar Ratilal Navik |
| | 3. | Mr. Rohan Pradipkumar Navik |
| | 4. | Mr. Dhavalkumar Shantilal Patel |
| Non-Executive Independent Director | 5. | Mr. Naginbhai Paragbhai Patel |
| | 6. | Mr. Cyrus Dinsha Bhathena |
| | 7. | Mr. Shahzad Yazdi Gandhi |
| | 8. | Mrs. Sharmin Mehernosh Dordi |

2.2 The Details of Directorship held by the Directors as on 31st March, 2023 and their attendance at the Board meetings during the year are as follows:

| Name of the Director DIN | Category & Nature of employment | No. of Board meetings | | No. of Directorship held in other companies in India including Zeal Aqua Limited | No. of committees of which Member(M)/ Chairman (C) including Zeal Aqua Limited | Attendance at the last AGM | No. of Shares held & % holding (of the Company) (As on 31 st March, 2022) |
|---|---|-----------------------|----------|--|--|----------------------------|--|
| | | HELD | ATTENDED | | | | |
| Mr. Shantilal Ishwarlal Patel (DIN No. 01362109) | Chairman & Managing Director - Promoter | 11 | 11 | 4 | 2 | Yes | 1,34,35,200 (10.66%) |
| Mr. Pradipkumar Ratilal Navik (DIN No. 01067716) | Whole Time Director-Promoter | 11 | 11 | 3 | 1 | Yes | 1,24,65,600 (09.89%) |
| Mr. Rohan Pradipkumar Navik (DIN No. 02531248) | Whole Time Director | 11 | 11 | 3 | NIL | Yes | 14,44,800 (01.15%) |
| Mr. Dhavalkumar Shantilal Patel (DIN No. 02961674) | Wholetime Director | 11 | 11 | 3 | NIL | Yes | 4,80,000 (0.38%) |

| Name of the Director DIN | Category & Nature of employment | No. of Board meeting | | No. of Directors held in other companies in India including Zeal Aqua Limited | No. of committees of which Member(M)/ Chairman (C) including Zeal Aqua Limited | Attendance at the last AGM | No. of Shares held & % holding (of the Company) (As on 31 st March, 2022) |
|---|------------------------------------|----------------------|----|---|--|----------------------------|--|
| | | | | | | | |
| Mr. Naginbhai Paragbhai Patel (DIN No. 01675923) | Non-Executive Independent Director | 11 | 11 | 2 | 4 | Yes | --- |
| Mr. Cyrus Dinsha Bhathena (DIN No. 07967136) | Non-Executive Independent Director | 11 | 11 | 1 | 3 | Yes | 30,000 (0.02%) |
| Mr. Shahzad Yazdi Gandhi (DIN No. 08013857) | Non-Executive Independent Director | 11 | 11 | 1 | 2 | Yes | 1,990 (0.001%) |
| Mrs. Sharmin Mehernosh Dordi (DIN No. 08193337) | Non-Executive Independent Director | 11 | 11 | 1 | NIL | Yes | --- |

Notes:

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

2.3 Details of the Directors seeking appointment/re-appointment in forthcoming Annual General Meeting

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

2.4 Board Meetings

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

The Board meet Eleven (11) times during the financial year 2022-23 on the following dates:

| Sr. No. | Date of Meeting | Board Strength | No. of Directors present |
|---------|-----------------|----------------|--------------------------|
| 1. | 14.04.2022 | 8 | 8 |
| 2. | 30.05.2022 | 8 | 8 |
| 3. | 16.06.2022 | 8 | 8 |
| 4. | 20.07.2022 | 8 | 8 |
| 5. | 13.08.2022 | 8 | 8 |
| 6. | 29.09.2022 | 8 | 8 |
| 7. | 17.10.2022 | 8 | 8 |
| 8. | 14.11.2022 | 8 | 8 |
| 9. | 14.02.2023 | 8 | 8 |
| 10. | 20.03.2023 | 8 | 8 |
| 11. | 24.03.2023 | 8 | 8 |

2.5 Disclosure of Relationships between Directors inter-se:

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

2.6 Number of shares and convertible instruments held by non-executive Directors

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

| Sr. | Name of Non-Executive Director | No. of Shares Held |
|-----|--------------------------------|--------------------|
| 1 | Cyrus Dinsha Bhatena | 30,000 |
| 2 | Shahzad Yazdi Gandhi | 1,990 |

2.7 Familiarization to Independent Directors:

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

The Company has devised the Policy on Familiarization Programme for Independent Director and the same is available on the website of the Company www.zealaqua.com

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

The terms and conditions of independent directors is available on the website of the company <http://www.zealaqua.com/policy.php>

2.8 Confirmation by Independent Directors:

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

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

All the independent directors have passed Online Self-Assessment Test with the Indian Institute of Corporate Affairs.

During the financial year 2022-23, One (1) meeting of the Independent Directors was held on **14/02/2023**

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

| Name of Directors | Categories | No. of Meeting Attended |
|-------------------------------|------------|-------------------------|
| Mr. Naginbhai Paragbhai Patel | Chairman | 1 |
| Mr. Cyrus Dinsha Bhathena | Member | 1 |
| Mr. Shahzad Yazdi Gandhi | Member | 1 |
| Mrs. Sharmin Mehernosh Dordi | Member | 1 |

2.9 Matrix highlighting core skills/expertise/competencies of the Board of Directors:

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

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

| NAME OF DIRECTORS | Strategic and Business Leadership in Aquaculture | Finance expertise | Personal Values | Good Corporate Governance | Sales , Marketing and Exports |
|---|---|--------------------------|------------------------|----------------------------------|--------------------------------------|
| Mr. Shantilal Ishwarlal Patel Chairman & Managing Director | √ | √ | √ | √ | √ |
| Mr. Pradipkumar Ratilal Navik Whole Time Director | √ | √ | √ | √ | √ |
| Mr. Rohan Pradipkumar Navik Whole Time Director | √ | √ | √ | √ | √ |
| Mr. Dhavalkumar Shantilal Patel Whole-time Director | √ | √ | √ | √ | √ |
| Mr. Naginbhai Paragbhai Patel Independent Director | - | √ | √ | √ | - |
| Mr. Cyrus Dinsha Bhathena Independent Director | - | √ | √ | √ | √ |
| Mr. Shahzad Yazdi Gandhi Independent Director | - | √ | √ | √ | √ |
| Mrs. Sharmin Mehernosh Dordi Independent Director | - | √ | √ | √ | - |

2.10 COMMITTEES OF THE BOARD

The Board has constituted various Committees with specific terms of reference in line with the provisions of the Listing Regulations, Companies Act, 2013 and the Rules issued thereunder. The Board periodically reviews the composition and terms of reference of its committees in order to comply with any amendments/modifications to the provisions relating to composition of Committees under the Listing Regulations, Companies Act, 2013 and the Rules issued thereunder.

The number of directorships and the positions held on Board Committees by the directors are in conformity with the limits on the number of Directorships and Board Committee positions as laid down in the Companies Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations as on 31st. March, 2022.

I. AUDIT COMMITTEE OF BOARD

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

Broad Terms of Reference of the Audit Committee

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

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

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

The role of the audit committee shall include the following:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors
4. Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:

- i. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause I of sub-section 3 of section 134 of the Companies Act, 2013;
- ii. Changes, if any, in accounting policies and practices and reasons for the same;
- iii. Major accounting entries involving estimates based on the exercise of judgment by management;
- iv. Significant adjustments made in the financial statements arising out of audit findings;
- v. Compliance with listing and other legal requirements relating to financial statements;
- vi. Disclosure of any related party transactions;
- vii. Modified Opinion(s) in the draft audit report.

5. Reviewing, with the management, the quarterly/half yearly financial statements before submission to the board for approval.

6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, right issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/Draft Prospectus/ Prospectus /notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.

7. Review and monitor the auditor's independence, performance and effectiveness of audit process.

8. Approval or any subsequent modification of transactions of the company with related parties;

9. Scrutiny of inter-corporate loans and investments;

10. Valuation of undertakings or assets of the company, wherever it is necessary;

11. Evaluation of internal financial controls and risk management systems;

12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems

13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.

14. Discussion with internal auditors any significant findings and follow up there on.

15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.

16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern

17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors

18. To review the functioning of the whistle blower mechanism

19. Approval of appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate;

20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

21. Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision

22. Considerand comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.

The Audit Committee shall mandatorily review the following information:

A. Management discussion and analysis of financial information and results of operations;

B. Statement of significant related party transactions (as defined by the Audit Committee), submitted by the management;

C. Management letters / letters of internal control weaknesses issued by the statutory auditors;

D. Internal audit reports relating to internal control weaknesses; and

E. The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the Audit Committee.

F. Statement of deviations:

(a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).

(b) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

Composition and attendance at Meetings:

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

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

During the financial year 2022-23, Six (6) meetings of Audit Committee were held on following dates:

14.04.2022, 30.05.2022, 20.07.2022, 13.08.2022, 14.11.2022, 14.02.2023

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

| Name of Directors | Categories | No. of Meeting Attended |
|-------------------------------|------------|-------------------------|
| Mr. Naginbhai Paragbhai Patel | Chairman | 6 |
| Mr. Cyrus Dinsha Bhathena | Member | 6 |
| Mr. Shantilal Ishwarlal Patel | Member | 6 |

II. NOMINATION AND REMUNERATION COMMITTEE:

Your Company constituted a Nomination & Remuneration Committee to look into the matters pertaining to remuneration of Executive and Non-Executive directors.

The Board of Directors ('the Board') of **Zeal Aqua Limited ("the Company")** reviewed the charter of Remuneration Committee Policy" approved at the Board Meeting held on February 14, 2020. The detailed Nomination & Remuneration Policy is uploaded on the website of the Company. The web link is <https://www.zealaqua.com/policy.php>

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

Broad Terms of Reference of the Nomination & Remuneration Committee

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

1. formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
(1A) For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:

- a. use the services of an external agencies, if required;
 - b. consider candidates from a wide range of backgrounds, having due regard to diversity; and
 - c. consider the time commitments of the candidates.
2. formulation of criteria for evaluation of performance of independent directors and the board of directors;
 3. devising a policy on diversity of board of directors;
 4. identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.
 5. Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
 6. recommend to the board, all remuneration, in whatever form, payable to senior management

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

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

| Name of Directors | Categories | Nature of Directorship |
|--------------------------------------|-------------------|-------------------------------|
| Mr. Naginbhai Paragbhai Patel | Chairman | Independent Director |
| Mr. Cyrus Dinsha Bhathena | Member | Independent Director |
| Mr. Shahzad Yazdi Gandhi | Member | Independent Director |

During the financial year 2022-23, Three (3) meetings of the Nomination & Remuneration Committee were held on following dates:

14.04.2022, 20.07.2022, 17.10.2022

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

| Name of Directors | Categories | No. of Meeting Attended |
|--------------------------------------|-------------------|--------------------------------|
| Mr. Naginbhai Paragbhai Patel | Chairman | 3 |
| Mr. Cyrus Dinsha Bhathena | Member | 3 |
| Mr. Shahzad Yazdi Gandhi | Member | 3 |



REMUNERATION OF DIRECTORS

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

| Name of Directors | Category | Annual Remuneration (In Rs. Lakhs) in year 22-23 |
|--|---------------------|--|
| Mr. Shantilal Ishwarlal Patel | Managing Director | 29.00 |
| Mr. Pradipkumar Ratilal Navik | Whole Time Director | 29.00 |
| Mr. Rohan Pradipkumar Navik | Whole Time Director | 29.00 |
| Mr. Dhavalkumar Shantilal Patel | Whole Time Director | 29.00 |

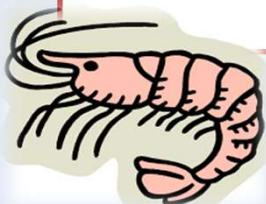
Sitting Fees

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

Remuneration Policy

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

The remuneration payable to Directors, Key Managerial Personnel and Senior Management Person will involve a balance between fixed and incentive pay reflecting short term and long term performance objectives appropriate to the working of the Company and support in the achievement of Corporate Goals. The other matters like service contract, notice period, severance fees etc. may be decided by board from time to time.



III. STAKEHOLDERS, SHAREHOLDERS'/ INVESTOR'S GRIEVANCES COMMITTEE

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

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

Composition of the Stakeholders, Shareholders/Investors Grievance Committee and attendance at Meetings:

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

| Name of Directors | Categories | Nature of Directorship |
|-------------------------------------|-------------------|-------------------------------|
| Mr. Cyrus DinshaBhatena | Chairman | Independent Director |
| Mr. Naginbhai ParagbhaiPatel | Member | Independent Director |
| Mr. Shahzad Yazdi Gandhi | Member | Independent Director |

During the financial year 2022-23, Four (4) meetings of Stakeholders, Shareholders'/ Investors Grievance Committee were held on following dates:

30.05.2022, 13.08.2022, 14.11.2022, 14.02.2023

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

| Name of Directors | Categories | No. of Meeting Attended |
|--------------------------------------|-------------------|--------------------------------|
| Mr. Cyrus Dinsha Bhatena | Chairman | 4 |
| Mr. Naginbhai Paragbhai Patel | Member | 4 |
| Mr. Shahzad Yazdi Gandhi | Member | 4 |

Name, Designation and address of the Compliance Officer

Ms. PRIYANKA GYANCHAND JAIN

(Appointed w.e.f. 02/08/2021 & resigned w.e.f. 30.05.2023)

Company Secretary & Compliance Officer

Mr. JAYAN RAJESHKUMAR PATEL

(CFO & Compliance Officer w.e.f. 30.05.2023)

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:

| Particulars | Rs. |
|--|-----|
| 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 |



IV. CSR COMMITTEE

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

Composition of the Corporate Social Responsibility committee ("CSR Committee") and attendance at Meetings:

The composition of CSR Committee has been as under

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

During the financial year 2022-23, Two (2) meetings of Corporate Social Responsibility committee ("CSR Committee") was held on following date:

17.01.2023 & 31.03.2023

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

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

CSR Policy

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

As per Section 135(5) Companies Act, 2013, an amount of 2 percent of the average net profits of the company made during the three immediately preceding financial years which works out to Rs. 12,17,990/- is to be spent towards Corporate Social Responsibility Activities. The detailed Report on the CSR Activities is annexed at **Annexure 8**.

V. GENERAL BODY MEETINGS

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

| Years | Day, Date and Time | Venue |
|----------------|--|--|
| 2019-20 | Tuesday, 29 th September, 2020 at 11:30 A.M. | At Olpad GIDC PI No. 4,5, Ta Olpad Surat – 394540Gujarat |
| 2020-21 | Friday, 17 th September, 2021 at 11:00 A.M. | Through Video Conferencing (VC) and other Audio Visual Means (OAVM) |
| 2021-22 | Friday, The 26 th Day of August, 2022 at 11:00 AM | At Registered Office of the company at Olpad GIDC Plot No. 4,5, Taluka Olpad Surat, Gujarat – 394540 |

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:

| | | | | | | |
|----------------------------------|---|----------|---|---------|---|---|
| 29 th September, 2020 | Adoption of Annual Accounts, Auditor’s Report and Directors Report | Ordinary | 0 | 3016574 | 0 | 0 |
| | Re-appointment of Director liable to retire by rotation | Ordinary | 0 | 282014 | 0 | 0 |

| | | | | | | |
|----------------------------------|--|----------|-------|---------|---|------|
| 17 th September, 2021 | Adoption of Annual Accounts, Auditor’s Report and Directors Report | Ordinary | 15000 | 7709860 | 0 | 1000 |
| | Re-appointment of Director liable to retire by rotation | Ordinary | 15000 | 7708837 | 0 | 1500 |
| | Approval of Sub-Division of Shares | Special | 15000 | 7709337 | 0 | 1000 |
| | Approval of Alteration in Capital Clause V of the Memorandum of Association of the Company | Special | 15000 | 7709337 | 0 | 1000 |

| | | | | | | |
|-------------------------------|---|----------|---------|----------|---|-------|
| 26 th August, 2022 | Adoption of Annual Accounts, Auditor’s Report and Directors Report | Ordinary | 1474800 | 76780661 | 0 | 842 |
| | Re-appointment of Director liable to retire by rotation | Ordinary | 30000 | 4476711 | 0 | 7192 |
| | Re-Appointment Of Mr. Dhavalkumar Shantilal Patel (DIN:02961674), As The Whole Time Director Of The Comp Any For A Further Period Of 5 (Five) Years | Special | 30000 | 4471941 | 0 | 11962 |
| | Re-appointment of Mr. Cyrus Dinsha Bhatena (DIN:07967136), as the Independent director of the company for a further period of 5 (five) Years. | Special | 1444800 | 76766732 | 0 | 14771 |
| | Re-appointment of Mr. Shahzad Yazdi Gandhi (DIN: 08013857) as the Independent director of the company for a further period of 5 (five) Years. | Special | 1474800 | 76766832 | 0 | 14671 |
| | Approval of Material Related Party Transactions | Special | 30000 | 4473961 | 0 | 9942 |

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

Mr. Ranjit Binod Kejriwal

Practicing Company Secretary,
1, Aastha, 2/906, HiraModi Sheri,
Opp. Gujarat Samachar Press,
Sagrampura, Ring Road,
Surat – 395002.

Email: rbksurat@gmail.com

Ph: +91-261-2331123

3. EXTRAORDINARY GENERAL MEETING (EGM)

There was no Extraordinary General Meeting was held during the year 2022-23.

Postal Ballot

During the year 2022-23, Company has not passed resolutions through postal ballot.



4. MEANS OF COMMUNICATION

Financial Results:

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

Yearly/Quarterly/Half yearly financial results:

The yearly/Quarterly financial results of the Company are normally published in website of the Company i.e. on <https://www.zealaqua.com/> Financial results for the year 2022-23 have been submitted to stock exchange within 30 minutes from the conclusion of Board Meeting in which financial results have been approved. During the year, following Quarterly/half yearly and yearly financial results have been submitted on BSE portal.

| Period of Financial Results | Date |
|--|-------------|
| Unaudited Financial Results for the Quarter ended 30/06/2022 | 13/08/2022 |
| Unaudited Financial Results for the Quarter ended 30/09/2022 | 14/11/2022 |
| Unaudited Financial Results for the Quarter ended 31/12/2022 | 14/02/2023 |
| Audited Financial Results for the Quarter and year ended 31/03/2023 | 30/05/2023 |

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

News Release/ Presentation made to the Investors:

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

Website:

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

Email IDs for investors:

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

SEBI SCORES:

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

5. General shareholder info:

Annual General Meeting for the F.Y. 2022-23

| | |
|-----------------------------|--|
| Date, Time and Venue | Monday, 18th September, 2023 at 11:00 A.M. through VC/OAVM |
| Financial Year | The Financial year of the Company is from 1 st April, 2022 to 31 st March 2023 |
| Date of Book Closure | 12 th September, 2023 to 18 th September, 2023 (both days inclusive) |

Listing on Stock Exchange

The Company confirms that it has paid Annual Listing Fee for the Financial Year 2022-23 to the BSE Limited.

Stock Code of the Company

ISIN : INE819S01025

Scrip Name : ZEAL

Security Code : 539963

Type of Shares : Equity Shares

No. of paid up shares: 12,60,66,000

Name of the Stock Exchange

BSE Limited

Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai – 400 001

Tel. : 022-22721233/4,

Fax : 022-22721919

Market Price Data (As obtained from BSE Website)

Data of market price high, low for the year 2022-23 is given below:

| Month & Year | High Price | Low Price | No of Shares |
|-----------------|------------|-----------|--------------|
| April, 2022 | 10.15 | 7.90 | 33,03,049 |
| May, 2022 | 8.42 | 7.05 | 21,44,628 |
| June, 2022 | 8.12 | 5.71 | 12,97,730 |
| July, 2022 | 8.16 | 6.65 | 13,17,532 |
| August, 2022 | 8.00 | 6.99 | 17,08,674 |
| September, 2022 | 9.45 | 7.08 | 36,42,134 |
| October, 2022 | 7.98 | 7.30 | 12,59,750 |
| November, 2022 | 8.39 | 7.15 | 22,27,149 |
| December, 2022 | 8.90 | 7.30 | 33,83,615 |
| January, 2023 | 8.19 | 7.52 | 14,56,284 |
| February, 2023 | 9.09 | 7.32 | 21,07,100 |
| March, 2023 | 7.85 | 6.19 | 18,24,521 |

*Total No. of shares traded in the month.

PERFORMANCE IN COMPARISON TO OTHER INDICES

Table below gives the performance comparison of M/s. Zeal Aqua Limited to BSE Sensex for the F.Y.2022-23 on month to month closing figures:

| Month | BSE Sensex Close | Change in % | ZEAL (Closing Price at BSE) | Change in % |
|-----------------|------------------|-------------|-----------------------------------|-------------|
| April, 2022 | 57,060.87 | -2.57 | 8.17 | 3.03 |
| May, 2022 | 55,566.41 | -2.62 | 7.80 | -4.53 |
| June, 2022 | 53,018.94 | -4.58 | 7.13 | -8.59 |
| July, 2022 | 57,570.25 | 8.58 | 7.37 | 3.37 |
| August, 2022 | 59,537.07 | 3.42 | 7.09 | -3.80 |
| September, 2022 | 57,426.92 | -3.54 | 7.70 | 8.60 |
| October, 2022 | 60,746.59 | 5.78 | 7.52 | -2.34 |
| November, 2022 | 63,099.65 | 3.87 | 7.37 | -1.99 |
| December, 2022 | 60,840.74 | -3.58 | 8.11 | 10.04 |
| January, 2023 | 59,549.90 | -2.12 | 7.68 | -5.30 |
| February, 2023 | 58,962.12 | -0.99 | 7.46 | -2.86 |
| March, 2023 | 58,991.52 | 0.05 | 6.50 | -12.87 |

In Case the Securities Are Suspended from Trading, The Director's Report Shall Explain the Reason Thereof.

Securities of the company are not suspended from trading.

Registrar and Share Transfer Agent

Bigshare Services Private Limited

Office No S6-2, 6th Floor, Pinnacle Business Park,
Next to Ahura Centre, Mahakali Caves Road,
Andheri (East) Mumbai – 400093,
Maharashtra

Tel.: +91-022-62638200

Fax: +91-022-62638299

Email: info@bigshareonline.com

Website: www.bigshareonline.com

Share Transfer System

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

The Company has obtained yearly certificates from Company Secretary in Practice for compliance of share transfer formalities as per the requirement of Regulation 40(9) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company has also carried out Quarterly Secretarial Audit for the reconciliation of Share Capital as required under SEBI circular no. 16 dated 31st December, 2002.

Investor Helpdesk

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

Compliance Officer

Ms. Priyanka Jain

Company Secretary & Compliance Officer

(Resigned w.e.f. 30.05.2023)

Mr. Jayan Rajeshkumar Patel

CFO & Compliance Officer

(Appointed w.e.f 30.05.2023)

Distribution of Shareholding (as on 31st March, 2023)

(Face Value of the Company is Re. 1/- per share.)

1. On the basis of Shareholdings:

| Shareholding of Nominal Value in Shares. | No. of Shareholders | % of Total Shareholders | Shares Amount | % of Shares |
|--|---------------------|-------------------------|------------------|---------------|
| 1 to 5000 | 23238 | 96.46 | 11643602 | 9.24 |
| 5001 to 10000 | 440 | 1.83 | 3394745 | 2.69 |
| 10001 to 20000 | 208 | 0.86 | 2961066 | 2.35 |
| 20001 to 30000 | 62 | 0.26 | 1548856 | 1.23 |
| 30001 to 40000 | 25 | 0.10 | 878084 | 0.69 |
| 40001 to 50000 | 11 | 0.05 | 526793 | 0.42 |
| 50001 to 100000 | 42 | 0.17 | 3009996 | 2.39 |
| 100001 to 126066000 | 66 | 0.27 | 102102858 | 80.99 |
| TOTAL | 24092 | 100.00 | 126066000 | 100.00 |

2. On the basis of Category:

| Sr. No. | Description | No. of members | | No. of shares | |
|------------------|----------------------------|----------------|---------------|------------------|---------------|
| | | Nos. | % | Nos. | % |
| A | Promoters Holding | | | | |
| | Directors & Relatives | 8 | 0.03 | 55166400 | 43.76 |
| | Bodies Corporate | 5 | 0.02 | 31084800 | 24.66 |
| B | Non Promoter Holding | | | | |
| | <u>Institutions</u> | | | | |
| | Mutual Funds | | | | |
| | <u>Non-Institutions</u> | | | | |
| | Resident | 23941 | 99.37 | 38446013 | 30.50 |
| | Individual(IncludingHUF) | 115 | 0.48 | 406921 | 0.97 |
| | Foreign Individuals or NRI | 11 | 0.05 | 951158 | 0.75 |
| Bodies Corporate | 11 | 0.05 | 10701 | 0.01 | |
| | Clearing member | | | | |
| | Total: | 24092 | 100.00 | 126066000 | 100.00 |

Nomination Facility

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

Outstanding GDRS/ADRS/Warrants/Any Other Convertible Instruments

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

Proceeds from Public Issue / Rights Issue / Preferential Issue / Warrant Conversion

The Company has not issued further share during the year.

Details of Dividend

The Company has not declared dividend in the past.

Details of Unpaid Dividend

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

Proceeds from Public Issue / Rights Issue / Preferential Issue / Warrant Conversion

The Company has not issued further share during the year.

Details of Dividend

The Company has not declared dividend in the past.

Details of Unpaid Dividend

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

Address for Correspondence:

| Registrar & Transfer Agents | Registered Office |
|---|---|
| Bigshare Services Private Limited | Zeal Aqua Limited |
| Office No S6-2, 6th Floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East) Mumbai – 400093, Maharashtra Email: info@bigshareonline.com Website: www.bigshareonline.com Ph: No. +91-022-62638200 Fax: +91-022-62638299 | Block No. 347 Vill. Orma, Ta: Olpad, Surat-394540, Guj, India. Email: cs@zealaqua.com Website: www.zealaqua.com Phone No. +91-2621220047 Fax: +91-2621-220047 |

(c) Plant and Factory Location:

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

CREDIT RATINGS (As on 31st March 2022):

Long Term Borrowing: CRISIL BBB-
Short term borrowing: CRISIL A4+



6. OTHER DISCLOSURES

Disclosure of Accounting Treatment in Preparation of Financial Statement

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

Risk Management

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

Code of Conduct for prevention of Insider Trading

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

Material Subsidiary

The Company does not have any material subsidiary.

Certification from Company Secretary in Practice

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

Compliance Certificate from the Auditors

As required by Schedule V (E) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Auditors' certificate on Corporate Governance is annexed to this report. The certificate is enclosed as **Annexure 12**.

Vigil Mechanism/Whistle Blower Policy

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

Related Party Transaction

The Company has no materially significant related party transactions with related parties during the financial year which were in conflict with the interest of the Company. All Related Party Transactions during the year have been disclosed in **AOC-2 as per Annexure 4**.

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

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

Fees to Statutory Auditor

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

| Payment to Statutory Auditor | FY 2022-23 |
|------------------------------|------------|
| Statutory Audit Fees | 3.50 LACS |

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

Training / awareness programs are conducted throughout the year to create sensitivity towards ensuring respectable workplace.

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

| | Sexual Harassment | Discrimination at workplace | Child Labour |
|--|-------------------|-----------------------------|--------------|
| Number of Complaints filed during the financial year | NIL | NIL | NIL |
| Number of complaints disposed of during the financial year | NIL | NIL | NIL |
| Number of complaints pending as on end of the financial year | NIL | NIL | NIL |
| Actions taken for the complaints received | NIL | NIL | NIL |

Statutory Compliance, Penalties and Strictures

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

Mandatory & Non Mandatory Requirements

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

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

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

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

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

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

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

Quote Folio No. / DP Id No.

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

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

Loans and Advances in which Directors are interested

The company has not provided any loans and advances to any firms/companies in which directors are interested.

7. DISCRETIONARY REQUIREMENTS

The Board

The chairman of the company is an Executive Director.

Separate Posts of Chairperson and Chief Executive Officer

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

Shareholder Rights

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

Modified Opinion(s) in Audit Report

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

Reporting of Internal Auditor

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

8. THE DISCLOSURES OF THE COMPLIANCE WITH CORPORATE GOVERNANCE REQUIREMENTS SPECIFIED IN REGULATION 17 TO 27 AND CLAUSES (B) TO (I) OF SUB-REGULATION (2) OF REGULATION 46

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

By order of the Board of Directors
For Zeal Aqua Limited

Sd/-
SHANTILAL ISHWARLAL PATEL
MANAGING DIRECTOR
DIN: 01362109

Sd/-
PRADIPKUMAR RATILAL NAVIK
WHOLETEIME DIRECTOR
DIN:01067716

DATE: 17.08.2023
PLACE: SURAT

ANNEXURE 2”

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

| PARTICULARS <i>Disclosure under Section 134 (3) (m) of the Companies Act, 2013 read with Rule 8 (3) of Companies (Accounts) Rules, 2014</i> | AMOUN IN RS. | |
|---|--|---|
| A. CONSERVATION OF ENERGY i. the steps taken or impact on conservation of energy ii. the steps taken by the company for utilizing alternate sources of energy iii. the capital investment on energy conservation equipment | NIL | |
| B. TECHNOLOGY ABSORPTION 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) a) The details of technology 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 | NIL | |
| C. FOREIGN EXCHANGE Details of Earning in Foreign Exchange Export of goods calculated on FOB basis Interest and dividend Royalty Know- how Professional & consultation fees Other income TOTAL EARNING IN FOREIGN EXCHANGE | CURRENT YEAR 11948.692 11948.692 | PREVIOUS YEAR 13219.507 13219.507 |

| | |
|--|-----|
| Import of goods calculated on CIF basis i)raw material ii)component and spare parts iii)capital goods | NIL |
| Expenditure on account of i) Royalty ii) Know- how | NIL |
| Professional & consultation fees | NIL |
| Interest | NIL |
| Other matters | NIL |
| Dividend paid | NIL |
| Total Expenditure in foreign exchange | NIL |

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

Sd/-
SHANTILAL ISHWARLAL PATEL
MANAGING DIRECTOR
DIN: 01362109

Sd/-
PRADIPKUMAR RATILAL NAVIK
WHOLETIME DIRECTOR
DIN:01067716

DATE: 17.08.2023
PLACE: SURAT

“ANNEXURE -3”

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

a) The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2022-23, ratio of the remuneration of the employees of the Company for the financial year 2022-23 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

| Name of Director/KMP and Designation | Remuneration of Director/KMP for F.Y. 2022-23 (in rupees) | % increase in Remuneration in the F.Y. 2022-23 | Ratio of Remuneration of each Director/to median remuneration of employees |
|--|--|---|---|
| Shantilal Ishwarlal Patel** Executive Director & Chairman | 29,00,000 | 20.83% | 12.27:1 |
| Pradipkumar Ratilal Navik** Executive Director | 29,00,000 | 20.83% | 12.27:1 |
| Rohan Pradipkumar Navik** Executive Director | 29,00,000 | 20.83% | 12.27:1 |
| Dhavalkumar Shantilal Patel** Executive Director | 29,00,000 | 20.83% | 12.27:1 |
| Naginbhai Paragbhai Patel Non-Executive Director | N.A. | N.A. | N.A. |
| Cyrus Dinsha Bhathena Non- Executive Director | N.A. | N.A. | N.A. |
| Shahzad Yazdi Gandhi Non- Executive Director | N.A. | N.A. | N.A. |
| Sharmin Mehernosh Dordi Non- Executive Director | N.A. | N.A. | N.A. |
| Jayan Rajeshkumar Patel Chief Financial Officer | 4,03,190 | N.A. | N.A. |
| Priyanka Jain* Company Secretary & Compliance Officer | 2,19,116 | N.A. | N.A. |

****Ms. Priyanka Gyanchand Jain (Company Secretary & Compliance Officer) has resigned w.e.f 30.05.2023 and Mr. Jayan Rajeshkumar Patel has been appointed as a CFO & Compliance Officer w.e.f. 30.05.2023***

*****There is an increase in Remuneration of Executive Directors from Rs. 200000 to 300000 per month as per resolution passed as on 17.10.2022 w.e.f. 01.11.2022***

- b) The median remuneration of employees of the Company during the Financial Year 2022-23 is Rs. **19,700/-**
- c) The percentage increase in the median remuneration of employees in the Financial year 2022-23: **NIL**
- d) The number of permanent employees on the rolls of the Company as on 31st March, 2023 : **One hundred and ten (110) Employees (excluding KMP)**
- e) The explanation on the relationship between median increase in remuneration and Company performance: **There is no change in the median of employee remuneration of the Company in the Financial Year 2022-23. During the year, the Company has reported Net Profit after tax amounting 705.355 lacs as against Net profit after tax amounting 574.714 lacs in the previous year.**
- f) **Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company:**

| NAME | DESIGNATION | Remuneration (In Rs.) | % Change in Remuneration | Profit/ (Loss) After Tax | Change in Profit/ (Loss) after Tax |
|---------------------------------|--|-----------------------|--------------------------|--------------------------|---|
| Mr. Shantilal Ishwarlal Patel** | Managing Director | 29,00,000 | 50% | 705.355 lacs | The Company reported PAT amounting to 574.714 lacs during the F.Y. 2021-2022. |
| Mr. Pradipkumar Ratilal Navik | Whole Time Director | 29,00,000 | 50% | | |
| Mr. Rohan Pradipkumar Navik | Whole Time Director | 29,00,000 | 50% | | |
| Mr. Dhavalkumar Shantilal Patel | Whole Time Director | 29,00,000 | 50% | | |
| Mr. Jayan Rajeshkumar Patel | Chief Financial Officer | 4,03,190 | --- | | |
| Ms. Priyanka Jain* | Company Secretary & Compliance Officer | 2,19,116 | --- | | |

***Miss. Priyanka Gyanchand Jain has resigned from post of Company Secretary and Compliance Officer as on 30.05.2023. And Mr. Jayan Rajeshkumar Patel has been appointed as CFO & Compliance Officer as on 31.05.2023.**

**** There is an increase in Remuneration of Executive Directors from Rs. 200000 to 300000 per month as per resolution passed as on 17.10.2022 w.e.f. 01.11.2022**

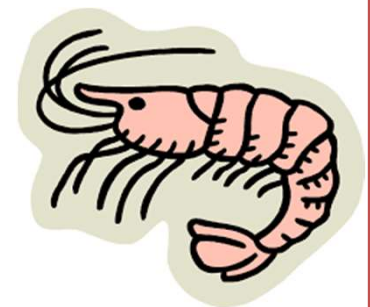
g) Average percentage increase in the Salaries of the Employees and Managerial Remuneration:

| Sr. No. | Particulars | Percentage Increase /(Decrease) |
|----------------|--|--|
| 1. | Salaries of the Employees other than Managerial Remuneration | -9.28% |
| 2. | Managerial Remuneration | 14.68 |

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

There is no such employee in the Company.

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



B. Particulars of Top Ten Permanent Employee in terms of remuneration drawn from the Company in the financial year 2022-23:

| Sr. No. | Name Designation & Number of Shares held | Qualification and Experience | Remuneration (Amount in Rs.) per Month | Date of Appointment | Age (in Years) | Particulars of Last Employment | Relative of Director / Manager |
|---------|---|--|--|---------------------|----------------|--|--|
| 1 | Dhavalkumar Shantilal Patel, Whole Time Director holding 4,80,000 shares. | Commerce Graduate and 5+ years' experience in Aquaculture business and in business of Fabrication. | 3,00,000 Per Month. | September, 2017 | 32years | NA | Mr. Dhavalkumar S. Patel is son of Mr. Shantilal I. Patel |
| 2 | Pradipkumar Ratilal Navik, Whole Time Director holding 1,24,65,600 shares | H.Sc and having more than 26 years of experience in Aquaculture industry | 3,00,000 Per Month | June, 2009 | 62 years | King Marine Product Pvt Ltd as Director in Surat | Mr. Rohan P. Navik is son of Mr. Pradipkumar R. Navik |
| 3 | Rohan Pradipkumar Navik, Whole Time Director holding 14,44,800 shares | MBA Marketing more than 11 years of experience in Aquaculture Industry | 3,00,000 Per Month | June, 2011 | 36years | NA | Mr. Shantilal I. Patel is father in law of Mr. Rohan P. Navik |
| 4 | Shantilal Ishwarlal Patel, Managing Director holding 1,34,35,200 shares. | H.Sc and having more than 16 years of experience in the field of aquaculture | 3,00,000 Per Month | June, 2009 | 66years | Sr. Accountant in King Marine Product Pvt Ltd in Surat | Mr. Dhavalkumar S. Patel is son of Mr. Shantilal I. Patel and Mr. Rohan Pradip Navik is son in law of Mr. Shantilal I. Patel |
| 5 | Imandi Prasanna Kumar, Production Manager | B.SC (Bachelor of Fisheries Science) and having 29 yrs. experience | 1,02,000 per Month | March, 2021 | 56 years | As a General manager in Stellar Marine Foods, Mumbai | No |

| | | | | | | | |
|----|---|---|------------------|----------------|----------|--|----|
| 6 | Bomi Parvez Olpadwala, Trading Manager | B.Com. and 21years' experience in the field of Aquaculture and 9year experience in the field of automobiles | 78,134 per Month | March , 2009 | 60 years | As a partner in automobile business in name of ShafnaAutomobiles | No |
| 7 | RavindrasinghRoopsingh Solanki, Farm Technician | Master of Fisheries science and 12years' experience in the field of aquaculture | 45,150 per month | December, 2010 | 36 years | As a Technologist QC/QA in King Fisheries, Veraval | No |
| 8 | Dev Vijaykumar Ganpatrao, Farm Technician | Bachelor of Fisheries Science and 15years' experience in the field of aquaculture | 41,011 per month | March, 2015 | 40 years | As a Technologist inIndePesca Aquaculture, Mumbai | No |
| 9 | Jayan Rajeshkumar Patel, CFO | BBA and CA Final | 40,000 per Month | April,2022 | 32 years | NA | No |
| 10 | Vimmy Prakashkumar Biscuitwala, QC Manager | M.sc Biotechnology and 10 years' experience in the field of aquaculture | 37,000 per month | May, 2017 | 32 years | As a Senior QA/QC Assistant in West coast Frozen Foods Pvt. Ltd. Surat | No |

By order of the Board of Directors
For Zeal Aqua Limited

Sd/-
SHANTILAL ISHWARLAL PATEL
MANAGING DIRECTOR
DIN: 01362109

Sd/-
PRADIPKUMAR RATILAL NAVIK
WHOLETIME DIRECTOR
DIN:01067716

DATE: 17.08.2023
PLACE: SURAT

Annexure 4''**Form No. AOC-2**

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

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

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

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

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

| Sr. No. | Name of the related party and nature of relationship | Relation | Nature of contracts / arrangements/transactions | Duration of contracts /arrangements/transactions | Salient term of the contracts or arrangements or transactions including the value, if any | Date(s) if approval by the Board, if any | Amount paid as advanced , if any |
|---------|--|----------------------|---|--|---|--|----------------------------------|
| 1 | Pradip R Navik | Whole-time Director | Remuneration | Monthly | Rs. 3,00,000 | 17/10/2022 | 1,00,000 |
| | | | Interest paid | On Demand | Interest@12 P.A. | 14/04/2022 | NIL |
| 2 | Pradipkumar R. Navik-HUF | Director's HUF | Sales of goods or services | Annually | At prevailing market rate | 14/04/2022 | NIL |
| 3 | Shantilal I Patel | Managing Director | Rent | Annually | Rs. 5,59,500 P.A. | 14/04/2022 | NIL |
| | | | Remuneration | Monthly | Rs. 3,00,000 | 17/10/2022 | 1,13,465 |
| | | | Interest | On Demand | Interest@12 P.A. | 14/04/2022 | NIL |
| 4 | Rohan P Navik | Director | Remuneration | Monthly | Rs. 3,00,000 | 17/10/2022 | NIL |
| | | | Rent | Annually | Rs. 2,90,400 | 14/04/2022 | NIL |
| | | | Interest | On Demand | Interest@12 P.A. | 14/04/2022 | NIL |
| 5 | Rohan P. Navik HUF | Director's HUF | Sales | Annually | At prevailing market rate | 14/04/2022 | |
| 6 | Susan P Navik | Relative of Director | Interest | On Demand | Interest@12 P.A. | 14/04/2022 | NIL |
| 7 | Dhaval S. Patel | Director | Remuneration | Monthly | Rs. 3,00,000 | 17/10/2022 | NIL |
| | | | Sales | Annually | At prevailing market rate | 14/04/2022 | NIL |
| | | | Purchase | Annually | At prevailing market rate | 14/04/2022 | NIL |
| | | | Interest | On Demand | Interest@12 P.A. | 14/04/2022 | NIL |

| | | | | | | | |
|----|---------------------------|----------------------|----------------------------|-----------|---------------------------|------------|-----|
| 8 | Kimi S Patel | Relative of Director | Interest | On Demand | Interest@12 P.A. | 14/04/2022 | NIL |
| | | | Interest | On Demand | Interest@12 P.A. | 14/04/2022 | NIL |
| 9 | Preety Mistry | Relative of Director | Interest | On Demand | Interest@12 P.A. | 14/04/2022 | NIL |
| | | | Interest | On Demand | Interest@12 P.A. | 14/04/2022 | NIL |
| 10 | Jacob Foods Pvt Ltd | Common Director | Purchase | Annually | At prevailing market rate | 14/04/2022 | NIL |
| | | | Sales | | | | |
| 11 | Susan Aqua Pvt Ltd. | Common Director | Interest on Unsecured Loan | On Demand | Interest@12 P.A. | 14/04/2022 | NIL |
| | | | Sales | Annually | At prevailing market rate | 14/04/2022 | NIL |
| | | | Purchase | Annually | At prevailing market rate | 14/04/2022 | NIL |
| 12 | Manju Aqua Farm | Director is prop | Purchase | Annually | At prevailing market rate | 14/04/2022 | NIL |
| | | Sale | | | | | |
| 13 | Navik Aqua Pvt Ltd | Common Director | Purchase | Annually | At prevailing market rate | 14/04/2022 | NIL |
| | | | Sale | | | | |
| 14 | Mahesh Aqua farm Pvt Ltd. | Associate concern | Purchase | Annually | At prevailing market rate | 14/04/2022 | NIL |
| | | | Sale | Annually | At prevailing market rate | 14/04/2022 | NIL |
| 15 | Agni Aqua Farm | Associate concern | Contract Farming Charges | Annually | At prevailing market rate | 14/04/2022 | NIL |
| 16 | Akash Aqua Farm | Associate concern | Contract Farming Charges | Annually | At prevailing market rate | 14/04/2022 | NIL |
| | | | Purchase | Annually | At prevailing market rate | 14/04/2022 | NIL |
| 17 | Dhaval Aqua farm | Associate concern | Contract Farming Charges | Annually | At prevailing market rate | 14/04/2022 | NIL |
| 18 | Jal Aqua Farm | Associate concern | Contract Farming Charges | Annually | At prevailing market rate | 14/04/2022 | NIL |
| 19 | Pruthvi Aqua Farm | Associate concern | Contract Farming Charges | Annually | At prevailing market rate | 14/04/2022 | NIL |
| 20 | Dinkar Aqua Farm | Associate concern | Contract Farming Charges | Annually | At prevailing market rate | 14/04/2022 | NIL |
| 21 | Divya Aqua Farm | Associate concern | Contract Farming Charges | Annually | At prevailing market rate | 14/04/2022 | NIL |
| | | | Sale | Annually | At prevailing market rate | 14/04/2022 | NIL |
| 22 | Darshan Aqua Farm | Associate concern | Contract Farming Charges | Annually | At prevailing market rate | 14/04/2022 | NIL |

| | | | | | | | |
|----|-------------------------|----------------------|----------------------------|-----------|---------------------------|------------|-----|
| 23 | Preety Aqua | Associate concern | Contract Farming Charges | Annually | At prevailing market rate | 14/04/2022 | NIL |
| 24 | Dilip Aqua Farm | Associate concern | Contract Farming Charges | Annually | At prevailing market rate | 14/04/2022 | NIL |
| 25 | Kimi Aqua | Associate concern | Contract Farming Charges | Annually | At prevailing market rate | 14/04/2022 | NIL |
| 26 | Vayu Aqua Farm | Associate concern | Contract Farming Charges | Annually | At prevailing market rate | 14/04/2022 | NIL |
| 27 | Tapi Aqua Farm | Associate concern | Contract Farming Charges | Annually | At prevailing market rate | 14/04/2022 | NIL |
| 28 | Dhaval Aqua Engineering | Associate concern | Purchase | Annually | At prevailing market rate | 14/04/2022 | NIL |
| 29 | Bharat Ratilal Navik | Relative of Director | Interest on Unsecured Loan | On Demand | Interest@12 P.A. | 14/04/2022 | NIL |
| 30 | Rashmi Patel | Relative of Director | Interest on Unsecured Loan | On Demand | Interest@12 P.A. | 14/04/2022 | NIL |
| 31 | Agave Tradecom LLP | Associate concern | Interest on Unsecured Loan | On Demand | Interest@12 P.A. | 14/04/2022 | NIL |
| 32 | Lilavati Ratilal Navik | Relative of Director | Interest on Unsecured Loan | On Demand | Interest@12 P.A. | 14/04/2022 | NIL |
| 33 | BhanumatiRatilal Navik | Relative of Director | Interest on Unsecured Loan | On Demand | Interest@12 P.A. | 14/04/2022 | NIL |

| | | | | | | | |
|----|---------------------|-------------------|----------|----------|---------------------------|------------|-----|
| 34 | Jayan Patel | CFO | Salary | Annually | Rs. 4,03,190 | 14/04/2022 | NIL |
| 35 | Priyanka Jain | CS | Salary | Annually | Rs. 2,19,116 | 14/04/2022 | NIL |
| 36 | Rati Aqua Pvt Ltd | Common Director | Purchase | Annually | At prevailing market rate | 14/04/2022 | NIL |
| | | | Sale | Annually | At prevailing market rate | 14/04/2022 | NIL |
| 37 | Rohan Aqua Farm | Associate Concern | Purchase | Annually | At prevailing market rate | 14/04/2022 | NIL |
| | | | Sale | Annually | At prevailing market rate | 14/04/2022 | NIL |
| 38 | Fresh Aqua Farm | Associate Concern | Purchase | Annually | At prevailing market rate | 14/04/2022 | NIL |
| | | | Sale | Annually | At prevailing market rate | 14/04/2022 | NIL |
| 39 | Krishiana Foods LLP | Associate Concern | Purchase | Annually | At prevailing market rate | 14/04/2022 | NIL |
| | | | Sale | Annually | At prevailing market rate | 14/04/2022 | NIL |
| 40 | R R Aqua | Associate Concern | Purchase | Annually | At prevailing market rate | 14/04/2022 | NIL |
| | | | Sale | Annually | At prevailing market rate | 14/04/2022 | NIL |

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

**Sd/-
SHANTILAL ISHWARLAL PATEL
MANAGING DIRECTOR
DIN: 01362109**

**Sd/-
PRADIPKUMAR RATILAL NAVIK
WHOLETIME DIRECTOR
DIN:01067716**

**DATE: 17.08.2023
PLACE: SURAT**

“Annexure 5”

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31.03.2023

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

To,
The Members,
Zeal Aqua Limited
(CIN: L05004GJ2009PLC056270)
At Block No. 347 Vill. Orma,
Ta: Olpad, Surat-394540, Guj, India.

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

Based on my/our verification on test check basis of the **M/s. Zeal Aqua Limited**, books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on **31st March, 2023** 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, 2023** according to the provisions of:

1. The Companies Act, 2013 (the Act) and the rules made there under;
2. The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made there under;
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
4. 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;
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’) to the extent applicable during the year: -
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

- b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **the regulation is not applicable during the Financial Year 2022-23**
 - d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **the regulation is not applicable during the Financial Year 2022-23**
 - e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; **the regulation is not applicable during the Financial Year 2022-23**
 - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - g) The Securities and Exchange Board of India (Delisting of Equity Shares) (Amendment) Regulations, 2016; **the regulation is not applicable during the Financial Year 2022-23** and
 - h) The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018;**the regulation is not applicable during the Financial Year 2022-23**
6. Other Laws Specifically Applicable to Company:
- a) Income Tax Act, 1961
 - b) Goods & Service Tax and other Indirect Taxes
 - c) Labour Laws

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

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

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

- **The company filed Annual Secretarial Compliance Report for the year 2021-22 on 30.05.2022 without mentioned UDIN and filed revised report after due date on 01/06/2022.**

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

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

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

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

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

I/we further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

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

Date: 17.08.2023

Place: Surat

Sd/-

Name of PCS: Ranjit Binod Kejriwal

FCS No.: 6116

C P No.: 5985

UDIN: F006116E000815100

PR: 12004GJ424500

This report is to be read with our letter dated 17th August,2023 which is annexed and forms an integral part of this report.

To,
The Members,
Zeal Aqua Limited
(CIN: L05004GJ2009PLC056270)
At Block No. 347 Vill. Orma,
Ta: Olpad, Surat-394540, Guj, India.

Our Secretarial Audit report dated 17th August, 2023 is to be read along with this letter.

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

Date: 17.08.2023
Place: Surat

Sd/-
Name of PCS: Ranjit Binod Kejriwal
FCS No.: 6116
C P No.: 5985
UDIN: F006116E000815100
PR: 12004GJ424500

“ANNEXURE 6”

“MANAGEMENT’S DISCUSSION AND ANALYSIS”

Caveat

This section of Annual Report has been included in adherence to the spirit enunciated in the code of Corporate Governance approved by the Securities and Exchange Board of India. Though, utmost care has been taken to ensure that the opinions expressed by the Management herein contain its perceptions on most of the important trends having a material impact on the Company’s operations, no representation is made that the following presents an exhaustive coverage on and of all issues related to the same. Further, the discussion following herein reflects the perceptions on major issues as on date and the opinions expressed here are subject to change without notice. The Company undertakes no obligation to publicly update or revise any of the opinions or statements expressed in this report, consequent to new information, future event, or otherwise. This report should be read in conjunction with the financial statements included and the notes attached.

1. Industry Structure & Development:

Overview of Current Trends:

Shrimp are invertebrate marine animal having an elongated body that is often used as a food product. This is considered a nutritious since it includes proteins, selenium, vitamins, phosphorous, magnesium, copper, iron, and vitamin B12. Many of the health benefits associated with shrimp consumption are weight loss, age management, better bone strength, reduced menstrual pain, and the prevention of cardiovascular diseases.

Shrimp is considered one of the most commonly consumed seafood. In recent years, it gets popular among seafood lovers. Shrimp belong to the family Malacostraca, available in freshwater lakes and streams and deep and shallow waters. It is an invertebrate marine animal with a flattened and elongated body with long legs and antennae. Shrimps are a rich source of phosphorus, antioxidants, proteins, selenium, copper, iron, magnesium, omega-3 fatty acids, vitamin B and D. It is also preferred for losing weight, relieving eye fatigue, lowering blood pressure, improving bone and brain health, and minimizing the chances of developing cardiovascular diseases. The global aquaculture market grew from \$37.66 billion in 2022 to \$41.45 billion in 2023 at a compound annual growth rate (CAGR) of 10.0%. The Russia-Ukraine war disrupted the chances of global economic recovery from the COVID-19 pandemic, at least in the short term. The war between these two countries has led to economic sanctions on multiple countries, a surge in commodity prices, and supply chain disruptions, causing inflation across goods and services and affecting many markets across the globe. The aquaculture market is expected to grow to \$56.86 billion in 2027 at a CAGR of 8.2%.

The rising demand for seafood is expected to propel the growth of the aquaculture market going forward. Seafood refers to edible aquatic animals, including both freshwater and ocean creatures, such as lobsters, mussels, crabs, and sometimes other sea creatures. The rise in demand for seafood helps to increase the prominence of aquaculture in total fish supply. For instance, according to the Organization for Economic Cooperation and Development (OECD), a France-based intergovernmental economic organization, 90% of the fish produced will be consumed by humans, with consumption anticipated to increase by 16.3% by 2029. Therefore, the rising demand for seafood will drive the growth of the aquaculture market.

(Source: https://www.researchandmarkets.com/reports/5766638/aquaculture-global-market-report#:~:text=The%20global%20aquaculture%20market%20grew,least%20in%20the%20short%20term.)) <https://www.expertmarketresearch.com/reports/india-shrimp-market>

<https://www.marketresearch.com/Rehub-Research-v3619/Global-Shrimp-Production-Export-Import-14515533/>

Global Scenario:

The global aquaculture market grew from \$37.66 billion in 2022 to \$41.45 billion in 2023 at a compound annual growth rate (CAGR) of 10.0%. The growth rate of the Global Aquaculture Market is 8.2%, with an estimated value of \$56.86 billion by 2027. The Global Aquaculture Market is estimated to be worth \$56.86 billion by 2027.

The aquaculture market size is estimated to grow at a CAGR of 4.43% between 2022 and 2027. The market size is forecast to increase by USD 56.93 billion. The growth of the market depends on several factors, including rising awareness of aquaculture products, the popularity of polyculture farm methodology, and the increased presence of better aquaculture strains from different farming methods.

This aquaculture market report extensively covers market segmentation by type (fresh water aquaculture, marine water aquaculture, and brackish water aquaculture), culture (net pen culture, floating cage culture, pond culture, and rice field culture), and geography (APAC, North America, Europe, South America, and Middle East and Africa). It also includes an in-depth analysis of drivers, trends, and challenges. Furthermore, the report includes historic market data from 2017 to 2021.

The increased preference for organic aquaculture is the key trend in the market. Consumers are becoming more health and environmentally conscious and willing to pay for sustainably produced seafood free of harmful chemicals. Organic aquaculture is a farming method that avoids the use of antibiotics, synthetic pesticides, and other harmful chemicals and instead relies on natural inputs such as organic feed, probiotics, and organic flake systems. The demand for organic aquaculture is also driven by growing concerns about the environmental impacts of traditional aquaculture, such as the use of antibiotics and chemical additives that can pollute waterways and damage marine ecosystems.

Organic aquaculture practices aim to minimize negative environmental impacts and promote the health and welfare of farmed fish. With these trends, people tend to pay more for seafood that is sustainably produced and free of harmful chemicals, the organic aquaculture market will outperform the conventional aquaculture market during the forecast period. All these factors will foster the growth of the aquaculture market during the forecast period.

(Source: <https://www.technavio.com/report/aquaculture-market-industry-analysis>)





Indian Scenario

The India aquaculture market size reached 12.4 Million Tons in 2022. Looking forward, IMARC Group expects the market to reach 19.9 Million Tons by 2028, exhibiting a growth rate (CAGR) of 8.1% during 2023-2028.

Aquaculture or aqua farming, refers to the production of aquatic organisms, such as freshwater fishes, crustaceans, mollusks, etc., under partially controlled conditions. Some of the common types of aquaculture include fish farming, shrimp farming, oyster farming, algaculture, mariculture, etc. Aquaculture also includes the production of ornamental fishes to support recreational and commercial fisheries. India is traditionally a freshwater aquaculture country with a historical record of fish farming in private and community ponds. The vast coastal area of India offers immense opportunities for aquaculture in both marine and inland waters.

In India, the growing consumption of fish, owing to numerous health benefits in enhancing digestion, improving skin health, boosting metabolism, etc., is primarily driving the aquaculture market. In line with this, the shifting consumer preferences from high-calorie meat products towards a protein-rich diet, including fish, shrimps, mollusks, etc., are also propelling the market growth. Additionally, the rising number of hatcheries, feed mills, and processing plants is further augmenting the aquaculture market in the country. Moreover, the Indian government is launching numerous initiatives, such as Pradhan Mantri Matsya Sampada Yojana, to establish a comprehensive framework and reduce infrastructural gaps in the fisheries sector. In line with this, the introduction of various awareness programs for educating fish farmers to enhance their production volume and yield quality is also bolstering the aquaculture market in India. Additionally, the escalating prevalence of numerous foodborne illnesses caused due to pathogens present in conventionally cultured fishes is further catalyzing the demand for organic variants. Apart from this, several key players are adopting innovative solutions for the domestication and in-house cultivation of ornamental fish species in artificial marine-like environments for recreational and commercial purposes. Moreover, the emergence of sustainable cultivation systems, which are aimed at not disrupting the ecosystem, protecting biodiversity, reducing pollution, etc., is expected to drive the India aquaculture market in the coming years.

Breakup by Environment:

- Farmed Shrimp
- Wild Shrimp

Breakup by Species:

- L. Vannamei
- Penaeus Monodon
- Scampi

Breakup by States:

Andhra Pradesh
West Bengal
Gujarat
Tamil Nadu
Orissa
Maharashtra
Karnataka
Kerala
Others

Breakup by Shrimp Size:

31-40
41-50
51-60
61-70
>70
Others

Breakup by End Use:

Hotels and Restaurants
Retail Shops
Hypermarkets and Supermarkets
Online Sales
Others

Breakup by End Form

Frozen
Fresh
Canned

India Inland Fish Industry: Breakup by Environment

Fresh Water
Brackish Water

Breakup by Species

Indian Major Carps
Exotic Carps
Pangasius
Clarias
Anabas
Rupchanda
Tilapia
Seabass
Others



(Source: <https://www.imarcgroup.com/india-aquaculture-market.>)

SWOT Analysis:

SWOT analysis is an informative tool for assessing the potential of aqua farming. It provides a complete picture of its potential strengths (S), weaknesses (W), opportunities (O), and threats (T). It helps in problem identification, planning, decision making, appropriate technology implementation, precautionary measures for accelerating fish production at sustainable level, etc. A SWOT analysis carried out with the participation of farmers in a community is summarized below:

- **Strengths:**

- Availability of diversified natural and man-made water resources in rural areas with potential for higher productivity, cost reduction/saving, multiple cropping/harvesting, risk reduction and reduced rate of degradation.
- Continuous accumulation of allochthonous organic matter from the village catchment area and from domestic drainage enriches water resources with nutrients for cost effective fish production.
- Availability of underutilized and/ or unutilized human resources, agricultural and livestock wastes and cheaper fish feed ingredients.
- Availability of region- and resource-specific technologies.
- Involvement of common interest groups with equal and joint responsibility lends strength to and facilitates better operation of aquaculture.

- **Weakness:**

- Poor organizational capacity among rural farmers due to preexisting personal disputes and lack of capable community leaders.
- Rural farmers lack infrastructure, ponds, material inputs, credit facilities, etc. for carrying out fish culture.
- Farmers are reluctant to participate in such schemes because of inequity in multi-ownership of the community ponds.
- Weak research-extension linkages, poor cooperation among operational agencies, low technical awareness among the community members, and a lack of commitment and understanding from farmers, etc.
- Dual leasing policy, short leasing period, increased leasing rates, multi-water rights for irrigation, bathing, drinking and other domestic purposes of the community ponds.
- Vandalism among the fisher folk and social stigma, poor training facilities at grassroots level, ambivalence towards the involvement of women in fish culture and poor marketing facilities in the region.



Opportunities:

- Increased aquatic productivity and contribution to economic efficiency, social equity and environmental sustainability.
- There will be equity in income, employment, food security, and poverty reduction, as well as participation and empowerment of rural farmers and rural women.
- Judicious utilization of available nutrient-rich village water resources, human resources and waste materials for multi-commodity production at one place.
- Easy implementation of carp seed production and rearing, composite fish culture, integrated fish farming, cage/pen fish culture, value addition and processing and marketing technologies through community approach.
- Landless and resource poor farmers have the opportunity to undertake fish culture in leased out ponds.
- Rural poor get equal chance in decision making, planning, implementation, harvesting and marketing, monitoring and evaluation, profit distribution and feedback.
- There is participatory learning by fish farmers irrespective of sex and age, and empowerment of the rural poor.
- Reduction in migration of fisherfolk to other parts of the country as wageworkers.

Threats:

- If aquaculture is not undertaken in unutilized and/or underutilized village water bodies, they will be infested with aquatic weeds providing breeding grounds for mosquitoes and may cause health hazards for the villagers.
- Entry of polluted water from agricultural surface-runoff, domestic drainage and industrial effluents is not only a major threat to the survival of aquatic organisms but also contributes to water deterioration and affects the sediment quality of community ponds.
- Introduction of indiscriminate fishing and illegal species.
- Weed infestation, poor water quality and disease outbreak in fish.
- Natural disasters such as floods, cyclones and droughts.
- Declining per capita fish catch and irregular income generation.
- Unemployment, food insecurity and labour migration in search of a means of livelihood.
- Reluctance to invest due to short leasing policy.
- Social conflict due to increased incomes from technology implementation

- Source: Aquaculture Section of the Network of Tropical Aquaculture and Fisheries Professionals (NTAFP) Report



2. Segment-wise or product-wise performance:

Your company has three business segment trading Shrimp medicines and feeds, Shrimp Farming and Shrimp processing during the financial year 2022-23. The company was engaged in Shrimp Farming with allied activities. The performances are reflected in the balance sheet.

3. Outlook:

Indian shrimp industry has a very good scope to reach great heights and emerge as a global leader. The company being global exporter is progressing in expanding its outreach globally. Moreover the company is also going ahead with project in year 22-23 to expand its growth in Local Domestic Market. Currently the company has tied its shoes tight to run on the path of LOCAL MARKET and ace it.

The company has also started to make its social presence in order to make everyone enjoy the export quality of seafood offered by the company.

4. Risk and Concerns:

Shrimp Farming like any other farming activity, is dependent on nature. Although all possible efforts are taken to mitigate the adverse effects of nature, but we do not have full control on it. Our product being a live product is also prone to various type of disease and so on. Seasonal production, low number of process house and perishable nature of product are always a matter of concern. The company's operations might be adversely impact due to incapacitation of sections of the global workforce due to exposure to the pandemic COVID 19, reduced productivity due to employee stress and impact on emotional well-being while under local lockdowns or quarantines, inability to provide work from home access to some employees due to logistical or security or contractual reasons. Demand for the company's product may be adversely affected not only in industry segments directly impacted by the pandemic – like hotels and hospitality, but across other segments as well due to a sharp slowing down of the world's major economies. This is likely to affect the company's earnings in the short and medium term.

5. 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.

6. Discussion On Financial Performance with Respect to Operational Performance

The Company's financial performance for the year ended on 31st March, 2023 is summarized below:

(Amt. in lacs)

| Financial Results and Appropriations | Year Ended | Year Ended |
|---|------------|------------|
| | 31.03.2023 | 31.03.2022 |
| Gross Income from Operations | 36268.737 | 34,522.31 |
| Other Income | 837.853 | 770.75 |
| Total Revenue | 37,106.590 | 35,293.07 |
| Profit Before Tax and Exceptional items | 817.922 | 718.81 |
| <u>Less:</u> | | |
| Exceptional items | - | - |
| Profit Before Tax (PBT) | 817.922 | 718.81 |
| <u>Less: Taxation</u> | 112.567 | 144.10 |
| Net Profit after Tax (PAT) | 705.355 | 574.71 |

During the year, your Company recorded **Total Revenue of 37,106.590 Lacs** in financial year 2022-23 as compared to total revenue of 35293.07 Lacs in financial year 2021-22 and **Profit before Tax stood at 817.922 Lacs** for the year 2022-23 as compared to Profit before tax of 718.81 Lacs in financial year 2021-22. **Profit after Tax stood at 705.355 Lacs** for the financial year 2022-23 as compared to Profit after Tax of 574.71 Lacs in financial year 2021-22.

7. Material Development in Human Resources

Your Company firmly believes that its human resources are the key enablers for the growth of the Company and important asset. Hence, the success of the Company is closely aligned to the goals of the human resources of the Company. Taking into this account, your Company continued to Invest in developing its human capital 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.

8. Details of Significant Changes In Key Financial Ratios

Interest Coverage Ratio

The company's Interest Coverage ratio of 1.509 during the current financial year (FY2023) which indicates that the Company has more than enough earnings to cover interest payments. This further indicates a sound financial health of the company.

Current Ratio

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

| In Lakhs (INR) | Current Assets | Current Liabilities | Current Ratio |
|----------------|----------------|---------------------|---------------|
| FY2021 | 22,269.44 | 18258.59 | 1.22 |
| FY2022 | 18,484.71 | 12,317.30 | 1.50 |
| FY2023 | 23,292.41 | 16,854.86 | 1.38 |

Debtors and Inventory Turnover Ratio:

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

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

| Year | Debtor Turnover Ratio (Sales/ Receivable) | Inventory Turnover Ratio (Sales/ Inventory) |
|--------|---|---|
| FY2021 | 3.27 | 2.48 |
| FY2022 | 4.91 | 2.87 |
| FY2023 | 6.28 | 2.68 |

Debt to Equity

The Debt Equity Ratio for the current financial year (FY 2023) is 1.93. The FY2023 Debt-to-Equity ratio of the company is indicating that it is gradually moving to a stable capital structure, and is able to maintain its ratio well below the Industry average.

Operating Profit Margin (%)

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

| In Lakhs (INR) | EBIT | Revenue from Operations | EBIT Margin |
|----------------|----------|-------------------------|-------------|
| FY2021 | 1810.500 | 29,747.422 | 6.09% |
| FY2022 | 1686.09 | 34,522.31 | 4.88% |
| FY2023 | 817.92 | 36,268.73 | 3.45% |

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

Net Profit Margin (%)

The company's FY2023 **Net Profit increased by 22.73%** as compared to the previous year, with satisfactory increase in the margin.

| In Lakhs (INR) | Net Profit | Revenue From Operations | Net Profit Margin |
|----------------|------------|-------------------------|-------------------|
| FY2021 | 424.96 | 29,747.42 | 1.43 % |
| FY2022 | 574.71 | 34,522.31 | 1.66% |
| FY2023 | 705.35 | 36,268.73 | 1.95% |

Return on Net Worth

The company has maintained positive Return on Equity since long years. During the year company has attained positive return on equity of 9.06% which shows that the company is efficient to utilize the capital and investments so as to maximize the shareholder's wealth.

| In Lakhs (INR) | PAT | NET WORTH | RETURN ON NET WORTH |
|----------------|---------|-----------|---------------------|
| FY2021 | 424.960 | 5755.37 | 7.38% |
| FY2022 | 574.714 | 6381.18 | 9.01% |
| FY2023 | 705.35 | 7074.93 | 9.97% |

By order of the Board of Directors
For Zeal Aqua Limited

Sd/-
SHANTILAL ISHWARLAL PATEL
MANAGING DIRECTOR
DIN: 01362109

Sd/-
PRADIPKUMAR RATILAL NAVIK
WHOLETEIME DIRECTOR
DIN:01067716

DATE: 17.08.2023
PLACE: SURAT

“ANNEXURE 7”

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

I, JAYAN RAJESHKUMAR PATEL, Chief Financial Officer of Zeal Aqua Limited, certify that:

- a) I have reviewed the financial statements and the Cash Flow Statement of M/s Zeal Aqua Limited for the year ended on 31st March 2023 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 violate of the Company’s code of conduct.
- c) I 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) I have indicated to the auditors and the Audit Committee:
- i. There has not been any significant change in internal control over financial reporting during the year under reference;
 - ii. There has not been any significant change in accounting policies during the year requiring disclosure in the notes to the financial statements; and
 - iii. We are not aware of any instance during the year of significant fraud with involvement therein of the management or any employee having a significant role in the company’s internal control system over financial reporting.

Date : 30.05.2023
Place : Surat

By order of the Board of Directors

For, Zeal Aqua Limited

**Sd/-
Jayan Rajeshkumar Patel
Chief Financial Officer**



“ANNEXURE 8”

THE ANNUAL REPORT ON CSR ACTIVITIES FOR F.Y. ENDED 31st MARCH, 2023

[Pursuant to Section 135 of the Act & Rules made thereunder]

Brief outline on CSR policy of the Company:

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

The CSR Committee so constituted formulated Policy on Corporate Social Responsibility (CSR Policy) as on 17.02.2017 and the Board of Directors of the Company ('Board') has approved the same as per recommendation of CSR Committee.

Composition of the CSR Committee:

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

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

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

4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable.: Not Applicable

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

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

| | | |
|---------|---|-------------------|
| 2019-20 | : | Rs. 6,04,11,082/- |
| 2020-21 | : | Rs. 5,03,95,249/- |
| 2021-22 | : | Rs. 7,18,81,451/- |

Average net profit for 3 years: Rs. 6,08,95,927/-

(a) Two percent of average net profit of the Company as per Section 135(5) i.e. for last three financial years: **Rs. 1217919/-**

(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: nil

c) Amount required to be set-off for the financial year, if any: nil

d) Total CSR obligation for the financial year (7a+7b- 7c): **Rs.1217919/-**

6. Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): Company spent on CSR Projects other than Ongoing Project and detail mentioned in Annexure-I

a) Amount spent in Administrative Overheads: NIL

b) Amount spent on Impact Assessment, if applicable: NIL

c) Total amount spent for the Financial Year (a+b+d+e): Rs. 12,65,418/-

d) CSR amount spent or unspent for the Financial Year:

| Total Amount Spent for the Financial Year (in Rs.) | Total Amount transferred to Unspent CSR Account as per Section 135(6) | | Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5) | | |
|--|---|------------------|---|-----|------------------|
| | Amount | Date of Transfer | Name of fund | Amt | Date of transfer |
| Rs. 12,65,418/- | -- | | | | |

f) Excess amount for set-off, if any

| | Particulars | Amount in Rs. |
|----------|---|----------------------|
| 1 | Two percent of average net profit of the Company as per Section 135(5) | Rs. 1217919 |
| 2 | Total amount spent for the Financial Year | Rs. 12,65,418/- |
| 3 | Excess amount spent for the financial year [(ii)-(i)] | 47,499 |
| 4 | Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any | NIL |
| 5 | Amount available for set-off in succeeding financial years [(iii)-(iv)] | 47,499 |

7. Details of Unspent CSR amount for the preceding three financial years: Not Applicable

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: No

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

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

**Sd/-
SHANTILAL ISHWARLAL PATEL
MANAGING DIRECTOR
DIN: 01362109**

**Sd/-
PRADIPKUMAR RATILAL NAVIK
WHOLETIME DIRECTOR
DIN:01067716**

**DATE: 17.08.2023
PLACE: SURAT**

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

| S r. N o | Name of the project | Item from the list of activities in Sch 7 of the Act | Local Area Yes/ No | Location of the Project | | Amount allocated for the project (in Rs.) | Amount spent in the current financial year | Amount transferred to unspent CSR account for the project as per Section 135 (6) | Mode of implementation – Direct (Yes/No) | Mode of implementation - through implementation agency | |
|-------------------|-------------------------------------|--|--------------------------|-------------------------|----------|---|--|--|--|--|---|
| | | | | STATE | DISTRICT | | | | | N A M E | C S R R E G N O . |
| 1 | Construction of Roads in rural area | (x)Rural Development Projects | YES | GUJARAT | SURAT | 1265418 | 1265000 | NIL | N O | DAN DI GRAM PAN CHA YAT | CSR0 0026 90 2 |

For Zeal Aqua Limited

Sd/
SHANTILAL ISHWARLAL PATEL
MANAGING DIRECTOR
DIN: 01362109

Sd/
PRADIPKUMAR RATILAL NAVIK
WHOLETIME DIRECTOR
DIN:01067716

DATE: 17.08.2023
PLACE: SURAT

“ANNEXURE 9”



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.

The Board oversees Company's processes for determining risk tolerance and review management's action and comparison of overall risk tolerance to established levels. The framework is designed to enable risks to be identified, assessed and mitigated appropriately. Major risks identified by the businesses and functions are systematically addressed through appropriate actions on a continuous basis.

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.

For Zeal Aqua Limited

Sd/-
SHANTILAL ISHWARLAL PATEL
MANAGING DIRECTOR
DIN: 01362109

Sd/-
PRADIPKUMAR RATILAL NAVIK
WHOLETIME DIRECTOR
DIN:01067716

DATE: 17.08.2023
PLACE: SURAT

“ANNEXURE-10”

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

All the Members of the Board of Directors of the Company and Senior Management Personnel have affirmed compliance with the Code of Conduct for the financial year ended 31st March, 2023 as applicable to them as laid down in Companies Act, 2013 with the code of conduct of Board members and senior management personnel.

For Zeal Aqua Limited

**Sd/-
SHANTILAL ISHWARLAL PATEL
MANAGING DIRECTOR
DIN: 01362109**

**DATE: 17.08.2023
PLACE: SURAT**



“ANNEXURE-11”

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To,
The Members,
Zeal Aqua Limited
(CIN: L05004GJ2009PLC056270)
At Block No. 347 Vill. Orma,
Ta: Olpad, Surat-394540, Guj, India.

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Zeal Aqua Limited having CIN: L05004GJ2009PLC056270 and having registered office at Block No. 347 Vill. Orma, Ta: Olpad, Surat-394540, Guj, India. (hereinafter referred to as ‘the Company’), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2023 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority

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

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

Sd/-

Date: 17.08.2023

Name of PCS: Ranjit Binod Kejriwal

Place: Surat

FCS No.: 6116

C P No.: 5985

UDIN: **F006116E000815311**

“ANNEXURE 12”

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

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

To
The Members of
Zeal Aqua Limited
(CIN: L05004GJ2009PLC056270)
At Block No. 347 Vill. Orma,
Ta: Olpad, Surat-394540, Guj, India.

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 2023 as stipulated in Regulation 17 to 27 of SEBI (Listing Obligation and Disclosure Requirements), Regulations 2015 of the said Company with BSE Limited.

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

In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the Directors and the Management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned SEBI (Listing Obligation and Disclosure Requirements), Regulations 2015.

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

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

For PARY AND CO
Chartered Accountants
FRN: 007288C

CA Akash Rajnikant Gaglani
Partner
M. No. 114255
UDIN: 23114255BGQUNT5828

DATE: 17.08.2023
PLACE: SURAT

Independent Auditor's Report

To,
The Members of
ZEAL AQUA LIMITED

Report on the Financial Statements

We have audited the accompanying standalone financial statements of the Zeal Aqua Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flow and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information (herein after referred to as "the Standalone Financial Statements").

Opinion:

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of the affairs of the Company as at 31st March, 2023, the profit and the other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion:

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

Key Audit Matters:

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

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

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

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

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

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

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

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

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting the frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures

responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management and Board of Directors.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to

communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

Report on Other Legal and Regulatory Requirements:

1. As required by the Companies (Auditors' Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, based on our audit we report that:
 - a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Statement of Cash Flow and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid Standalone financial statements comply with the Ind AS specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.
 - e) On the basis of written representations received from the directors as on 31st March, 2023 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2023, from being appointed as a director in terms of Section 164 (2) of the Act.

- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B".
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirement of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid/provided by the Company to its directors during the year is in accordance with the provisions of Section 197 of the Act.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanation given to us:
- I. The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements – Refer Note 32 to the standalone Ind AS financial statements;
 - II. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses; and
 - III. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - IV. a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - b) The management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in

other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c) Based on such audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has been caused us to believe that the representations under clause (a) and (b) above, contain any material misstatement.

- V. The Company has neither declared nor paid any dividend during the year.

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

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

**Place :- Surat,
Date :- 30th May, 2023
UDIN :- 23114255BGQUNA4656**

ZEAL AQUA LIMITED

“Annexure A” to Independent Auditors’ Report

Referred to in paragraph 1 under the heading ‘Report on Other Legal & Regulatory Requirement’ of our report of even date to the standalone Ind AS financial statements of the Company for the year ended March 31st, 2023:

We report that:

i). Property, Plant and Equipment:

The company has maintained proper records showing full particulars, including quantitative details and situation of its Property, Plant and Equipment;

The company has maintained proper records showing full particulars of intangible Assets;

As explained to us, Property, Plant and Equipment have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the Company.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, plant and equipment (including Right-of-use assets) or Intangible assets or both during the year.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

ii). Inventory:

As explained to us, inventories have been physically verified during the year by the management at reasonable intervals. No material discrepancy of 10% or more in the aggregate for each class of inventory were noticed on physical verification of stocks by the management as compared to book records.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned

working capital limits in excess of five crores in aggregate from banks during the year on the basis of security of current assets of the Company. The quarterly statements filed by the Company with such banks and financial institutions are not in agreement with the books of accounts of the Company and the details are as follows

| Quarter | Particulars | Amount as per books of account | Amount reported in the quarterly return/ statement | Amount of difference | Reason for discrepancy |
|---------|-----------------------|--------------------------------|--|----------------------|-------------------------|
| Jun-22 | Inventory | 13178.691 | 12748.109 | 430.582 | Please refer note below |
| Jun-22 | Trade Receivables | 9286.319 | 4744.488 | 4541.831 | |
| Jun-22 | Trade Payables | 8609.95 | 2148.297 | 6461.653 | |
| | Net Difference | 13855.06 | 15344.3 | -1489.24 | |
| Sep-22 | Inventory | 13769.858 | 13438.165 | 331.693 | |
| Sep-22 | Trade Receivables | 18653.901 | 7221.464 | 11432.437 | |
| Sep-22 | Trade Payables | 16834.314 | 3329.08 | 13505.234 | |
| | Net Difference | 15589.445 | 17330.549 | -1741.104 | |
| Dec-22 | Inventory | 14266.123 | 11955.251 | 2310.872 | |
| Dec-22 | Trade Receivables | 12404.091 | 16468.264 | -4064.173 | |
| Dec-22 | Trade Payables | 12727.741 | 10091.32 | 2636.421 | |
| | Net Difference | 13942.473 | 18332.195 | -4389.722 | |
| Mar-23 | Inventory | 14943.408 | 12557.031 | 2386.377 | |
| Mar-23 | Trade Receivables | 6588.722 | 10184.766 | -3596.044 | |
| Mar-23 | Trade Payables | 6168.529 | 8654.797 | -2486.268 | |
| | Net Difference | 15363.601 | 14087.000 | 1276.601 | |

Note -Reason for differences:

The differences in inventories and trade receivables are majorly on account of goods in transit where the goods have been physically dispatched from the Company location however, the same has not been considered as revenue from the purpose of revenue recognition principles and hence reversed from books of accounts for respective quarter ends.

Similarly, goods in transit for goods which have not reached respective Company locations are not considered however, considered as purchases as per accounting principles. This has lead to offsetting differences between Inventory, trade receivables and trade payable balances.

The management, basis their understanding with banks, submits stock statement of physical stock as available at respective locations at the period end. Accordingly

adjustment for goods in transit (inward and outward) is not considered for the purpose of filing returns with banks.

There are other differences on account of regrouping and reclassification of trade receivable and trade payable balances including adjustment of advances received / given from / to customers / vendors being carried out in the books of accounts post submission of returns with the banks.

iii). Loans, Guarantee and Advances given:

According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any investments, provided guarantee or security or granted any advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties during the year.

The Company has not granted any loans, secured or unsecured, to firms, limited liability partnerships or any other parties during the year.

A. Based on the audit procedures carried on by us and as per the information and explanations given to us, the Company has not granted any loans to subsidiaries, joint ventures and associates during the year.

B. Based on the audit procedures carried on by us and as per the information and explanations given to us, the Company has not granted loans to any other party during the year.

iv). Loans, Guarantee and Advances to Director of Company:

During the year the company has not provided any loans, guarantees, advances and securities to the director of the company and the company is compliant provisions of section 185 and 186 of the Companies Act, 2013.

v). Deposits:

The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.

vi). Maintenance of costing records:

As per information & explanation given by the management, maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013.

vii). Deposit of statutory liabilities:

According to the records of the company, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Goods and Service Tax, Sales-tax, Service Tax, Custom Duty, Excise Duty, Value Added Tax, Cess and any other Statutory Dues to the extent applicable, have generally been regularly deposited with the appropriate authorities. According to the information and explanations given to us there were no outstanding statutory dues as on 31st March,2023 for a period of more than six months from the date they became payable.

According to the information and explanations given to us, there is no amount payable in respect of Income-tax, Goods and Service Tax, Sales-tax, Service Tax, Custom Duty, Excise Duty, Value Added Tax, Cess whichever applicable, which have not been deposited on account of any disputes.

| Sr. No. | Name of the Statute | Nature of dues | Amount involved | Period to which amount relates | Forum where the dispute is pending |
|---------|----------------------|-------------------|-----------------|--------------------------------|-------------------------------------|
| 1 | Income Tax Act, 1961 | Income Tax Demand | 6025450 | 2021-22 | Commissioner Appeals, Income Tax |
| 2 | Income Tax Act, 1961 | Income Tax Demand | 14556220 | 2019-20 | 154 rectification application filed |
| 3 | Income Tax Act, 1961 | Income Tax Demand | 176040 | 2014-15 | Reflecting on Income Tax Website |

viii). Surrendered or disclosed as income in the tax assessments:

According to the information and explanations given to us and on the basis of our examination of the records of the Company, does not have any transactions to be recorded in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

ix). Default in repayment of borrowings:

According to the information and explanations given to us and on the basis of our examination of the records of the Company during the year;

- a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.

- b) The company is not a declared wilful defaulter by any bank or financial institution or other lender.
- c) The Company has applied all the term loans for the purpose for which they were obtained.
- d) The Company has not utilised funds raised on short term basis for long term purpose.
- e) The company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- f) The company has not raised loans on the pledge of securities held in its subsidiaries, joint ventures or associate companies.

x). Funds raised and utilisation:

Based on our audit procedures and according to the information given by the management, the company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. In our opinion and according to the information and explanation given to us, money raised by way of Term Loans have been applied by the Company during the year for the purpose for which they were raised, other than temporary deployment pending application of proceeds.

The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.

xi). Fraud and whistle-blower complaints:

According to the information and explanations given to us, we report that no fraud by the company or any fraud on the Company by its officers or employees has been noticed or reported during the year.

We have not filed any report under sub-section (12) of section 143 of the Companies Act in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

Company has not received any whistle-blower complaints during the year.

xii). Nidhi Company:

The company is not a Nidhi Company. Therefore, clause (xii) of the order is not applicable to the company.

xiii). Related Party Transactions:

According to the information and explanations given to us, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 wherever applicable and the details have been disclosed in the Financial Statements etc. as required by the applicable accounting standards.

xiv). Internal Audit:

The company have an internal audit system commensurate with the size and nature of its business. Reports of the Internal Auditors for the period under audit were considered by the statutory auditor.

xv). Non Cash Transactions:

The company has not entered into non-cash transactions with directors or persons connected with him.

xvi). Registration under RBI act:

- a) The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.
- b) The company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
- c) The company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.
- d) The Group is not CIC and has no CIC as part of the Group.

xvii). Cash Losses:

The company has not incurred cash losses in the financial year and in the immediately preceding financial year.

xviii). Resignation of Statutory Auditors:

There has been no instance of any resignation of the statutory auditors occurred during the year.

xix). Material uncertainty on meeting liabilities:

No material uncertainty exists as on the date of the audit report that company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of 1 year from the balance sheet date

xx). Transfer to fund specified under Schedule VII of Companies Act, 2013

In respect of other than ongoing projects, the company has not transferred unspent amount to a Fund specified in Schedule VII to the Companies Act within a period of six months of the expiry of the financial year in compliance with second proviso to sub-section (5) of section 135 of the said Act;

xxi). This clause is not applicable to the company.

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

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

**Place :- Surat,
Date :- 30th May, 2023**

ZEAL AQUA LIMITED

“ANNEXURE B” TO INDEPENDENT AUDITORS’ REPORT

(referred to in paragraph f) under ‘report on other Legal and regulatory requirements’ section of our report of even date)

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

We have audited the internal financial controls over financial reporting of the Zeal Aqua Limited (“the Company”) as of March 31, 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

Auditors’ Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, 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
[Membership No 114255]**

**Place :- Surat,
Date :- 30th May, 2023**

ZEAL AQUA LIMITED

CIN : - L05004GJ2009PLC056270

BALANCE SHEET AS AT 31 MARCH 2023

| | PARTICULARS | NOTE NO | As at 31/03/2023 | | As at 31/03/2022 | |
|-----------|---|---------|------------------|-------------------|------------------|-------------------|
| | | | ` In Lakhs | ` In Lakhs | ` In Lakhs | ` In Lakhs |
| I | ASSETS | | | | | |
| 1 | Non Current Assets | | | | | |
| | (a) Property, Plant & Equipment | 1 | 3,426.822 | | 3,732.246 | |
| | (b) Capital Work in Progress | 1 | - | | - | |
| | (c) Investment Property | | | | | |
| | (d) Goodwill | | | | | |
| | (e) Other Intangible Assets | | | | | |
| | Intangible assets under | | | | | |
| | (f) development | | | | | |
| | Biological Assets other than bearer | | | | | |
| | (g) plants | | | | | |
| | (h) Financial Assets | | | | | |
| | (i) Investments | 2 | 10.093 | | 10.093 | |
| | (ii) Trade Receivables | | | | | |
| | (iii) Others | 3 | 131.632 | | 139.398 | |
| | (i) Deferred Tax Assets | 4 | 123.955 | 3,692.502 | 111.522 | 3,993.258 |
| | (j) Other non-current assets | | | | | |
| 2 | Current Assets | | | | | |
| | (a) Inventories | 5 | 14,943.408 | | 12,071.970 | |
| | (b) Financial Assets | | | | | |
| | (i) Investments | | - | | - | |
| | (ii) Trade Receivables | 6 | 6,588.722 | | 4,966.146 | |
| | (iii) Cash and Cash Equivalents | 7 | 100.251 | | 123.414 | |
| | (iv) Bank balances other than (iii) above | | - | | - | |
| | (iv) Loans and Advances | 8 | 806.202 | | 683.841 | |
| | (v) Others | 9 | 29.960 | | 28.573 | |
| | (c) Current Tax Assets (Net) | 10 | - | | - | |
| | (d) Other Current Assets | 11 | 823.868 | 23,292.411 | 610.775 | 18,484.719 |
| | TOTAL ASSETS | | | 26,984.913 | | 22,477.977 |
| II | EQUITY AND LIABILITIES | | | | | |
| 1 | Equity | | | | | |
| | (a) Equity Share Capital | SOCE | 1,260.660 | | 1,260.660 | |
| | (b) Other Equity | SOCE | 5,814.265 | 7,074.925 | 5,120.520 | 6,381.180 |
| 2 | LIABILITIES | | | | | |
| | 1.Non Current Liabilities | | | | | |
| | (a) Financial Liabilities | | | | | |

| | | | | | |
|--|----|------------|-------------------|-----------|-------------------|
| (i) Borrowings | 12 | 3,026.459 | | 3,758.898 | |
| (ia) Lease Liabilities | | | | | |
| (ii) Trade Payables | | - | | - | |
| (A) total outstanding dues of micro enterprises and small enterprises; and | | | | | |
| (B) total outstanding dues of creditors other than micro enterprises and small enterprises | | | | | |
| (iii) Other Financial Liabilities | | - | | - | |
| (b) Provisions | | | | | |
| (c) Deferred Tax Liabilities (Net) | | - | | - | |
| (d) Other Non Current Liabilities | 13 | 28.674 | 3,055.123 | 20.590 | 3,779.488 |
| 3 Current Liabilities | | | | | |
| (a) Financial Liabilities | | | | | |
| (i) Borrowings | 14 | 10,619.023 | | 8,924.646 | |
| (ia) Lease Liabilities | | | | | |
| (ii) Trade Payables | | | | | |
| (A) total outstanding dues of micro enterprises and small enterprises; and | | | | | |
| (B) total outstanding dues of creditors other than micro enterprises and small enterprises | | | | | |
| (iv) Other financial liabilities | 15 | 6,168.530 | | 3,305.716 | |
| (b) Provisions | 16 | 6.905 | | 57.936 | |
| (c) Other current Liabilities | 17 | 15.407 | | 0.808 | |
| (d) Current Tax Liabilities (Net) | 18 | 45.000 | 16,854.865 | 28.203 | 12,317.309 |
| TOTAL EQUITY AND LIABILITIES | | | 26,984.913 | | 22,477.977 |

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

For **ZEAL AQUA LIMITED**

Sd/-
SHANTILAL PATEL
MANAGING DIRECTOR
DIN:- 01362109
Date : 30/05/2023
Place : Surat

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

Sd/-
JAYAN PATEL
C.F.O.

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

CIN : - L05004GJ2009PLC056270

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2023

| | PARTICULARS | NOTE NO | As at 31/03/2023 | As at 31/03/2022 |
|-----------|---|---------|-------------------|-------------------|
| | | | . In Lakhs | . In Lakhs |
| 1 | Revenue | | | |
| | (a) Revenue from operations | 19 | 36,268.737 | 34,522.315 |
| | (b) Other income | 20 | 837.853 | 770.759 |
| | Total income | | 37,106.590 | 35,293.074 |
| 2 | Expenses | | | |
| | (a) Cost of materials consumed and Purchase Stock In Trade | 21 | 33,087.752 | 29,655.007 |
| | (b) Changes in inventories of finished goods, work-in-progress and stock-in-trade | 22 | -2,877.950 | -748.706 |
| | (c) Employee benefit expense | 23 | 762.735 | 649.418 |
| | (d) Finance costs | 24 | 1,383.080 | 1,037.907 |
| | (e) Depreciation and Amortisation Expense | 25 | 533.377 | 570.675 |
| | (f) Other Expenses | 26 | 3,399.674 | 3,409.959 |
| | Total expenses | | 36,288.668 | 34,574.260 |
| 3 | Total profit before exceptional items and tax | | 817.922 | 718.815 |
| 4 | Exceptional items | | - | - |
| 5 | Total profit before tax | | 817.922 | 718.815 |
| 6 | Tax expense | | | |
| | (a) Current tax | 18 | 125.000 | 127.982 |
| | (b) Deferred tax | | -12.433 | 16.119 |
| 7 | Total profit (loss) for period after Tax | | 705.355 | 574.714 |
| 8 | Other comprehensive income | | | |
| | (a) Items that will not be reclassified to the Profit or Loss | OCI | - | - |
| | (b) Income tax relating to Items that will not be reclassified to Profit or Loss | | - | - |
| | Total Other comprehensive income | | - | - |
| 9 | Total Comprehensive Income for the period | | 705.355 | 574.714 |
| 10 | Earnings per equity share | | | |
| | (a) Basic earnings (loss) per share from continuing and discontinued operations | | 0.560 | 0.456 |
| | (b) Diluted earnings (loss) per share from continuing and discontinued operations | | 0.560 | 0.456 |

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

For ZEAL AQUA LIMITED

Sd/-
SHANTILAL PATEL
MANAGING DIRECTOR
DIN:- 01362109
 Date : 30/05/2023
 Place : Surat

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

Sd/-
JAYAN PATEL
C.F.O.

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

FOR PARY AND CO.
CHARTERED ACCOUNTANTS
FRN : 007288C

ZEAL AQUA LIMITED

CIN : - L05004GJ2009PLC056270

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2023

| PARTICULARS | As at 31st March, 2023 | | As at 31st March, 2022 | |
|--|------------------------|------------|------------------------|------------|
| | . In Lakhs | . In Lakhs | . In Lakhs | . In Lakhs |
| [1] Cash Flow From Operating Activities | | | | |
| Profit before Tax as per Profit & Loss Account | | 817.922 | | 718.815 |
| Adjustments for: | | | | |
| Add : Expenses/ (Incomes) Not Requiring Cash : | | | | |
| Depreciation and Amortisation of Preliminary and Pre Ope. Expenses | 533.377 | | 570.675 | |
| Unrealised Foreign Exchange (Gain)/Loss | -3.723 | | -108.218 | |
| Interest income | -46.765 | | -18.171 | |
| Current portion of Provision for Gratuity | 8.753 | | - | |
| Finance Cost | 1,383.080 | 1,874.722 | 1,037.907 | 1,482.193 |
| Cash Flow From Operations Before Changes in Working Capital | | 2,692.644 | | 2,201.008 |
| (Increase)/Decrease in Current Assets: | | | | |
| Inventories | -2,871.438 | | -79.249 | |
| Trade Receivables [after Adjusting Foreign Exchange Gain/ Loss] | -1,622.576 | | 4,118.426 | |
| Other Current Assets | -214.480 | | -532.742 | |
| Short-Term Loans and Advances | -122.361 | -4,830.855 | -101.114 | 3,405.321 |
| Increase/(Decrease) in Current Liabilities: | | | | |
| Current Borrowings | | | | |
| Trade Payables | 2,862.813 | | -5,407.982 | |
| Short-Term Provisions | -51.031 | | -33.923 | |
| Other Current Liabilities | 1,725.771 | 4,537.553 | -540.499 | -5,982.404 |
| Short-Term Provisions | | | | |
| Cash Flow From Operations after Changes in Working Capital | | 2,399.342 | | -376.075 |
| Other Ajustments | | | | |
| Income tax Paid | -152.834 | | -83.126 | |
| Adjustment due to OCI | - | -152.834 | - | -83.126 |
| Net Cash Generated From Operating activities | (A) | 2,246.508 | (A) | -459.201 |
| [2] Cash Flows from Investing Activities | | | | |
| Unrealised Foreign Exchange (Gain)/Loss | 3.723 | | 108.218 | |
| Interest Income on Fixed Deposit | 46.765 | | 18.171 | |
| Purchase of Fixed Assets and Capital Wrok In Progress | -220.490 | -170.002 | -278.043 | -151.654 |
| Net Cash Generated From Investing activities | (B) | -170.0020 | (B) | -151.6535 |
| [3] Cash Flow From Financing activities | | | | |
| Proceeds from/(Repayment of) non current borrowing | -732.439 | | 1,263.718 | |
| Long Term loans and advances/Deposits Given | 7.766 | | 4.644 | |
| Other Non Current Liabilities | 8.084 | | 1.000 | |
| Finance Cost [Including Interest paid] | -1,383.080 | -2,099.669 | -1,037.907 | 231.455 |
| Net Cash Generated From Financing activities | (C) | -2,099.669 | (C) | 231.455 |
| [4] Net Increase/(Decrease in cash) | (A+B+C) | -23.163 | (A+B+C) | -379.399 |
| Cash and Cash Equivalents at the beginning of the year | | 123.414 | | 502.812 |
| [5] Cash and Cash Equivalents at the end of the year | | 100.251 | | 123.414 |
| Components of the Cash and Cash Equivalents: | | | | |
| Cash on Hand | 15.770 | | 0.717 | |
| With Banks - in form of current accounts | 84.481 | | 122.697 | |
| With Banks - in form of demand deposits | - | 100.251 | - | 123.414 |

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

For ZEAL AQUA LIMITED

Sd/-
SHANTILAL PATEL
MANAGING DIRECTOR
DIN:- 01362109

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

Sd/-
JAYAN PATEL
C.F.O.

Date : 30/05/2023
Place : Surat

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

A EQUITY SHARE CAPITAL

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

| Particulars | Unit I | | Unit II | | No. | In Lakhs |
|-------------------------------------|--------------|---------------|--------------|---------------|----------------|---------------|
| | No. | In Lakhs | No. | In Lakhs | | |
| As at 1 April 2017 | 3,067,200.00 | 30,672,000.00 | 1,135,000.00 | 11,350,000.00 | 4,202,200.00 | 42,022,000.00 |
| Increase/(Decrease) during the year | - | - | - | - | - | - |
| As at 31 March 2018 | 3,067,200.00 | 30,672,000.00 | 1,135,000.00 | 11,350,000.00 | 4,202,200.00 | 42,022,000.00 |
| Increase/(Decrease) during the year | 6,134,400.00 | 61,344,000.00 | 2,270,000.00 | 22,700,000.00 | 8,404,400.00 | 84,044,000.00 |
| As at 31 March 2020 | 9,201,600.00 | 920.16 | 3,405,000.00 | 340.50 | 12,606,600.00 | 1,260.660 |
| Increase/(Decrease) during the year | - | - | - | - | - | - |
| As at 31 March 2021 | 9,201,600.00 | 920.16 | 3,405,000.00 | 340.50 | 12,606,600.00 | 1,260.660 |
| Increase/(Decrease) during the year | - | - | - | - | 113,459,400.00 | - |
| As at 31 March 2022 | 9,201,600.00 | 920.16 | 3,405,000.00 | 340.50 | 126,066,000.00 | 1,260.660 |
| Increase/(Decrease) during the year | - | - | - | - | - | - |
| As at 31 March 2022 | 9,201,600.00 | 920.16 | 3,405,000.00 | 340.50 | 126,066,000.00 | 1,260.660 |

B OTHER EQUITY

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

In Lakhs

| Particulars | Reserves and Surplus | | | | | |
|--------------------------------------|----------------------|----------------|------------------|---------------|--------------------|------------------|
| | Securities Premium | | Surplus in P & L | | Securities Premium | Surplus in P & L |
| | Unit-1 | Unit-2 | Unit-1 | Unit-2 | | |
| Balance as at 1 April, 2017 | 70,850,000.00 | 136,200,000.00 | 118,413,792.00 | - | 207,050,000.00 | 118,413,792.00 |
| Deferred Tax Provision (Additional) | - | - | 541,197.00 | -104,828.00 | - | 436,369.00 |
| Adjusted Balance as at 1 April, 2017 | 70,850,000.00 | 136,200,000.00 | 118,954,989.00 | -104,828.00 | 207,050,000.00 | 118,850,161.00 |
| Profit for the Year 2017-18 | - | - | 39,077,793.80 | 624,727.07 | - | 39,702,520.86 |
| Balance as at 31 March, 2018 | 70,850,000.00 | 136,200,000.00 | 158,032,782.80 | 368,118.07 | 207,050,000.00 | 158,400,900.86 |
| Profit for the Year 2018-19 | - | - | 42,415,277.51 | 25,400,935.93 | - | 67,816,213.44 |
| Bonus Share Issued | -61,344,000.00 | -22,700,000.00 | - | - | -84,044,000.00 | - |
| Balance as at 31 March, 2020 | 95.06 | 1,135.00 | 2,159.00 | 638.00 | 1,230.060 | 2,896.894 |
| Profit for the Year 2020-21 | - | - | -3,067.591 | -5.401 | - | 418.852 |
| Bonus Share Issued | - | - | - | - | - | - |
| Balance as at 31 March, 2021 | 95.06 | 1,135.00 | -909.00 | 633.00 | 1,230.060 | 3,315.746 |
| Profit for the Year 2021-22 | - | - | -10,887.60 | 11,462.31 | - | 574.714 |
| Bonus Share Issued | - | - | - | - | - | - |
| Balance as at 31 March, 2022 | 95.06 | 1,135.00 | -11,796.60 | 12,095.31 | 1,230.060 | 3,890.460 |

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

For ZEAL AQUA LIMITED

FOR PARY AND CO.
CHARTERED ACCOUNTANTS
FRN : 007288C

Sd/-
SHANTILAL PATEL
MANAGING DIRECTOR
DIN:- 01362109
Date : 30/05/2023
Place : Surat

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

Sd/-
JAYAN PATEL
C.F.O.

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

ZEAL AQUA LIMITED
CIN : - L05004GJ2009PLC056270

Note-'1'

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

In Lakhs

| Particulars | Freehold Land | Building and Roads | Furniture and Fixtures | Office Equipments | Plant and Machinery | Vehicles | Computer and Data Processing Unit & Others | Total |
|---|-----------------------|------------------------|------------------------|----------------------|------------------------|-----------------------|--|------------------------|
| Cost | | | | | | | | |
| As at April 1, 2017 (Refer Footnote) | 20,727,282.000 | 29,196,717.000 | 54,199,186.000 | 2,296,230.000 | 93,602,303.000 | 16,378,942.000 | 30,584.000 | 216,431,244.000 |
| Additions | - | 205,592,988.000 | 41,094,146.000 | 3,031,141.000 | 222,746,717.000 | 13,423,245.000 | 913,841.000 | 486,802,078.000 |
| Disposals | - | - | - | - | 1,222,788.000 | - | - | 1,222,788.000 |
| As at March 31, 2018 | 20,727,282.000 | 234,789,705.000 | 95,293,332.000 | 5,327,371.000 | 315,126,232.000 | 29,802,187.000 | 944,425.000 | 702,010,534.000 |
| Additions | - | 1,887,119.600 | 1,510,061.400 | 388,128.270 | 7,791,184.230 | 2,901,312.000 | - | 14,477,805.500 |
| Disposals | - | - | - | - | - | - | - | - |
| As at March 31, 2019 | 207.273 | 2,366.768 | 968.034 | 57.155 | 3,238.338 | 327.035 | 9.444 | 7,174.047 |
| Additions | - | 10.384 | 0.060 | 0.874 | 58.043 | 29.607 | - | 98.968 |
| Disposals | - | - | - | - | - | - | - | - |
| As at March 31, 2020 | 207.273 | 2,377.152 | 968.094 | 58.029 | 3,296.381 | 356.642 | 9.444 | 7,273.015 |
| Additions | - | 527.741 | 62.455 | - | 31.844 | - | - | 622.040 |
| Disposals | - | - | - | - | - | - | - | - |
| As at March 31, 2021 | 207.273 | 2,904.893 | 1,030.549 | 58.029 | 3,328.225 | 356.642 | 9.444 | 7,895.055 |
| Additions | - | 39.357 | - | - | 202.696 | 35.991 | - | 278.044 |
| Disposals | - | - | - | - | - | - | - | - |
| As at March 31, 2022 | 207.273 | 2,944.250 | 1,030.549 | 58.029 | 3,530.921 | 392.633 | 9.444 | 8,173.099 |
| Additions | - | 62.043 | 70.892 | 6.550 | 73.919 | - | 7.086 | 220.490 |
| Disposals | - | - | - | - | - | - | - | - |
| As at March 31, 2023 | 207.273 | 3,006.293 | 1,101.441 | 64.579 | 3,604.840 | 392.633 | 16.530 | 8,393.589 |
| Depreciation | | | | | | | | |
| As at March 31, 2020 | - | 625.058 | 591.422 | 47.480 | 1,728.559 | 242.598 | 8.927 | 3,244.045 |
| Additions | - | 204.915 | 77.241 | 4.475 | 318.158 | 34.540 | - | 639.329 |
| Disposals | - | - | - | - | - | - | - | - |
| As at March 31, 2021 | - | 829.973 | 668.663 | 51.955 | 2,046.717 | 277.138 | 8.927 | 3,883.374 |
| Additions | - | 198.344 | 77.231 | 2.144 | 251.224 | 28.332 | 0.200 | 557.474 |
| Disposals | - | - | - | - | - | - | - | - |
| As at March 31, 2022 | - | 1,028.317 | 745.894 | 54.099 | 2,297.941 | 305.470 | 9.127 | 4,440.848 |
| Additions | - | 185.624 | 66.202 | 2.063 | 245.126 | 24.281 | 2.623 | 525.919 |
| Disposals | - | - | - | - | - | - | - | - |
| As at March 31, 2023 | - | 1,213.941 | 812.096 | 56.162 | 2,543.067 | 329.751 | 11.750 | 4,966.767 |
| Net Block | | | | | | | | |
| As at April 1, 2017 | 20,727,282.000 | 20,639,311.000 | 33,863,453.000 | 764,339.000 | 46,589,813.000 | 6,039,914.000 | 21,565.000 | 128,645,677.000 |
| As at March 31, 2018 | 20,727,282.000 | 211,894,562.000 | 61,791,609.000 | 2,422,758.000 | 220,702,304.000 | 14,506,664.000 | 421,973.000 | 532,467,144.000 |
| As at March 31, 2019 | 207.273 | 1,929.057 | 487.029 | 16.812 | 1,871.873 | 126.195 | 1.691 | 4,639.929 |
| As at March 31, 2020 | 207.273 | 1,752.094 | 376.672 | 10.549 | 1,567.822 | 114.044 | 0.517 | 4,028.970 |
| As at March 31, 2021 | 207.273 | 2,074.920 | 361.886 | 6.074 | 1,281.508 | 79.504 | 0.517 | 4,011.681 |
| As at March 31, 2022 | 207.273 | 1,915.932 | 284.655 | 3.930 | 1,232.980 | 87.163 | 0.317 | 3,732.251 |
| As at March 31, 2023 | 207.273 | 1,792.351 | 289.345 | 8.417 | 1,061.773 | 62.882 | 4.780 | 3,426.822 |

Capital Work In Progress

| | |
|-----------------------------|----------|
| Cost | |
| As at March 31, 2020 | 541.679 |
| Additions | - |
| Disposals | 541.679 |
| As at March 31, 2021 | - |
| Additions | - |
| Disposals | - |
| As at March 31, 2022 | - |
| Additions | - |
| Disposals | - |
| As at March 31, 2023 | - |

(ii) Assets under lease shall be separately specified under each class of assets.

Accounting policies related to PPE are disclosed in Note No.28

ZEAL AQUA LIMITED

CIN : - L05004GJ2009PLC056270

Notes on Ind - AS Financial Statement for the Year ended on 31st March, 2023

| Note No | Particulars | 31.03.2023 | | 31.03.2022 | |
|---------|--|------------|-------------------|------------|-------------------|
| | | | Total | Total | |
| | Financial Assets | | | | |
| 2 | Investments | | | | |
| | (a) Investment in NSC | | | | |
| | (a) Investment in Gold Coins | 10.093 | 10.093 | 10.093 | 10.093 |
| 3 | Others | | | | |
| | Unsecured Considered Good | | | | |
| | Security Deposits | | | | |
| | Excutive Eng KRBC Division Surat(FD) PNB | - | | - | |
| | GEB Deposit | 87.754 | | 84.562 | |
| | Gas Security Deposit & ESD (Gujarat Gas) | 1.400 | | 1.400 | |
| | HP Gas Cylinder Deposit | 0.051 | | 0.051 | |
| | Shri Laxmi Jyot (Gas Deposit) | 0.129 | | 0.129 | |
| | House Depsoit for Guru | 0.450 | | 0.450 | |
| | Oxygen Cylinder Deposit | 0.150 | | 0.150 | |
| | Parth GAS | 1.000 | | 1.000 | |
| | Telephone Deposit | 0.015 | 90.949 | 0.015 | 87.757 |
| | Trade Deposits | | | | |
| | Biostand India Ltd-D | 0.250 | | 0.250 | |
| | Gujarat Aqua Feed Dealers Association | - | | 3.500 | |
| | Srinivasa Custine(Trade Deposit) | 10.000 | 10.250 | 10.000 | 13.750 |
| | Advance to Suppliers | | | | |
| | Advance to Suppliers | - | - | - | - |
| | Other Non Current Assets | | | | |
| | Preliminary Expenses | | | - | |
| | Pre-Operative Expense | 30.433 | 30.433 | 37.891 | 37.891 |
| | Total | | 131.632 | | 139.398 |
| 4 | Deferred Tax Assets | | | | |
| | DTA / (DTL) | 123.955 | 123.955 | 111.522 | 111.522 |
| 5 | Inventories | | | | |
| | A. Finished Goods | | | | |
| | Stock in Transit | 858.810 | | - | |
| | Finished Product | 9,830.144 | 10,688.954 | 10,718.885 | 10,718.885 |
| | B. Raw Materials/ Traded Items | | | | |
| | Bleaching | - | | 11.812 | |
| | Feed | 58.819 | | 128.286 | |
| | Pond Machinery | 0.037 | | 0.056 | |
| | Feed Supplement | - | 58.856 | 15.707 | 155.861 |
| | (As taken valued and certified by the Management) | | | | |
| | Biological Assets | | | | |
| | Prawns | | | - | |
| | Seed Live Stock - WIP | 4,195.598 | 4,195.598 | 1,197.224 | 1,197.224 |
| | (As taken valued and certified by the Management) | | | | |
| | Total | | 14,943.408 | | 12,071.970 |

| ZEAL AQUA LIMITED | | | | | | | |
|---|--|--|------------------|------------|------------------|-------------------|-----------|
| CIN : - L05004GJ2009PLC056270 | | | | | | | |
| Notes on Ind - AS Financial Statement for the Year ended on 31st March, 2023 (₹. In Lakhs) | | | | | | | |
| Note No | Particulars | 31.03.2023 | | 31.03.2022 | | Total | |
| | | Total | | Total | | | |
| 6 | Current Financial Assets | | | | | | |
| | Trade Receivables | | | | | | |
| | Outstanding more than 1 year | 359.135 | | - | | | |
| | Outstanding more than 6 Months to 1 year | 1267.900 | | 148.984 | | | |
| | Outstanding less than 6 Months | 4961.687 | 6588.722 | 4,817.162 | | 4966.146 | |
| | Less:- Allowance for doubtful trade receivables | - | - | - | | - | |
| Considered Good | 6588.722 | 6588.722 | 4,966.15 | | 4,966.146 | | |
| Ageing for trade receivables – non-current outstanding as at March 31, 2023 is as follows: | | | | | | | |
| | Particulars | Outstanding for following periods from due date of transaction | | | | | Total |
| | | Less than 6 months | 6 months -1 year | 1-2 years | 2-3 years | More than 3 years | |
| | (i) Undisputed Trade receivables – considered good | 4961.687 | 1267.900 | 359.135 | - | - | 6,588.722 |
| | (ii) Undisputed Trade Receivables – which have significant increase in credit risk | - | - | - | - | - | - |
| | (iii) Undisputed Trade Receivables – credit impaired | - | - | - | - | - | - |
| | (iv) Disputed Trade Receivables–considered good | - | - | - | - | - | - |
| | (v) Disputed Trade Receivables – which have significant increase in credit risk | - | - | - | - | - | - |
| | (vi) Disputed Trade Receivables – credit impaired | - | - | - | - | - | - |
| Ageing for trade receivables – non-current outstanding as at March 31, 2022 is as follows: | | | | | | | |
| | Particulars | Outstanding for following periods from due date of transaction | | | | | Total |
| | | Less than 6 months | 6 months -1 year | 1-2 years | 2-3 years | More than 3 years | |
| | (i) Undisputed Trade receivables – considered good | 4,817.162 | 148.984 | - | - | - | 4,966.146 |
| | (ii) Undisputed Trade Receivables – which have significant increase in credit risk | - | - | - | - | - | - |
| | (iii) Undisputed Trade Receivables – credit impaired | - | - | - | - | - | - |
| | (iv) Disputed Trade Receivables–considered good | - | - | - | - | - | - |
| | (v) Disputed Trade Receivables – which have significant increase in credit risk | - | - | - | - | - | - |
| | (vi) Disputed Trade Receivables – credit impaired | - | - | - | - | - | - |
| 7 | Cash and Cash Equivalents | | | | | | |
| | Cash Balance on Hand | 15.770 | 15.770 | 0.717 | | 0.717 | |
| | (As Certified by the Management) | - | - | | | | |
| | - In Current Accounts | | | | | | |
| | - Indian Bank | - | - | - | | | |
| | - Axis Bank (918020087152359) | 83.804 | | 95.442 | | | |
| | - Axis Bank (EEFC USD) | 0.074 | | 26.455 | | | |
| | - Canara Bank (71701010025620) | 0.603 | 84.481 | 0.800 | | 122.697 | |
| | Total | | 100.251 | | | 123.414 | |

ZEAL AQUA LIMITED

CIN : - L05004GJ2009PLC056270

Notes on Ind - AS Financial Statement for the Year ended on 31st March, 2023

| Note No | Particulars | 31.03.2023 | | 31.03.2022 | |
|--|---|------------|------------------|------------|------------------|
| | | | Total | | Total |
| 8 | Loans and Advances | | | | |
| | Prepaid Expenses (Ann. 6) | 30.591 | | 42.722 | |
| | Loans & Advances To Employees | 91.524 | | 57.258 | |
| | Advance Salary | - | | - | |
| | Balance With Government Authorities (Ann. 7) | 644.904 | | 554.038 | |
| | Advances to Others (Ann. 8) | 39.183 | 806.202 | 29.823 | 683.841 |
| 9 | Others | | | | |
| | PNB FD Marign Money of CT& Guntner 4142 | 29.960 | 29.960 | 28.573 | 28.573 |
| 10 | Current Tax Assets | | | | |
| | Advance Tax Paid | - | | - | |
| | Add :- TDS / TCS | - | | - | |
| | Less:- Current Tax Provision | - | | - | |
| 11 | Other Current Assets | | | | |
| | Antidumping & Countervailing Duty (USA) Receivable - In FD Account | 146.208 | | 74.246 | |
| | -Fixed Deposit with Indian Bank-1 | 111.774 | | 106.862 | |
| | -Fixed Deposit with Indian Bank -2 | 111.774 | | 106.862 | |
| | -Fixed Deposit with PNB 11124 | 42.552 | | 40.088 | |
| | -Fixed Deposit with PNB 11568 | 42.006 | | 39.636 | |
| | -Fixed Deposit BOI Bank -3 (392) | 54.522 | | 49.670 | |
| | -Fixed Deposit with BOI (144) | 65.745 | | 59.946 | |
| | -Fixed Deposit with BOI (265) | 64.023 | | 58.644 | |
| | -Fixed Deposit with BOI (00483) | 3.681 | | 3.292 | |
| | -Fixed Deposit with Axis Bank (93543123) | 7.753 | | 7.030 | |
| | -Fixed Deposit with Axis Bank USFDA | 7.204 | | 6.541 | |
| | -Fixed Deposit with Axis Bank USFDA | 6.146 | | 5.700 | |
| | -Fixed Deposit with Axis Bank (7354) | 104.010 | | 9.619 | |
| | -Executive Eng KRBCDivision Surat PNB 5062 | 10.619 | | - | |
| | -Fixed Deposit with Canara Bank - 6 | 45.851 | 823.868 | 42.640 | 610.776 |
| | Non Current Financial Liabilities | | | | |
| 12 | Borrowings | | | | |
| | Secured | | | | |
| | Term Loan From Bank (Ann. 1) | 1,856.902 | | 2,518.812 | |
| | Unsecured | | | | |
| | Loans & Advances From Directors (Ann. 2) | 330.493 | | 356.480 | |
| | Loans & Advances From Others (Ann. 3) | 839.064 | 3,026.459 | 883.607 | 3,758.898 |
| Term loans from banks are secured primarily on first pari-passu charged by way of hypothecation on plant and machinery as per cons | | | | | |
| The aforesaid term loans are opted at interest rates form 10% to 12%(Secured) and 16% to 19% (unsecured). Repayable in 24 to 63 m | | | | | |
| 13 | Others Non Current Liabilities | | | | |
| | Gratuity Provision | 28.674 | 28.674 | 20.590 | 20.590 |

| ZEAL AQUA LIMITED | | | | | |
|--|---|-------------------|------------------|------------------|------------------|
| CIN :- L05004GJ2009PLC056270 | | | | | |
| Notes on Ind - AS Financial Statement for the Year ended on 31st March, 2023 ('. In Lakhs) | | | | | |
| Note No | Particulars | 31.03.2023 | | 31.03.2022 | |
| | | Total | | Total | |
| 14 | Short Term Borrowings from Bank | | | | |
| | Bank short term borrowing (Ann. 4) | 10,067.814 | 10,068 | 8,228.852 | 8,228.852 |
| | Current Maturity of Long Term Debts: | | | | |
| | Term Loans From Banks (Ann. 5) | 551.209 | 551.209 | 695.794 | 695.794 |
| | | 10,619.023 | | 8,924.646 | |
| Short term borrowings from banks are secured primarily secured on first pari-passu charged over entire inventory book debts and all other current assets of company, both present and future as per consortium banking agreement. | | | | | |
| 15 | Trade Payables | | | | |
| | Creditor for Contract | | | | |
| | Creditor for Goods - Harvesting | 1,005.908 | | 1,387.039 | |
| | Creditors for Exp. | 1,499.817 | | 364.599 | |
| | Creditors for Capital Goods | - | | - | |
| | Trade Creditors | 3,662.805 | 6,168.530 | 1,554.078 | 3,305.716 |
| Footnote: In view of the large number of accounts and in absence of segregated information, total outstanding dues to Small Scale Industrial Undertakings as defined under Micro, Small and Medium Enterprises Development Act, 2006 have not been disclosed separately. | | | | | |

Aging for trade payables outstanding as at 31.03.2023 is as follows

| Particulars | Outstanding for following periods from due date of transaction | | | | |
|----------------------------|--|-----------|-----------|-------------------|-----------|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| i) MSME | - | - | - | - | - |
| ii) Others | 5,955.743 | 212.787 | - | - | 6,168.530 |
| iii) Disputed dues- MSME | - | - | - | - | - |
| iv) Disputed dues - Others | - | - | - | - | - |

Aging for trade payables outstanding as at 31.03.2022 is as follows

| Particulars | Outstanding for following periods from due date of transaction | | | | |
|----------------------------|--|-----------|-----------|-------------------|-----------|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| i) MSME | - | - | - | - | - |
| ii) Others | 3,305.716 | - | - | - | 3,305.716 |
| iii) Disputed dues- MSME | - | - | - | - | - |
| iv) Disputed dues - Others | - | - | - | - | - |

However, based on the details available with the company, in respect of transactions incurred during the year, there are no overdues as such to Micro, Small and Medium Enterprises as at 31" March, 2022 on account of principal amount together with interest for delayed payment under the Act. The Company has not received any claim for interest from any suppliers under the "Interest on Delayed Payments to Small Scale and Ancillary Industrial Undertaking Act, 1993".

ZEAL AQUA LIMITED

CIN : - L05004GJ2009PLC056270

Notes on Ind - AS Financial Statement for the Year ended on 31st March, 2023

| Note No | Particulars | 31.03.2023 | | 31.03.2022 | |
|---------|-------------------------------------|------------|---------------|------------|---------------|
| | | | Total | | Total |
| 16 | Provisions | | | | |
| | Provision - Statutory Audit Fees | 3.500 | | 3.500 | |
| | Provision - I T Return Fees Payable | 0.550 | | 0.550 | |
| | Provision - GST Consultancy Fees | 0.250 | | 0.250 | |
| | Provision - Labour Welfare Fund | - | | 0.103 | |
| | Provision - Wages Payable | - | | 1.800 | |
| | Provision - Salary Payable | 1.255 | | (0.579) | |
| | GST Payable | - | | 17.306 | |
| | Provision - Remuneration Payable | - | | 35.006 | |
| | Provision - Internal Audit Fees | 1.350 | | - | |
| | Provision - Internet Charges | - | 6.905 | - | 57.936 |
| | Other Current Liabilities | | | | |
| 17 | Other current Liabilities | | | | |
| | Statutory Remittances | | | | |
| | Provident Fund Payable | 2.233 | | 0.808 | |
| | TDS and TCS Payable | 13.174 | | - | |
| | GST Payable | - | 15.407 | - | 0.808 |
| | Total | | 15.407 | | 0.808 |
| 18 | Current Tax Laibilities | | | | |
| | Income tax Receivable | - | | (17.937) | |
| | Current Tax Provision | 125.000 | | 127.982 | |
| | Less :- Advance Tax Paid | 80.000 | | 76.000 | |
| | Less :- TDS / TCS | - | 45.000 | 5.842 | 28.203 |

ZEAL AQUA LIMITED

CIN : - L05004GJ2009PLC056270

Notes on Ind - AS Financial Statement for the Year ended on 31st March, 2022

(`.In Lakhs)

| Note No | Particulars | 31.03.2023 | | 31.03.2022 | |
|-----------|---|------------|-------------------|------------|-------------------|
| | | Total | Total | Total | Total |
| 19 | Revenue from operations | | | | |
| | Sale of Product | | | | |
| | A. Manufactured/Processed Goods: | | | | |
| | Finished Product Export | 11,948.692 | 11,948.692 | 13,219.507 | 13,219.507 |
| | B. Manufactured/Processed Goods- Local Sales: | | | | |
| | Shrimps/Prawns | - | - | - | - |
| | C. Traded Goods / Harvested Farming - Local Sales: | | | | |
| | Bleaching | 12.566 | | 15.969 | |
| | Feed | 4,940.235 | | 2,493.349 | |
| | Feed Supplement | 321.892 | | 113.554 | |
| | Seed | 725.367 | | 127.709 | |
| | Shrimps and other finished products | 17,117.127 | 23,117.187 | 18,547.409 | 21,297.990 |
| | Vennamie | 1,274.306 | 1,274.306 | - | |
| | Less: (Sales Return) | -84.519 | -84.519 | -18.284 | -18.284 |
| | D. Other Operating Revenues: | | | | |
| | Cash Discount | | | | |
| | Rate Difference | -4.780 | | -3.487 | |
| | Trade Discount | - | | 26.590 | |
| | Written Off | -0.003 | | - | |
| | Turnover Discount | 17.854 | 13.071 | - | 23.103 |
| | Total | | 36,268.737 | | 34,522.315 |
| 20 | Other income | | | | |
| | Interest: | | | | |
| | Interest on FD | 46.765 | | 18.171 | |
| | Duty Drawback | 287.193 | | 340.930 | |
| | Foreign Exchange Gain | 85.858 | | 108.218 | |
| | Unrealised Foreign Exchange Gain | 3.723 | | - | |
| | Freight Subsidy Income | 30.754 | | - | |
| | Insurance Claim Received | 2.611 | | - | |
| | Prior Period Income | 3.810 | | - | |
| | MEIS | 377.139 | 837.853 | 303.440 | 770.759 |
| 21 | Cost of materials consumed and Purchase Stock In Trade | | | | |
| | Inventories at the beginning of the year: | | | | |
| | Shrimps | - | | 685.59 | |
| | Bleaching | 7.605 | | - | |
| | Feed | 42.000 | | 6.084 | |
| | Pond Machinery | 0.056 | | 4.528 | |
| | Feed Supplement | - | | 38.623 | |
| | Seed | 15.707 | 65.368 | - | 734.83 |

ZEAL AQUA LIMITED

CIN : - L05004GJ2009PLC056270

Notes on Ind - AS Financial Statement for the Year ended on 31st March, 2022 (`.In Lakhs)

| Note No | Particulars | 31.03.2023 | | 31.03.2022 | |
|-----------|---|------------|-------------------|-------------|-------------------|
| | | | Total | | Total |
| | Purchase | | | | |
| | Prawns | 23,221.891 | | 1,131.777 | |
| | Bleaching | 38.687 | | 49.446 | |
| | Feed | 5,272.788 | | 4,232.033 | |
| | Pond Machinery | - | | 6.115 | |
| | Feed Supplement | 528.335 | | 358.185 | |
| | Seed | 792.783 | | 367.229 | |
| | Shrimps and other finished products | 2,789.600 | | 22,549.920 | |
| | Fish Purchase | 326.413 | | 124.165 | |
| | Cartoon | 122.217 | | 174.151 | |
| | Less : (Purchase Return) | -11.474 | 33,081.240 | -7.470 | 28,985.550 |
| | Inventories at the end of the year: | | | | |
| | Bleaching | - | | 7.605 | |
| | Feed | 58.819 | | 42.000 | |
| | Pond Machinery | 0.037 | | 0.056 | |
| | Feed Supplement | - | 58.856 | 15.707 | 65.368 |
| | Cost of materials consumed and Purchase Stock In Trade | | 33,087.752 | | 29,655.007 |
| 22 | Changes in Inventory | | | | |
| | Inventories at the end of the year: | | | | |
| | A. Finished Goods | | | | |
| | Finished Product | 10596.868 | 10596.868 | 10809.37778 | 10809.37778 |
| | B. Work in Process | | | | |
| | Seed Live Stock - WIP | 4287.684 | 4,287.684 | 1,197.224 | 1,197.224 |
| | Inventories at the beginning of the year: | | | | |
| | Prawns [F. G. - Unit I] | - | | - | |
| | Finished Product | 10809.378 | | 11007.415 | |
| | B. Work in Process | | | | |
| | Seed Live Stock - WIP | 1197.224 | 12,006.602 | 250.481 | 11,257.896 |
| | Changes in Inventory | | -2,877.95 | | -748.706 |

ZEAL AQUA LIMITED

CIN : - L05004GJ2009PLC056270

Notes on Ind - AS Financial Statement for the Year ended on 31st March, 2022

(`.In Lakhs)

| Note No | Particulars | 31.03.2023 | | 31.03.2022 | |
|-----------|--|------------|------------------|------------|------------------|
| | | Total | | Total | |
| 23 | Employee benefit expense | | | | |
| | Salaries and Wages | 478.305 | | 454.147 | |
| | Director Remuneration | 116.000 | | 96.000 | |
| | Bonus Expenses | 36.368 | | 8.266 | |
| | Contribution to Employee Provident Fund | 12.326 | | 11.070 | |
| | Labour Welfare Fund Employer | 0.385 | | - | |
| | Staff Welfare Expenses | 36.460 | | 19.610 | |
| | Conveyance Expenses | 31.057 | | 16.666 | |
| | Mobile Bill Expenses | 2.325 | | 0.877 | |
| | Travelling Expenses | 23.072 | | 6.062 | |
| | Vehicle Repair & Maint. Exp. Of Employees | 16.510 | | 18.253 | |
| | Medical exp | 0.784 | | 0.751 | |
| | Gratuity | 8.753 | | 0.411 | |
| | House Rent Allowance | 0.390 | | 1.320 | |
| | Employee Insurance | - | 762.735 | 15.986 | 649.418 |
| 24 | Finance costs | | | | |
| | Interest - Vehicle Loan | 4.930 | | 6.237 | |
| | BG Commission Charges | 0.208 | | 3.572 | |
| | Loan Processing Charges | 39.046 | | 16.039 | |
| | Interest on PCFC | 48.873 | | 28.348 | |
| | Interest on Secured Loans | 1,151.627 | | 827.831 | |
| | Interest - Unsecured Loans | 93.710 | | 99.518 | |
| | Bank Charges | 42.864 | | 54.584 | |
| | FLC Charges | - | | 0.067 | |
| | Drip Capital Finance Charges | 1.282 | | - | |
| | Interest on TDS and TCS | 0.540 | 1,383.080 | 1.710 | 1,037.907 |
| 25 | Depreciation and Amortisation Expense | | | | |
| | Depreciation on PPE | 525.919 | | 557.473 | |
| | Preliminary Expense Written off | - | | 5.743 | |
| | Preoperative Expense Written off | 7.458 | 533.377 | 7.458 | 570.675 |

| ZEAL AQUA LIMITED | | | | | |
|--|--|------------|-----------|-------------|-----------|
| CIN : - L05004GJ2009PLC056270 | | | | | |
| Notes on Ind - AS Financial Statement for the Year ended on 31st March, 2022 | | | | (.In Lakhs) | |
| Note No | Particulars | 31.03.2023 | | 31.03.2022 | |
| | | Total | | Total | |
| 26 | Other Expenses | | | | |
| | [A] Manufacturing Expenses | | | | |
| | Consumable Expenses | 174.126 | | 102.335 | |
| | Contract Farming Charges | 64.149 | | 80.734 | |
| | Electrical Exp - Site | 466.248 | | - | |
| | Diesel Exp | 148.722 | | 86.232 | |
| | Electricity Charges - Site | - | | 429.282 | |
| | GST late fees | 0.602 | | 0.826 | |
| | Gloves Caps Expenses | 12.633 | | - | |
| | Harvesting Exp | 27.058 | | 22.192 | |
| | Ice Exps | 46.184 | | 33.556 | |
| | Insurance Expenses | 80.196 | | 58.206 | |
| | JCB Work Exps | 52.067 | | 30.223 | |
| | Labour Work Exps | 351.324 | | 262.342 | |
| | Local Transportation Exps | 129.029 | | 46.856 | |
| | Freight & THC Charges | 493.001 | | 616.293 | |
| | Pond Repairing & Culture Exp | 211.308 | | 220.506 | |
| | Purchase Oil | 9.417 | | 29.992 | |
| | Site Labour and Wages Expenses | 206.040 | | 165.029 | |
| | Molasses Purchase Expenses | 2.824 | | - | |
| | Survey Fees | 1.170 | | 2.280 | |
| | Loading Unloading Expenses | 6.288 | | 4.098 | |
| | Machinery Rent | 2.538 | | 2.222 | |
| | Pre Harvesting Testing Expenses | 16.218 | | - | |
| | Lab Testing Exp./Laboratory Expenses | 89.750 | | 78.192 | |
| | Plastic Container Seals | 0.190 | | 0.135 | |
| | Wooden Item Purchase | 32.389 | | 26.080 | |
| | Factory Licence Renewal fees | 1.053 | | - | |
| | Water Exps. | 11.438 | 2,635.962 | 8.420 | 2,306.031 |
| | [B] Administrative & Selling Expenses | | | | |
| | Administrative Charges of PF | 0.547 | | 0.572 | |
| | Baddebts | - | | 100.604 | |
| | CHA Agency Fees | 5.549 | | 4.203 | |
| | IT Fees | 0.010 | | - | |
| | Agent Commission Exp. | 91.122 | | 143.152 | |
| | Advertisement Exp. | 0.102 | | - | |
| | EPCG Processing & Redemption Expenses | - | | 4.214 | |
| | Software Renewal Charges | 0.108 | | - | |
| | CSR Exp | 12.654 | | 13.615 | |
| | GIDC Tax | 0.049 | | - | |
| | GAS Expenses | 16.856 | | 9.351 | |
| | Legal Exp. | 13.987 | | 32.410 | |
| | Computer Exp | 2.871 | | 2.619 | |
| | Donation | 3.000 | | 8.037 | |
| | Office Exp | 18.647 | | 10.530 | |
| | Tea & Refreshment | 5.457 | | 4.683 | |
| | Packing & Forwarding Exp | 249.674 | | 99.052 | |
| | Professional and Technical Fees | 50.447 | | 47.328 | |
| | PHT Certificate expenses | - | | 25.715 | |
| | Repair and Maintanance Exp | 120.837 | | 119.838 | |
| | Stationery and Printing exp | 70.248 | | 89.348 | |

ZEAL AQUA LIMITED

CIN : - L05004GJ2009PLC056270

Notes on Ind - AS Financial Statement for the Year ended on 31st March, 2022 (`.In Lakhs)

| Note No | Particulars | 31.03.2023 | | 31.03.2022 | |
|-----------|--|------------|------------------|------------|------------------|
| | | Total | | Total | |
| | Mobile exp | - | | 0.384 | |
| | Sweeper Salary | 0.249 | | 0.294 | |
| | Testing Fees | 0.614 | | 0.673 | |
| | Postage and Courier | 2.947 | | 3.591 | |
| | Security Guard Exp. | 14.268 | | 14.256 | |
| | Nursery Rent | 5.808 | | 5.520 | |
| | Vehicle Insurance Expense | 2.541 | | 4.710 | |
| | Internet exp | 0.944 | | 0.839 | |
| | ETP Processing Exp. | 3.479 | | 1.156 | |
| | Interest-GST | 0.201 | | - | |
| | Interest - PF | 0.592 | | - | |
| | Interest - Labour Welfare | 0.224 | | - | |
| | Factory Rent | 2.691 | | 2.867 | |
| | Home Rent | 1.170 | | - | |
| | Turnover Discount | 48.186 | | - | |
| | Housekeeping Exp. | 4.727 | 750.806 | 20.702 | 770.263 |
| 26 | Other Expenses (Contd...) | | | | |
| | [C] Rates & Taxes to Government or Local Body | | | | |
| | Village Tax | 6.406 | | 3.575 | |
| | Income Tax (AY 2012-13) | - | | -0.173 | |
| | Indirect Taxes | - | | 325.673 | |
| | Toll Charges | - | 6.41 | - | 329.076 |
| | [D] Auditor Remuneration | | | | |
| | - Statutory Audit Fees | 3.50 | | 3.500 | |
| | - Internal Audit Fees | 3.00 | | - | |
| | - Stock Audit Fees | - | 6.50 | 1.089 | 4.589 |
| | [E] Tax Consultancy Fees | | | | |
| | - Income Tax Consultancy | - | | - | |
| | - Sales Tax/GST Consultancy | - | | - | |
| | Total Other Expenses | | 3,399.674 | | 3,409.959 |

ZEAL AQUA LIMITED
CIN : - L05004GJ2009PLC056270

| <u>DEFERRED TAX LIABILITIES AS ON 31-03-2023</u> | 31.03.2023 (₹. In Lakhs) | | 31.03.2022 (₹. In Lakhs) | |
|---|---------------------------------|-----------------|---------------------------------|-----------------|
| WDV as per Books | 3426.822 | | 3,732.251 | |
| WDV as per IT Act | 3881.135 | | 4,378.710 | 4,253.778 |
| | -454.314 | | -646.459 | 124.932 |
| Deferred Tax Liability @ 27.82% | -126.390 | | -179.845 | |
| | | -126.39 | | -111.408 |
| <u>DEFERRED TAX ASSETS AS ON 31-03-2022</u> | | | | |
| - On provision for Gratuity | 8.753 | | 0.411 | |
| - On provision for Bonus | | | - | |
| | 8.753 | | 0.411 | |
| Provision for Employees Benefit | 2.44 | 2.44 | 0.114 | 0.114 |
| Net deferred tax liability | | -123.955 | | -111.522 |
| Add: Deferred Tax Asset due to Ind-AS | | - | | - |
| | | - | | - |
| Net Deferred Tax Liability as on 31-03-2022 | | -123.955 | | -111.522 |
| Deferred Tax Liability/Asset as on Pervious Year | | -111.522 | | -127.641 |
| Additional Provision for Deferred Tax Assets or Liability | | -12.433 | | 16.119 |
| Additional Provision for Deferred Tax Asset due to Ind-AS | | | | - |
| Net deferred Tax Liability/(Assets) as on 31.03.2023 | | -123.955 | | -111.522 |

40 Ratios

| Ratio | Numerator | Denominator | Current Year | Previous Year |
|---|---|--|--------------|---------------|
| Current ratio (in times) | Total current assets | Total current liabilities | 1.382 | 1.501 |
| Debt-Equity ratio (in times) | Debt consists of borrowings and lease liabilities. | Total equity | 1.929 | 1.988 |
| Debt service coverage ratio (in times) | Earning for Debt Service = Net Profit after taxes+ Non-cash operating expenses + Interest +Other non-cash adjustments | Debt service = Interest and lease payments +Principal repayments | 1.681 | 1.500 |
| Return on equity ratio (in %) | Profit for the year less Preference dividend (if any) | Average total equity | 10.484 | 9.010 |
| Inventory Turnover Ratio | Revenue from operations | Average Inventory | 2.685 | 2.873 |
| Trade receivables turnover ratio (in times) | Revenue from operations | Average trade receivables | 6.278 | 4.914 |
| Trade payables turnover ratio (in times) | Cost of equipment and software licences + Other expenses | Average trade payables | 6.985 | 4.820 |
| Net capital turnover ratio (in times) | Revenue from operations | Average working capital (i.e. Total current assets less Total current liabilities) | 5.755 | 5.410 |
| Net profit ratio (in %) | Profit for the year | Revenue from operations | 1.945 | 1.665 |
| Return on capital employed (in %) | Profit before tax and finance costs | Capital employed = Net worth + Lease liabilities Deferred tax liabilities | 21.789 | 17.289 |
| Return on investment (in %) | Income generated from invested funds | Average invested funds in treasury investments | 7.703 | 9.010 |

| ZEAL AQUA LIMITED | | |
|---|----------------------------|----------------------------------|
| CIN : - L05004GJ2009PLC056270 | | |
| Other comprehensive income | | |
| Particulars | 31.03.2022 | 31.03.2021 |
| | ₹. In Lakhs | ₹. In Lakhs |
| Amount of items that will not be reclassified to profit and loss | | |
| (Excess)/Less Provision of IT | - | -3.280 |
| (Excess)/Less Provision of Gratuity | - | -2.065 |
| Interest on Loan From Directors | - | - |
| Interest on Loan From Others | - | - |
| Reversal of interest for earlier year on Loan from Others | - | - |
| Interest on Loan to Employees | - | 5.363 |
| Interest on Loan to Others | - | 1.133 |
| Provision Writtenoff - Loan from Directors | - | - |
| Provision Writtenoff - Loan from Others | - | - |
| Provision Writtenoff - Loan to Employees | - | -5.838 |
| Provision Writtenoff - Loan to Others | - | -1.421 |
| Total Amount of items that will not be reclassified to profit and loss | - | -6.108 |
| Income tax relating to items that will not be reclassified to profit or loss | - | - |
| Amount of items that will be reclassified to profit and loss | - | - |
| Total Amount of items that will be reclassified to profit and loss | - | - |
| Income tax relating to items that will be reclassified to profit or loss | - | - |
| Total Other comprehensive income | - | -6.108 |
| The significant accounting policies and accompanying notes forming an integral part of financial statements | | |
| For ZEAL AQUA LIMITED | | FOR PARY AND CO. |
| | | CHARTERED ACCOUNTANTS |
| | | FRN : 007288C |
| Sd/- | Sd/- | Sd/- |
| SHANTILAL PATEL | PRADIP NAVIK | - AKASH RAJNIKANT GAGLANI |
| MANAGING DIRECTOR | WHOLE TIME DIRECTOR | - PARTNER |
| DIN:- 01362109 | DIN:- 01067716 | MEM. NO. : 114255 |
| Date : 30/05/2023 | | 9005, WORLD TRADE CENTRE, |
| Place : Surat | | UDHNA DARWAJA, RING ROAD |
| | Sd/- | SURAT-395002. |
| | JAYAN PATEL | |
| | C.F.O. | |

Notes to the Financial Statements for the year ended March 31, 2023

27. Basis of Preparation of Financial Statements

27.1 Corporate Information

This financial Statement Comprise financial statement of Zeal Aqua Limited (“the Company”) for the year ended 31st March, 2023. The Company was incorporated on 06th March, 2009 under the provision of Companies Act, 1956. The Company is into business of Farming, Developing and Harvesting of Prawns. The Company is listed on BSE Ltd.

27.2 Compliance with Ind AS

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

27.3 Basis of preparation and measurement

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

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

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

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

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

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

Notes to the Financial Statements for the year ended March 31, 2023

27.4 Notes to the Financial Statements for the year ended March 31, 2023

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

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

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

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

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

28. Significant Accounting Policies

➤ Property, Plant and Equipment (PPE)

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

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

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

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

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

Notes to the Financial Statements for the year ended March 31, 2023

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

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

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

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

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

Title deeds of all immovable properties held in the name of company.

During the relevant period no assets taken on lease.

Up to the date of 31.03.2023 none of fixed assets acquired through business combinations.

➤ **Intangible assets**

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

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

There is no intangible assets under development. During the year company has no intangible assets whose completion is overdue or has exceeded its cost compared to original plan.

Notes to the Financial Statements for the year ended March 31, 2023

➤ **Capital work-in-progress**

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

During the year company has no capital work in progress whose completion is overdue or has exceeded its cost compared to original plan.

➤ **Details of Benami Property held**

There is no proceeding has been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

➤ **Non-derivative financial instruments**

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

Cash and Cash equivalents

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

Financial assets at amortised cost

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

Notes to the Financial Statements for the year ended March 31, 2023

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

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

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

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

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

Financial liabilities

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

Equity instruments

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

Off-Setting of Financial Instruments

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

➤ Impairment

Financial assets (other than at fair value)

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

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

Notes to the Financial Statements for the year ended March 31, 2023

PPE and intangibles assets

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

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

➤ **Inventories**

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

➤ **Revenue recognition**

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

Sale of goods

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

- the Company has transferred to the buyer the significant risks and rewards of ownership of the goods;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the Company; and the costs incurred or to be incurred in respect of the transaction can be measured reliably.
- Income related to Export benefits like duty drawback and sale proceeds from meis licences is recognised as and received.

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

Notes to the Financial Statements for the year ended March 31, 2023

Rendering of services

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

Interest Income

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

Dividend

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

Insurance claims

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

➤ **Research and Development expenses**

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

➤ **Leases**

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

(i) Operating Lease:

Operating lease payments are recognized as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term except where another systematic basis is more representative of the time pattern in which economic benefits from leased assets are consumed. The aggregate benefit of incentives (excluding inflationary increases where rentals are structured solely to increase in line with

Notes to the Financial Statements for the year ended March 31, 2023

the expected general inflation to compensate for the lessor's inflationary cost increases, such increases are recognised in the year in which the benefits accrue) provided by the lessor is recognized as a reduction of rental expense over the lease term on a straight-line basis.

(ii) Finance Lease:

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

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

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

➤ **Employee benefit expenses**

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

Post-employment benefit plans

Defined Contribution plans

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

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

Defined benefit plans

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

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

Notes to the Financial Statements for the year ended March 31, 2023

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

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

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

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

Short term employee benefit and other long-term employee benefits

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

➤ **Foreign currency translation**

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

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

➤ **Borrowing cost**

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

Notes to the Financial Statements for the year ended March 31, 2023

other borrowing costs are recognised in the Statement of Profit and Loss within Finance costs of the period in which they are incurred.

➤ **Segment reporting**

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

The company is engaged in only one segment of Aqua culture. Accordingly, the segment revenue, segment results, segment assets and segment liabilities are reflected by the financial statement themselves as at and for the financial year ended 31st March, 2023.

➤ **Income tax**

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

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

Current tax

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

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

Deferred tax

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

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

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

Notes to the Financial Statements for the year ended March 31, 2023

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

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

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

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

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

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

➤ **Earnings per share (EPS)**

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

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

The shares were splitted during F Y 2021-22 and accordingly EPS is calculated on per splitted share.

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

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

Notes to the Financial Statements for the year ended March 31, 2023

Judgements

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

Recognition of deferred tax assets

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

Estimates and assumptions

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

Impairment of non- financial assets

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

Inventories

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

Defined Benefit Obligation (DBO)

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

Notes to the Financial Statements for the year ended March 31, 2023

Useful lives of depreciable assets

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

Fair value measurement of financial instruments

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

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

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

Current and non-current classification

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

ZEAL AQUA LIMITED
CIN: - L05004GJ2009PLC056270

Notes to the Financial Statements for the year ended March 31, 2023

29. Financial instruments – Fair values and risk management

| 31st March,2023 | | | | | | | | |
|--|------------------------------|------------|-------------------|----------|-------------------------|-------------|----------|----------|
| Particulars | Carrying Amount ('.In Lakhs) | | | | Fair Value ('.In Lakhs) | | | |
| | FVTPL | FVT OCI | Amortised Cost | Total | Level -1 | Level -2 | Level-3 | Total |
| Non Current Financial Assets | | | | | | | | |
| Investments | - | - | 10.09 | 10.09 | - | 10.09 | - | 10.09 |
| Others | - | - | 131.63 | 131.63 | - | - | 131.63 | 131.63 |
| Current Financial Assets | | | | | | | | |
| Trade Receivables | - | - | 6588.72 | 6588.72 | - | - | 6588.72 | 6588.72 |
| Cash and Cash Equivalents | - | - | 100.25 | 100.25 | - | - | 100.25 | 100.25 |
| Loans and Advances | - | - | 806.20 | 806.20 | - | - | 806.20 | 806.20 |
| Others | - | - | 29.96 | 29.96 | - | - | 29.96 | 29.96 |
| | - | - | 7666.86 | 7666.86 | - | 10.09 | 7656.77 | 7666.86 |
| Non-current Financial Liabilities | | | | | | | | |
| Borrowings | - | - | 3026.46 | 3026.46 | - | - | 3026.46 | 3026.46 |
| Current Financial Liabilities | | | | | | | | |
| Trade Payables | - | - | 6168.53 | 6168.53 | - | - | 6168.53 | 6168.53 |
| Borrowings | - | - | 10619.02 | 10619.02 | - | - | 10619.02 | 10619.02 |
| | - | - | 19814.01 | 19814.01 | - | - | 19814.01 | 19814.01 |

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Notes to the Financial Statements for the year ended March 31, 2023

| 31st March,2022 | | | | | | | | |
|--|------------------------------|---------|----------------|----------|-------------------------|----------|----------|----------|
| Particulars | Carrying Amount ('.In Lakhs) | | | | Fair Value ('.In Lakhs) | | | |
| | FVTPL | FVT OCI | Amortised Cost | Total | Level -1 | Level -2 | Level-3 | Total |
| Non Current Financial Assets | | | | | | | | |
| Investments | - | - | 10.09 | 10.09 | - | 10.09 | - | 10.09 |
| Others | - | - | 139.40 | 139.40 | - | - | 139.40 | 139.40 |
| Current Financial Assets | | | | | | | | |
| Trade Receivables | - | - | 4966.15 | 4966.15 | - | - | 4966.15 | 4966.15 |
| Cash and Cash Equivalents | - | - | 123.41 | 123.41 | - | - | 123.41 | 123.41 |
| Loans and Advances | - | - | 683.84 | 683.84 | - | - | 683.84 | 683.84 |
| Others | - | - | 28.57 | 28.57 | - | - | 28.57 | 28.57 |
| | - | - | 5951.46 | 5951.46 | - | 10.09 | 5941.37 | 5951.46 |
| Non-current Financial Liabilities | | | | | | | | |
| Borrowings | - | - | 3758.90 | 3758.90 | - | - | 3758.90 | 3758.90 |
| Current Financial Liabilities | | | | | | | | |
| Trade Payables | - | - | 3305.72 | 3305.72 | - | - | 3305.72 | 3305.72 |
| Borrowings | - | - | 8924.65 | 8924.65 | - | - | 8924.65 | 8924.65 |
| | - | - | 15989.26 | 15989.26 | - | - | 15989.26 | 15989.26 |

Fair value hierarchy

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

Notes to the Financial Statements for the year ended March 31, 2023

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

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

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

Financial risk management

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

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

- Credit risk
- Liquidity risk
- Market risk"

Credit risk

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

Trade receivables

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

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

| Future dues not impaired | Gross carrying amount (₹. In Lakhs) | |
|---------------------------------|--|-----------------------------------|
| | 31st March 2023 | 31st March 2022 |
| Past due 1–180 days | 4961.687 | 4,817.162 |

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Notes to the Financial Statements for the year ended March 31, 2023

| | | |
|-----------------------|-----------------|------------------|
| Past due 180–360 days | 1267.900 | 148.984 |
| More than 360 days | 359.135 | - |
| Total | 6588.722 | 4,966.146 |

Liquidity risk

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

Maturities of financial liabilities

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

(₹. In Lakhs)

| 31st March 2023 | Carrying Amount | Upto 1 Year | More Than 1 Year |
|-----------------------------------|------------------------|--------------------|-------------------------|
| Financial liabilities | | | |
| Borrowings | 13,645.482 | 10,619.023 | 3026.459 |
| Trade payables | 6,168.530 | 5955.743 | 212.787 |
| Other financial liabilities | - | - | - |
| Total | 19,814.012 | 16,574.766 | 3,239.246 |
| | | | |
| 31st March 2022 | Carrying Amount | Upto 1 Year | More Than 1 Year |
| Financial liabilities | | | |
| Borrowings | 12683.544 | 8924.646 | 3,758.898 |
| Trade payables | 3,305.716 | 3,305.716 | - |
| Other financial liabilities | - | - | - |
| Total | 15,989.260 | 12,230.362 | 3,758.898 |

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Notes to the Financial Statements for the year ended March 31, 2023

Interest rate risk

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

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

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

(₹. In Lacs)

| Particulars | 31 st March 2023 | 31 st March 2022 |
|---------------------------------|-----------------------------|-----------------------------|
| Fixed-rate Borrowings | - | - |
| Floating-rate Borrowings | 13,645.482 | 12683.544 |
| Total | 13,645.482 | 12683.544 |

Capital Disclosure

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

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

Notes to the Financial Statements for the year ended March 31, 2023

30. Related Parties Disclosures

A NAMES OF RELATED PARTIES AND RELATED PARTY RELATIONSHIP

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

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

- Key Managerial Personnel

- | | |
|---------------------|----------|
| - Dhaval S Patel | Director |
| - Pradeep R Navik | Director |
| - Shantilal I Patel | Director |
| - Rohan P Navik | Director |
| - Jayan Patel | CFO |
| - Priyanka Jain | CS |

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Notes to the Financial Statements for the year ended March 31, 2023

- Relatives of Key Managerial Personnel

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

B RELATED PARTY TRANSACTIONS AND BALANCES AS AT 31ST MARCH, 2023

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

(₹. in Lakhs)

| Sr | Particulars | Key Managerial Persons/ their relatives | Associate Companies/Concerns or over which Significant Influence is exercised |
|--|--|--|---|
| 1 | Contract Farming Charges paid | - | 34.14 |
| 2 | Rent paid | 8.50 | - |
| 3 | Purchase of Fixed Assets | - | - |
| 4 | Interest on Unsecured Loan paid | 53.01 | 40.70 |
| 5 | Unsecured Loan Taken | - | - |
| 6 | Repayment of Unsecured Loan | 53.91 | - |
| 7 | Loan & Advances | 4.00 | - |
| 8 | Purchase of Goods | 5.22 | 2673.69 |
| 9 | Remuneration paid | 116.00 | - |
| 10 | Repair and Maintenance Expense paid | - | - |
| 11 | Salary paid | 6.22 | - |
| 12 | Sales of Goods | 0.07 | 2190.27 |
| Total | | 246.93 | 4938.80 |
| Balances as at 31st March, 2023 | | | |
| 1 | Unsecured Loans | 645.00 | 81.21 |
| 2 | Trade Payables | - | 508.98 |
| 3 | Contract Farming Charges Payable | - | 151.68 |
| 4 | Repair and Maintenance Expense Payable | - | 21.92 |
| 5 | Director's Remuneration and Salary Payable | -1.81 | - |
| 5 | Rent Expenses Payable | - | - |
| 6 | Loan & Advances | 9.97 | 1.00 |
| 7 | Trade Receivable | - | 988.98 |

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Notes to the Financial Statements for the year ended March 31, 2023

RELATED PARTY TRANSACTIONS AND BALANCES AS AT 31ST MARCH, 2022

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

(. in Lakhs)

| Sr | Particulars | Key Managerial Persons/ their relatives | Associate Companies/Concerns or over which Significant Influence is exercised |
|--|--|--|---|
| 1 | Contract Farming Charges paid | - | 39.88 |
| 2 | Rent paid | 11.15 | - |
| 3 | Purchase of Fixed Assets | - | 24.63 |
| 4 | Interest on Unsecured Loan paid | 49.31 | 42.56 |
| 5 | Unsecured Loan Taken | - | - |
| 6 | Repayment of Unsecured Loan | - | 2.50 |
| 7 | Loan & Advances Repaid | - | - |
| 8 | Purchase of Goods | - | 948.36 |
| 9 | Remuneration paid | 96.00 | - |
| 10 | Repair and Maintenance Expense paid | - | 14.90 |
| 11 | Salary paid | 13.11 | - |
| 12 | Sales of Goods | - | 475.12 |
| Total | | 169.57 | 1547.95 |
| Balances as at 31st March, 2022 | | | |
| 1 | Unsecured Loans | 650.93 | 559.96 |
| 2 | Trade Payables | - | 660.47 |
| 3 | Contract Farming Charges Payable | - | 175.19 |
| 4 | Repair and Maintenance Expense Payable | - | 1.18 |
| 5 | Director's Remuneration and Salary Payable | 35.00 | - |
| 5 | Rent Expenses Payable | 15.29 | - |
| 6 | Loan & Advances | - | - |
| 7 | Trade Receivable | - | 731.28 |

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Notes to the Financial Statements for the year ended March 31, 2023

30. Gratuity and Other post employment benefit plans:

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

(₹. in Lakhs)

| Sr. | Particulars | 2022-23 | 2021-22 |
|-----|---|---------|---------|
| 1 | Employer's contribution to Provident Fund | 12.326 | 11.070 |

B. DEFINED BENEFIT PLAN

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

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

(₹. In Lakhs)

| | Particulars | 2022-23 | 2021-22 |
|---|---|---------|---------|
| - | Statement of profit and loss | | |
| | <u>Net employee benefit expenses recognised in employee cost in the Statement of Profit and Loss</u> | | |
| | <i>Current service cost</i> | 8.97 | 5.46 |
| | <i>Interest cost on benefit obligation</i> | 2.50 | 1.80 |
| | <i>Net benefit Expenses</i> | 11.47 | 7.26 |
| | <u>Net employee benefit expenses recognised in employee cost in Other Comprehensive Income</u> | | |
| | <i>Net Actuarial Losses recognised</i> | -2.72 | -6.84 |
| | <i>Net benefit Expenses</i> | -2.72 | -6.84 |
| - | Balance Sheet | | |
| | <u>Present value of defined benefit obligation</u> | | |
| | <i>Opening defined benefit obligation</i> | 20.59 | 20.17 |
| | <i>Current service cost</i> | 8.97 | 5.46 |
| | <i>Interest cost on benefit obligation</i> | 2.50 | 1.80 |
| | <i>Actuarial Losses/(Gains)</i> | -2.72 | -6.84 |
| | <i>Benefits paid during the year</i> | -0.67 | - |
| | <i>Closing defined benefit obligation</i> | 28.67 | 20.59 |

ZEAL AQUA LIMITED
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Notes to the Financial Statements for the year ended March 31, 2023

| | | | |
|---|--|----------|----------|
| - | Principal assumptions used | | |
| | <i>Discount Rate</i> | 7.30% | 6.80% |
| | <i>Increase in compensation cost/ Salary escalation rate</i> | 6.50% | 6.50% |
| | <i>Retirement Age</i> | 60 Years | 60 Years |
| - | Bifurcation of present value of benefit obligation | | |
| | <i>Current liability (Amount due within one year)</i> | 6.719 | 3.615 |
| | <i>Non - Current liability (Amount due over one year)</i> | 21.955 | 16.975 |

31. CONTINGENT LIABILITIES

A. CLAIMS AGAINST THE COMPANIES NOT ACKNOWLEDGED AS DEBT

There is no contingent liabilities against company

B. GUARANTEES

Current Year : Nil

Previous Year :

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

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

32. There is no amount due and outstanding to “Investors Education and Protection Fund.”

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

Notes to the Financial Statements for the year ended March 31, 2023

34. MSME DISCLOSURE:

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

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

35. Previous year figures

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

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

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

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Notes to the Financial Statements for the year ended March 31, 2023

37. Financial Ratios

| Ratio | Numerator | Denominator | Current Year | Previous Year |
|---|---|--|--------------|---------------|
| Current ratio (in times) | Total current assets | Total current liabilities | 1.382 | 1.501 |
| Debt-Equity ratio (in times) | Debt consists of borrowings and lease liabilities. | Total equity | 1.929 | 1.988 |
| Debt service coverage ratio (in times) | Earning for Debt Service = Net Profit after taxes+ Non-cash operating expenses + Interest +Other non-cash adjustments | Debt service = Interest and lease payments +Principal repayments | 1.681 | 1.500 |
| Return on equity ratio (in %) | Profit for the year less Preference dividend (if any) | Average total equity | 10.484 | 9.010 |
| Inventory Turnover Ratio | Revenue from operations | Average Inventory | 2.685 | 2.873 |
| Trade receivables turnover ratio (in times) | Revenue from operations | Average trade receivables | 6.278 | 4.914 |
| Trade payables turnover ratio (in times) | Cost of equipment and software licences + Other expenses | Average trade payables | 6.985 | 4.820 |
| Net capital turnover ratio (in times) | Revenue from operations | Average working capital (i.e. Total current assets less Total current liabilities) | 5.755 | 5.410 |
| Net profit ratio (in %) | Profit for the year | Revenue from operations | 1.945 | 1.665 |
| Return on capital employed (in %) | Profit before tax and finance costs | Capital employed = Net worth + Lease liabilities Deferred tax liabilities | 21.789 | 17.289 |
| Return on investment (in %) | Income generated from invested funds | Average invested funds in treasury investments | 7.703 | 9.010 |

38. CSR Expenses

| Particular | 31.03.2023 | 31.03.2022 |
|------------|------------|------------|
| | | |

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Notes to the Financial Statements for the year ended March 31, 2023

| | | |
|--|-------|-------|
| Amount required to be spent by the company during the year | 11.22 | 13.61 |
| Amount of expenditure incurred | 12.65 | 13.61 |
| Short fall at the end of the year | 0.00 | 0.00 |
| Total of previous year short fall | 0.00 | 0.00 |

- i. CSR Expenses denotes expenses made towards Corporate Social Responsibility as per section 134 of the Companies Act, 2013 read with Schedule VII thereof.
- ii. Gross amount required to be spent is ` . Rs.11.22 Lakhs Gross amount actual spent towards CSR expenses is ` . Rs. 12.65 Lakhs
- iii. Nature of CSR activities :- Amount of total Rs.12.65 lakhs has been used for construction of roads for development of villages.
- iv. There is no transaction with related parties in relation to CSR expenditure.

39. Approval of Financial Statements

The financial statements were approved for issue by the Board of Directors on May 30, 2023.

For ZEAL AQUA LIMITED

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

Sd/-
SHANTILAL PATEL
MANAGING DIRECTOR
DIN :- 01362109

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

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

Sd/-
JAYAN PATEL
C.F.O.

Place :- Surat,
Date :- 30th May , 2023
UDIN :- 23114255BGQUNA4656

ELECTRONIC E-VOTING PARTICULAR

EVEN: 125227

**E-voting shall remain open from Friday, 15th September, 2023
(09.00 am) till the close of working hours of Sunday, 17th
September, 2023 (05.00pm)**

Please read the instruction carefully before voting

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

