



27th Annual Report 2018-2019



FRESHTROP FRUITS LIMITED



Cut Fruit



Fresh Grapes



Aseptic Fruit Purees & Concentrates



Cold Extracted Juice Bottling



High-Pressure Processing



Frozen Purees



Global Food Safety Standards



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ANNUAL REPORT 2018 - 2019

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Ashok V. Motiani	Chairman & Managing Director
Mrs. Nanita A. Motiani	Whole-Time Director
Mr. Mayur J. Shah	Non-Executive/Independent Director
Mr. Dinesh Oza	Non-Executive/Independent Director
Mr. Anil Sharma	Non-Executive/Independent Director

KEY MANAGERIAL PERSONNEL

Mr. Sanjay Prajapati

Chief Financial Officer

Mr. Ronak Dhruve (w.e.f. 07.01.2019)

Company Secretary

STATUTORY AUDITORS

M/S. FP & Associates
Chartered Accountants,
708-A, Mahakant, Opp. V. S. Hospital,
Ellisbridge, Ahmedabad - 380 006.

SECRETARIAL AUDITOR

Manoj Hurkat & Associates

BANKERS

Axis Bank Limited
Citibank, N.A.

REGISTERED OFFICE

A-603, Shapath IV, Opp. Karnavati Club,
S.G. Road, Ahmedabad - 380 015

PLANT - I

Gat No. 171, Village Jaulke,
Mumbai Agra Road,
Tal.: Dindori, Dist.: Nasik-422 207,
Maharashtra, INDIA.

PLANT - II

Survey No. 1366, Savlej-Wayfale Road,
Post Siddhewadi,
Tal.: Tasgaon, Dist.: Sangli-416 311,
Maharashtra, INDIA.

PLANT - IV

Gat No. 598/1,
Village Janori.
Tal.: Dindori, Dist.: Nasik-422 206,
Maharashtra, INDIA.

FRESHTROP FRUITS LIMITED

(CIN: L15400GJ1992PLC018365)

NOTICE

NOTICE is hereby given that the 27th Annual General Meeting of the Members of FRESHTROP FRUITS LIMITED will be held on 26th September 2019 at 10.00 a.m. at Rajpath Club, S. G. Road, Ahmadabad– 380015 to transact the following business:

ORDINARY BUSINESS:

1. To receive and adopt audited financial statements of the Company for the financial year 2018-19 and to pass the following resolution, with or without modification, as an ORDINARY RESOLUTION:

“RESOLVED THAT audited financial statements of the Company for the financial year 2018-19 comprising of Balance Sheet as on 31st March, 2019 and Statement of Profit & Loss and cash flow for the Financial year ended on 31st March, 2019 together with all annexure and attachment thereto including the Directors’ Report and Auditors’ Report thereon, which have already been circulated to the Members and as laid before this meeting, be and are hereby approved and adopted.”

2. To appoint a Director in place of Mr. Ashok Motiani (DIN:00124470), who retires by rotation and being eligible, offers himself for re-appointment and to pass following resolution, with or without modification, as an ORDINARY RESOLUTION:

“RESOLVED THAT the retiring Director, Mr. Ashok Motiani (DIN: 00124470), be and is hereby re-appointed as a Director of the Company, liable to retire by rotation.”

SPECIAL BUSINESS:

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

Re-appointment of Mr. Mayur Jashvantlal Shah as an independent director of the Company for second term of 5 consecutive years.

“RESOLVED THAT pursuant to the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors in their respective meetings held on 5th August, 2019 and pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Listing Regulations (including any statutory modification(s) or re-enactment thereof for the time being in force), approval of the Company be and is hereby accorded to the re-appointment of Mr. Mayur Jashvantlal Shah (DIN 00124633) as an Independent Director of the Company, whose current period of office up to 21st September 2019 and who has submitted a declaration confirming that he meets the criteria of Independence under Section 149(6) of the Companies Act, 2013 as amended from time to time, and who is eligible for re-appointment for a second term under the provisions of the Companies Act, 2013 and the Rules made thereunder and in respect of whom the Company has received a notice in writing from a Member proposing his candidature for the office of Director pursuant to Section 160 of the Companies Act, 2013, whose term shall not be subject to retirement by rotation, to hold office for 5 (five) consecutive years on the Board of the Company with effect from 20th September 2019 to 19th September 2024.

“RESOLVED FURTHER THAT any one Director of the Company be and is hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this Resolution.”

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

Re-appointment of Mr. Anil Sharma as an independent director of the Company for second term of 5 consecutive years.

“RESOLVED THAT pursuant to the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors in their respective meetings held on 5th August, 2019 and pursuant

to the provisions of Sections 149, 150, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Listing Regulations (including any statutory modification(s) or re-enactment thereof for the time being in force), approval of the Company be and is hereby accorded to the re-appointment of Mr. Anil Sharma (DIN 06688634) as an Independent Director of the Company, whose current period of office up to 21st September 2019 and who has submitted a declaration confirming that he meets the criteria of Independence under Section 149(6) of the Companies Act, 2013 as amended from time to time, and who is eligible for re-appointment for a second term under the provisions of the Companies Act, 2013 and the Rules made thereunder and in respect of whom the Company has received a notice in writing from a Member proposing his candidature for the office of Director pursuant to Section 160 of the Companies Act, 2013, whose term shall not be subject to retirement by rotation, to hold office for 5 (five) consecutive years on the Board of the Company with effect from 20th September 2019 to 19th September 2024.

“RESOLVED FURTHER THAT any one Director of the Company be and is hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this Resolution.”

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

Re-appointment of Mr. Dineshbhai Shankerlal Oza as an independent director of the Company for second term of 5 consecutive years.

“RESOLVED THAT pursuant to the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors in their respective meetings held on 5th August, 2019 and pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Listing Regulations (including any statutory modification(s) or re-enactment thereof for the time being in force), approval of the Company be and is hereby accorded to the re-appointment of Mr. Dineshbhai Shankerlal Oza (DIN 01307881) as an Independent Director of the Company, whose current period of office up to 21st September 2019 and who has submitted a declaration confirming that he meets the criteria of Independence under Section 149(6) of the Companies Act, 2013 as amended from time to time, and who is eligible for re-appointment for a second term under the provisions of the Companies Act, 2013 and the Rules made thereunder and in respect of whom the Company has received a notice in writing from a Member proposing his candidature for the office of Director pursuant to Section 160 of the Companies Act, 2013, whose term shall not be subject to retirement by rotation, to hold office for 5 (five) consecutive years on the Board of the Company with effect from 20th September 2019 to 19th September 2024.

“RESOLVED FURTHER THAT any one Director of the Company be and is hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this Resolution.”

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

Approval of repricing of options in the “Freshtrop Employee Stock Option Plan 2018”:

“RESOLVED THAT pursuant to the provisions of Section 62(1)(b) and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, the provisions of Regulation 7(2) of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and relevant provisions of Circular No. CIR/CFD/POLICY CELL/2/2015 dated June 16, 2015 issued by the Securities and Exchange Board of India (collectively referred to as “SEBI SBEB Regulations”), Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the relevant provisions of the Memorandum and Articles of Association of the Company and subject to such other approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions, the consent of the members’ of the Company be and is hereby accorded to the amended “Freshtrop Employee Stock Option Plan 2018” (“ESOP 2018/“ESOP Plan”) which is updated with a view to ensure better efficiency and administration of the ESOP 2018 by repricing the options as defined under the ESOP 2018.”

“RESOLVED FURTHER THAT the Board of Directors of the Company (hereinafter referred to as the “Board” which term shall be deemed to include the Nomination and Remuneration Committee of Directors (“NRC”) which has been duly constituted by the Board, inter alia, to act as the Compensation Committee under Regulation 5 of SEBI SBEB Regulations and to exercise its powers, including the powers conferred by this resolution) be and is hereby authorised on behalf of the Company to make any / further modifications, changes, variations, alterations or revisions in the Plan from time to time as permitted under and in due compliance with provisions of the Companies Act, 2013 and the SEBI SBEB Regulations and to do all such acts, deeds, matters and things and sign deeds, documents, letters and such other papers as may be necessary, desirable and expedient, as it may in its absolute discretion deem fit or necessary or desirable for such purpose including giving effect to the aforesaid resolution and with power on behalf of the Company to settle any questions, difficulties or doubts that may arise in this regard without requiring the Board to secure any further consent or approval of the members of the Company.”

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

Approval of Restructuring of the Processing Business of the Company:

“RESOLVED THAT based on approval by Board of Directors and the Audit committee of the Company and pursuant to the applicable provisions under the Companies Act, 2013 and rules made thereunder, (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), relevant provisions of the Memorandum and Articles of Association of the Company and subject to the requisite approvals, sanctions, consent, observations, including approvals of various regulatory or government bodies/tribunals and any other appropriate statutory or regulatory authority to implement the aforesaid Resolution, the consent of the Company be and is hereby accorded, accorded to the Board of Directors (hereinafter referred to as “the Board” which term shall be deemed to include any Committee which the Board may constitute for this purpose or any person(s) authorized by the Board of the Company, to re-structuring company’s business in order to streamline processing unit located at Janori, Dist. Nasik.”

“RESOLVED FURTHER THAT Mr. Ashok Motiani, Managing Director and Mrs. Nanita Motiani Wholtime Director of the Company be and are hereby severally authorized to take all to do all such acts, deeds, matters and things as it may, including but not limited to prepare restarting plan, to authorized senior management and to appointment of legal , financial, tax advisor, valuer, merchant banker and other consultant / intermediaries / agencies for the implementation of restructuring of processing business.”

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

Approval for Buyback of Equity Shares of the Company:

“RESOLVED THAT pursuant to the provisions of Clause 73 of the Articles of Association of the Company and the provisions of Sections 68, 69, 70 and 110 and any other applicable provisions, if any, of the Companies Act, 2013, as amended (the “Companies Act”), the Companies (Share Capital and Debentures) Rules, 2014, as amended, and the Companies (Management and Administration) Rules 2014, as amended and to the extent applicable and other applicable rules made under the Companies Act, 2013 and in compliance with Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018, as amended (the “Buyback Regulations”), including any amendments, statutory modifications or re-enactments for the time being in force, and subject to such other approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications, if any, as may be prescribed or imposed by the Securities and Exchange Board of India (“SEBI”), the stock exchanges on which the Equity Shares of the Company are listed (the “Stock Exchanges”) and other authorities, institutions or bodies (the “Appropriate Authorities”) while granting such approvals, permissions and sanctions, which may be agreed by the Board of Directors of the Company (hereinafter referred to as the “Board”, which expression shall include any Committee constituted/ to be constituted by the Board to exercise its powers, including the powers conferred by this resolution) and on the terms and conditions set out in the explanatory statement (which may be modified based on regulatory requirements), the approval of the shareholders be and is hereby accorded for the buyback by the Company of up to 10,00,000 (Ten Lacs Only) fully paid-up equity shares of face value of ₹10 (Rupees Ten Only) each of the Company (“Equity Shares”) representing 8.23% of the total number of Equity Shares in the paid-up share capital of the Company as at March 31, 2019 at a price of ₹110 (Rupees One Hundred

Ten Only) per Equity Share ("Buyback Price") payable in cash for an aggregate consideration amount not exceeding ₹ 11,00,00,000 Crores (Rupees Eleven Crores only) ("Maximum Buyback Size") (excluding any expenses incurred or to be incurred for the Buyback like filing fee payable to SEBI, advisors'/legal fees, public announcement publication expenses, printing and dispatch expenses, other transaction costs viz. brokerage, applicable taxes such as securities transaction tax, GST, stamp duty, other incidental and related expenses, etc.), being 14.47 % of the aggregate of the fully paid-up equity share capital and free reserves as per the latest audited financial statements of the Company for the financial year ended March 31, 2019, on a proportionate basis through the "tender offer" route as prescribed under the Buyback Regulations, from all the shareholders who hold Equity Shares as of the record date (the process being referred hereinafter as "Buyback").

"RESOLVED FURTHER THAT all of the shareholders of the Company will be eligible to participate in the Buyback, including promoters and promoter group of the Company (including members thereof) and persons in control (including persons acting in concert), who hold Equity Shares as of the record date to be subsequently decided by the Board or a committee of the Board ("Record Date")."

"RESOLVED FURTHER THAT 15% of the number of equity shares which the Company proposes to buyback or number of equity shares entitled as per the shareholding of small shareholders as on the Record Date, whichever is higher, shall be reserved for the small shareholders, as prescribed under proviso to Regulation 6 of the Buyback Regulations."

"RESOLVED FURTHER THAT the Company shall implement the Buyback through the "tender offer" route as prescribed under the Buyback Regulations and the "Mechanism for acquisition of shares through Stock Exchange" notified by SEBI vide circular CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 read with the circulars issued in relation thereto, including the circular CFD/DCR2/CIR/P/2016/131 dated December 09, 2016 including any amendments or statutory modifications or such other mechanism as may be applicable."

"RESOLVED FURTHER THAT the Buyback from the shareholders who are residents outside India, including non-resident Indians, foreign nationals, foreign corporate bodies (including erstwhile overseas corporate bodies) and qualified institutional buyers including foreign portfolio investors, shall be subject to such approvals, if any, required under the Foreign Exchange Management Act, 1999, the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017 and the rules and regulations framed thereunder from the concerned authorities including the Reserve Bank of India, and that such approvals shall be required to be taken by such non-resident shareholders themselves."

"RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the power(s) conferred hereinabove as it may in its absolute discretion deem fit, to any Committee ("Buyback Committee") / any one or more Director(s)/Officer(s)/Authorised Representative(s) of the Company to give effect to the aforesaid resolutions, including but not limited to finalizing the terms of the Buyback like Buyback Size, number of shares to be bought back, record date, entitlement ratio, the time frame for completion of Buyback; appointment of merchant banker, brokers, lawyers, depository participants, escrow agents, bankers, advisors, registrars, scrutinizers, printers, consultants/intermediaries/ agencies, as may be required, for the implementation of the Buyback; preparing, finalizing, signing and filing of the public announcement, the draft letter of offer/ letter of offer with SEBI, the Stock Exchanges where the Equity Shares are listed and other appropriate authorities and to make all necessary applications to the appropriate authorities for their approvals including but not limited to approvals as may be required from the SEBI and RBI; and initiating all necessary actions for preparation and issue of various documents including public announcement, draft letter of offer, letter of offer, opening, operation and closure of necessary accounts including escrow account, special account with the bank, demat escrow account, trading account, entering into escrow agreements as required under the Buyback Regulations, filing of declaration of solvency, obtaining all necessary certificates and reports from statutory auditors and other third parties as required under applicable law, extinguishing dematerialized shares and physically destroying share certificates in respect of the Equity Shares bought back by the Company, and filing such other undertakings, agreements, papers, documents and correspondence, as may be required to be filed in connection with the Buyback with SEBI, RBI, Stock Exchanges, Registrar of Companies, Depositories and/ or other regulators and statutory authorities as may be required from time to time."

“RESOLVED FURTHER THAT nothing contained herein shall confer any right on the part of any shareholders to offer and/or any obligation on the part of the Company or the Board or Buyback Committee to Buyback any shares, and/or impair any power of the Company or the Board or Buyback Committee to terminate any process in relation to such Buyback, if so permissible by applicable law.”

“RESOLVED FURTHER THAT for the purpose of giving effect to this Resolution, the Board and/or Buyback Committee is hereby empowered and authorised on behalf of the Company to accept and make any alteration(s), modification(s) to the terms and conditions as it may deem necessary, concerning any aspect of the Buyback, in accordance with the statutory requirements as well as to give such directions as may be necessary or desirable, to settle any questions, difficulties or doubts that may arise and generally, to do all acts, deeds, matters and things as the Board and/or any person authorised by the Board may, in its/his/her absolute discretion deem necessary, expedient, usual or proper in relation to or in connection with or for matters consequential to the Buyback without seeking any further consent or approval of the shareholders or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this Resolution.”

Date: August 23, 2019

By order of the Board
For Freshtrop Fruits Ltd

Registered Office

A-603, Shapath IV,
Opp. Karnavati Club, S. G. Road,
Ahmedabad – 380 015
CIN: L15400GJ1992PLC018365

Ashok Motiani
Chairman & Managing Director
(DIN: 00124470)

NOTES:

1. The relative Explanatory Statements, pursuant to Section 102 of the Companies Act, 2013, in respect of the business under Items No. 3 to 7 of the accompanying Notice is annexed hereto.
2. A statement giving additional details of the Directors seeking appointment /re-appointment as set out at Item Nos. 3, 4 and 5 are annexed herewith as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and para 1.2.5 of Secretarial Standard on General Meeting (SS-2) notified under the Companies Act, 2013.
3. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (THE “MEETING”) IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE IN THE MEETING INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
In order that the appointment of a proxy is effective, the instrument appointing a proxy must be received at the Registered Office of the Company not later than forty-eight hours before the commencement of the meeting.
4. A person can act as a proxy on behalf of members not exceeding fifty in number and holding in the aggregate not more than ten percent of the total paid-up Share Capital of the Company carrying voting rights. A member holding more than ten percent of the total paid up share capital of the Company carrying voting rights may appoint a single person as a proxy and such person shall not act as a proxy for any other Member.
5. Corporate Members intending to send their authorized representatives to attend the Annual General Meeting pursuant to Section 113 of the Companies Act 2013, are requested to send the Company, a certified copy of the relevant Board Resolution together with the respective specimen signatures of those representative(s) authorized under the said resolution to attend and vote on their behalf at the Meeting.
6. Members, proxies and Authorized representative are requested to bring to the meeting, the attendance slips enclosed herewith duly completed and signed mentioning therein details of their DP ID and Client ID / Folio No.
7. In case of joint holders attending the Meeting, the joint holder who is higher in the order of names will be entitled to vote at the meeting.

8. Relevant documents referred to in the accompanying Notice and in the Explanatory Statements are open for inspection by the Members at the Company's Registered Office on all working days of the Company, during business hours upto the date of the Meeting.
9. The Register of Members and Share Transfer Books of the Company shall remain closed from **18th September 2019 to 26th September 2019** (both days inclusive).
10. Pursuant to Section 101 of the Act read with Rule 18 of the Companies (Management and Administration) Rules, 2014, the Annual Report for the financial year 2018-19 is being sent through electronic mode to all the Members whose E-mail IDs are registered with the Company/ Depository Participants for communication purposes, unless any members has requested for physical copy of the same. For Members who have not registered their E-mail IDs with the Company/Depository Participants, a physical copy of the Annual Report for the year 2018-19 is being sent by the permitted mode.

The Notice of AGM and the Annual Report of the Company for the year ended 31st March, 2019 is uploaded on the Company's website and may be accessed by the Members. The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during normal business hours on working days.

11. Pursuant to Section 107 of the Act read with the Rule 20 of the Companies (Management and Administration) Rules, 2014, voting through polling paper shall also be made available to those Members who attend the Annual General Meeting and have not already cast their vote by remote e-voting.

The Members who have cast their votes by remote e-voting may also attend the AGM but shall not be entitled to cast their vote again.

12. The Board of Directors in their Meeting held on 5th August, 2019 appointed Mr. Manoj Hurkat, Practicing Company Secretary, Ahmedabad of M/s Manoj Hurkat & Associates (Membership No.4287 & CP No. 2574) or failing him any other Practicing Company Secretary, as may be appointed by authorised officials, as a Scrutinizer for overseeing the ballot voting and remote e-voting process in a fair and transparent manner.
13. The Scrutinizer shall submit his report to the Chairman or any other person authorised by him. Results declared alongwith report of the Scrutinizer shall be placed on the website of the Company www.freshtrop.com and on the website of CDSL www.evotingindia.com immediately after declaration of result by the Chairman or any person authorized by him in this behalf.

The resolution shall be deemed to be passed on the date of AGM, subject to the receipt of requisite votes.

14. Trading in the shares of the Company to be done compulsorily in dematerialized form only. Dematerialization would facilitate paperless trading through state-of-the-art technology, quick transfer of corporate benefits to members and avoid inherent problems of bad deliveries, loss in postal transit, theft and mutilation of share certificate and will not attract any stamp duty. It also substantially reduces the risk of fraud. Hence, we request all those members who have still not dematerialized their shares to get their shares dematerialized at the earliest.
15. Pursuant to SEBI Circular No. SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated April 20, 2018, Members are hereby requested to update their PAN and Bank details with the Registrar and Share Transfer Agent.
16. Members holding shares in physical form are requested to forward all applications for transfers and all other share related correspondence (including intimation for change of address) to the Share Transfer Agents of the Company.
17. Pursuant to Section 72 of the Companies Act, 2013, shareholders holding shares in physical form may file nomination in the prescribed Form SH-13 and for cancellation / variation in nomination in the prescribed Form SH-14 with the Company's RTA. Members holding shares in the dematerialized form may contact the Depository Participant for recording nomination in respect of their shares.

VOTING THROUGH ELECTRONIC MEANS

The Company is pleased to offer e-voting facility to all its members to enable them to cast their vote electronically in terms of Section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 and Clause 35B of the Listing Agreement (including any statutory modification or re-enactment thereof for the time being in force). Accordingly, a member may exercise his vote by electronic means and the Company may pass any resolution by electronic voting system in accordance with the above provisions.

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on **23rd September 2019 (9.00 a.m.)** and ends on **25th September, 2019 (5.00 p.m.)**. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 18th September, 2019 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iii) Click on Shareholders.
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first-time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form

PAN	Enter your 10-digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) - Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Postal Ballot / Attendance Slip indicated in the PAN field. - In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. E.g. If your name is Ramesh Kumar with serial number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant <Company Name> on which you choose to vote.

- (xii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution, you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xvii) If a demat account holder has forgotten the login password, then Enter the User ID and the image verification code and click on forgot password & enter the details as prompted by the system.
- (xviii) Shareholders can also cast their vote using CDSL’s mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store, Apple and Windows phone. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xix) **Note for Non – Individual Shareholders and Custodians**
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

EXPLANATORY STATEMENT

(Pursuant to Section 102 of the Companies Act, 2013)

ITEM NO. 3,4 & 5:

Pursuant to Section 149 and all other applicable provisions of the Companies Act, 2013 read with the Rules framed thereunder and the applicable provisions of the erstwhile Listing Agreement with the Stock Exchanges, an independent director shall hold office for a term up to five consecutive years on the Board of a company and shall be eligible for reappointment on passing of a special resolution by the company.

In accordance to that Mr. Mayur Jashvantlal Shah (DIN 00124633), Mr. Anil Sharma (DIN 06688634) and Mr. Dineshbhai Shankerlal Oza (DIN 01307881), were appointed as the Independent Directors of the Company for a term of 5 years from 21/09/2014 and will complete their initial term as an Independent Director of the Company on 20th September 2019, they are eligible for re-appointment for one more term.

The Board of Directors in its meeting held on 5th August 2019 noted that the above Directors are highly renowned professionals drawn from diverse fields, who bring with them a wide range of skills and experience to the Board, which enhances the quality of Board's decision-making process. The Company and the Board has immensely benefited from their vast experience, knowledge and strategic insights on various matters relating to the Company's business. Considering the enormous contribution of the Directors to the functioning and performance of the Company the Board felt that it will be in the interest of the Company to re-appoint them as Independent Directors.

The Board of Directors of the Company on the basis of the report of performance evaluation and the recommendation of the Nomination and Remuneration Committee, approved the re-appointment of Mr. Mayur Jashvantlal Shah (DIN 00124633), Mr. Anil Sharma (DIN 06688634) and Mr. Dineshbhai Shankerlal Oza (DIN 01307881), as Independent Directors of the Company not liable to retire by rotation, for a second term of 5 (five) consecutive years i.e. w.e.f. 20th September 2019.

Mr. Mayur Jashvantlal Shah (DIN 00124633), Mr. Anil Sharma (DIN 06688634) and Mr. Dineshbhai Shankerlal Oza (DIN 01307881), have given their consent to act as Independent Directors of the Company and have furnished necessary declarations to the Board of Directors that they meet the criteria of independence as provided under Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Further as per the declarations received by the Company, Mr. Mayur Jashvantlal Shah, Mr. Anil Sharma and Mr. Dineshbhai Shankerlal Oza are not disqualified to be re-appointed as Directors under Section 164 of the Companies Act, 2013. The Company has received notices in writing from members under Section 160 of the Companies Act, 2013 proposing the candidature of each of by Mr. Mayur Jashvantlal Shah, Mr. Anil Sharma and Mr. Dineshbhai Shankerlal Oza for the office of director of the Company. In the opinion of the Board Mr. Mayur Jashvantlal Shah, Mr. Anil Sharma and Mr. Dineshbhai Shankerlal Oza fulfils the conditions specified under the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for re-appointment as Independent Directors. A brief profile of the aforesaid Independent Director proposed to be re-appointed including nature of their expertise and shareholdings in the Company, etc. are annexed as "Annexure- A" to the Notice.

None of the Directors or Key Managerial Personnel except Mr. Mayur Jashvantlal Shah, Mr. Anil Sharma and Mr. Dineshbhai Shankerlal Oza, either directly or through their relatives with regard to their respective re-appointment are, in any way, concerned or interested, whether financially or otherwise, in the resolutions as set out at Item Nos. 3, 4, and 5 of the Notice. The Board of Directors, therefore, recommends the Resolutions as set out at Item Nos. 3, 4, and 5 to be passed as Special Resolutions by the Members.

ANNEXURE -A

Reason for disclosure: Re-appointment for the second term

Date of Re-appointment: 20th September 2019.

Term of Appointment: 5 Years

	Mr. Dinesh Oza (DIN: 01307881)	Mr. Anil Sharma (DIN: 06688634)	Mr. Mayur Shah (DIN: 00124633)
Date of Birth	04.07.1953	02.08.1954	03.09.1959
Profile	Mr. Dinesh Oza is BSC (Tech), Food Technologist from Bombay University, having 40 years of experience in research and development of various food products, Food project identification, Planning, project management and project implementation. Further he provides services as a consultant for turnkey techno-commercial services to food industry, vegetable oil industry and is associated with around 120 different types of food projects.	Food Technologist. Mr. Anil Sharma has around 37 years of experience in food processing industry. He is a life member of Association of Food Scientist and Technologist, CFTRI, Mysore (India) and Executive Member of All India Food Preserver Association. He served several Prestigious Agro based projects and food processing plants and having vast experience with fruit juice concentrate manufacturing, dehydration, canning, and bottling, blending and aseptic packing of beverages.	Mr. Mayur Shah is a Commerce graduate and having thirty-five years of experience in the field of Public relation, legal, capital markets and financing.
Disclose of relationships with directors	Nil	Nil	Nil
Directorship held in other listed limited	Nil	Nil	Nil
Shareholding of non-executive directors	Nil	Nil	5,625
Terms and Conditions of reappointment	Term of 5 years. Not liable to retire by rotation.	Term of 5 years. Not liable to retire by rotation.	Term of 5 years. Not liable to retire by rotation.
No. of Meetings of Board attended	4	4	4
Remuneration to be paid	Sitting Fees	Sitting Fees	Sitting Fees
List of Bodies Corporate in which outside directorships held as on 31 st March, 2019	Nil	Fil Industries Ltd	Nil

ITEM NO. 6:

Your Company had implemented the "Freshtrop Employee Stock Option Plan 2018" ("ESOP 2018/ "Plan"), with a view to attract and retain key talents by way of rewarding their performance and motivate them to contribute to the overall corporate growth and profitability. The ESOP 2018 was originally approved by the members of the Company by way of special resolution on dated 28th September 2018.

In this background, it is thought expedient to amend/ update the ESOP 2018 with a view to reprice the options and to ensure efficient implementation and administration in terms of amending the provisions relating to exercise price.

Subject to your approval, the Nomination and Remuneration Committee of the Directors ("Committee") and the Board of Directors of the Company at their respective meetings held on 05th August 2019 had approved the aforesaid proposals.

None of the aforesaid proposal is detrimental to the interests of the employees. The beneficiaries of these variations shall be the option grantees being the eligible employees of the Company.

In terms of Section 62(1)(b) of the Companies Act, 2013 read with Regulation 7(2) of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 ("SEBI SBEB Regulations"), the Company seeks your approval for repricing the exercise price, rational thereof and beneficiaries of such repricing.

Features of the Plan remain the same as originally approved and ratified except as stated above.

However, the features are reproduced in terms of SEBI SBEB Regulations, as under:

A. Brief Description of the Plan:

Keeping view the aforesaid objectives, the ESOP 2018 contemplates grant of options to the eligible employees of the Company. After vesting of options, the eligible employees earn a right, but not obligation, to exercise the vested options within the exercise period and obtain equity shares of the Company subject to payment of exercise price and satisfaction of any tax obligation arising thereon.

The Committee shall act as Compensation Committee for the administration of ESOP 2018. All questions of interpretation of the ESOP 2018 shall be determined by the Committee and such determination shall be final and binding upon all persons having an interest in ESOP 2018.

B. Total number of options to be granted:

The total number of options to be granted under the ESOP 2018 shall not exceed 250,000 (Two Lakhs Fifty Thousand). Each option when exercised would be converted in to one equity share of ₹10/- (Rupees Ten) each fully paid-up.

Further, SEBI SBEB Regulations require that in case of any corporate action(s) such as rights issue, bonus issue, merger, sale of division etc., a fair and reasonable adjustment needs to be made to the options granted. In this regard, the Committee shall adjust the number and price of the options granted in such a manner that the total value of the options granted under the ESOP 2018 remain the same after any such corporate action. Accordingly, if any additional options are issued by the Company to the option grantees for making such fair and reasonable adjustment, the ceiling of 250,000 (Two Lakhs Fifty Thousand), shall be deemed to be increased to the extent of such additional options issued.

C. Identification of classes of employees entitled to participate in the ESOP 2018:

All permanent employees and Directors (hereinafter referred to as "Employees") of the Company shall be eligible subject to determination or selection by the Committee. Following classes of employees/ Directors are eligible being:

- a) a permanent employee of the Company who has been working in India or outside India;
- b) a director of the Company, whether a whole-time director or not but excluding an independent director.

but does not include—

- a) an employee who is a Promoter or belongs to the Promoter Group; and
- b) a Director who either by himself or through his relatives or through anybody corporate, directly or indirectly holds more than 10% of the issued and subscribed Shares of the Company.

D. Requirements of Vesting and period of Vesting:

All the options granted on any date shall vest not earlier than minimum period of 1 (One) year and not later than a maximum period of 6 (Six) years from the date of grant of options as may be determined by the Committee. The Committee may extend, shorten or otherwise vary the vesting period from time to time subject to these minimum and maximum vesting period.

The vesting dates in respect of the options granted under the ESOP 2018 shall be determined by the Committee and may vary from an employee to employee or any class thereof and / or in respect of the number or percentage of options to be vested.

Options shall vest essentially based on continuation of employment/ service as per requirement of SEBI SBEB Regulations. Apart from that the Committee may prescribe achievement of any performance condition(s) for vesting.

E. Maximum period within which the options shall be vested:

All the options granted on any date shall vest not later than a maximum of 6 (Six) years from the date of grant of options as stated above.

F. Exercise price or pricing formula:

The exercise price shall be determined by the committee at its sole discretion out of following two options prescribed as follows

- 1) Which shall not be less than the higher of the following:
 - a) the average of the weekly high and low of the closing price of the share listed on the stock exchange during the 26 (Twenty-Six) weeks preceding the grant date; OR
 - b) the average of the weekly high and low of the closing price of the share listed on the stock exchange during the 2 (Two) weeks preceding the grant date.

OR

- 2) Which shall not be less than the lesser of the following:
 - a) the average of the weekly high and low of the closing price of the share listed on the stock exchange during the 26 (Twenty-Six) weeks preceding the grant date; OR
 - b) the average of the weekly high and low of the closing price of the share listed on the stock exchange during the 2 (Two) weeks preceding the grant date.

G. Exercise period and the process of exercise:

The exercise period would commence from the date of vesting and will expire on completion 3 (Three) years from the date of respective vesting or such other shorter period as may be decided by the Committee from time to time.

The vested option shall be exercisable by the option grantees by a written application to the Company expressing his/ her desire to exercise such options in such manner and on such format as may be prescribed by the Committee from time to time. Exercise of options shall be entertained only after payment of requisite exercise price and satisfaction of applicable taxes by the option grantee. The options shall lapse if not exercised within the specified exercise period.

H. Appraisal process for determining the eligibility of employees under the ESOP 2018:

The appraisal process for determining the eligibility shall be decided from time to time by the Committee. The broad criteria for appraisal and selection may include parameters like tenure of association with the Company, performance during the previous year(s), contribution towards strategic growth, contribution to team building and succession, cross-functional relationship, corporate governance, etc.

I. Maximum number of options to be issued per employee and in aggregate:

The maximum number of options that may be granted to any specific employee of the Company per employee and in aggregate under the ESOP 2018 shall not exceed (number) options.

J. Maximum quantum of benefits to be provided per employee under the ESOP 2018:

Apart from grant of options as stated above, no monetary benefits are contemplated under the ESOP 2018.

K. Route of ESOP 2018 implementation:

The ESOP 2018 shall be implemented and administered directly by the Company.

L. Source of acquisition of shares under ESOP 2018:

The ESOP 2018 contemplates issue of fresh/ primary shares by the Company.

M. Amount of loan to be provided for implementation of the scheme(s) by the Company to the trust, its tenure, utilization, repayment terms, etc.:

This is currently not contemplated under the present ESOP 2018.

N. Maximum percentage of secondary acquisition:

This is not relevant under the present ESOP 2018.

O. Accounting and Disclosure Policies:

The Company shall follow the IND AS 102 on Share based Payments and/ or any relevant Accounting Standards as may be prescribed by the Institute of Chartered Accountants of India (ICAI) from time to time, including the disclosure requirements prescribed therein. In case, the existing guidance note, or accounting standards do not prescribe accounting treatment or disclosure requirements, any other Accounting Standard that may be issued by ICAI or any other competent authority shall be adhered to in due compliance with the requirements of Regulation 15 of SEBI SBEB Regulations.

P. Method of option valuation:

The Company shall adopt 'fair value method' for valuation of options as prescribed under guidance note or under any accounting standard, as applicable, notified by appropriate authorities from time to time.

Q. Declaration:

In case, the Company opts for expensing of share based employee benefits using the intrinsic value, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options and the impact of this difference on profits and on Earning Per Share (EPS) of the Company shall also be disclosed in the Directors' Report.

Consent of the members is being sought by way of special resolution pursuant to Section 62(1)(b) and all other applicable provisions, if any, of the Companies Act, 2013 and as per Regulation 7(2) of the SEBI SBEB Regulations.

A draft copy of the amended ESOP 2018 is available for inspection at the Company's registered office during official hours on all working days till the date of the 26.09.2019 annual general meeting.

None of the Directors, key managerial personnel of the Company including their relatives are interested or concerned in the resolutions, except to the extent they may be lawfully granted options under the ESOP 2018.

In light of above, you are requested to accord your approval to the special resolution as set out at Agenda Item No. 6 of the accompanying notice.

ITEM NO.7:

The Company has identified its 'Processing Division' as 'Under Improvisation Unit' further industry has been facing severe recessionary trends and therefore requires members' approval by way of 'Special Resolution' for restructuring processing business. The Board further noted the Company has been running and operating two business viz. (i) Fresh Business and (ii) Processing Business and as result the company can't utilize its resources properly. Hence the proposal for restructuring business were placed before the board. The Board of Directors discussed and approved to restructuring processing business at their meeting held on August 5, 2019.

The Board is of the opinion that by getting re-structuring of processing business is in the best interest of the Company and stakeholder and the Company get the requisite opportunity to grow to full potential and enable to focuses to business approach by optimization of factors hence the Board recommends to provides approval by way of Special Resolution.

None of the Directors, key managerial personnel of the Company including their relatives are interested or concerned in the resolutions.

ITEM NO.8:

Pursuant to the provisions of the Act, Rules, the Companies (Share Capital and Debentures) Rules, 2014, as amended (the "Share Capital Rules"), Clause 73 of the Articles of Association of the Company, and in compliance with the Buyback Regulations, the Board of Directors of the Company at its meeting held on August 23, 2019 ("Board Meeting") has, subject to the approval of the shareholders of the Company by way of special resolution through voting by electronic means as provided under section 108 of the Companies act, 2013, and subject to

such approvals of statutory, regulatory or governmental authorities as may be required under applicable laws, approved the buyback of up to 10,00,000 (Ten Lacs only) fully paid-up equity shares of face value of ₹10 each ("Equity Shares"), representing 8.23% of the total number of Equity Shares in the paid-up share capital of the Company as at March 31, 2019, at a price of ₹ 110 (Rupees One Hundred Ten only) per Equity Share (the "Buyback Price") payable in cash for an aggregate consideration amount not exceeding ₹ 11,00,00,000 Crores (Rupees Eleven Crores only) (excluding any expenses incurred or to be incurred for the Buyback like filing fee payable to SEBI, advisors' fees, public announcement publication expenses, printing and dispatch expenses, transaction costs viz. brokerage, applicable taxes such as securities transaction tax, GST, stamp duty, other incidental and related expenses, etc.), through the "tender offer" route as prescribed under the Buyback Regulations and the "Mechanism for acquisition of shares through Stock Exchange" notified by SEBI vide circular CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 read with the circulars issued in relation thereto, including the circular CFD/DCR2/CIR/P/2016/131 dated December 09, 2016 including any amendments or statutory modifications or such other mechanism as may be applicable ("SEBI Circulars"), on a proportionate basis, from the equity shareholders / beneficial owners of the Equity Shares of the Company as on the Record Date to be subsequently decided by the Board or a committee of the Board.

Board of Directors of the Company at its meeting held on August 23, 2019, took note of: (a) the "Statement of permissible capital payment" prepared by the Company, containing the computation of amount of permissible capital payment towards the Buyback of equity shares in accordance with section 68(2)(c) of the Act, based on the audited financial statements as at and for the year ended March 31, 2019, and (b) the report dated August 23, 2019 of the Statutory Auditors of the Company, F P & Associates on the permissible capital payment, and decided that the number of Equity Shares to be bought back shall be up to 10,00,000 (Ten Lacs only) Equity Shares representing 8.23 % of the total number of Equity Shares in the paid-up share capital of the Company as at March 31, 2019, for an aggregate consideration amount not exceeding ₹ 11,00,00,000 Crores (Rupees Eleven Crores only) ("Maximum Buyback Size") (excluding any expenses incurred or to be incurred for the Buyback like filing fee payable to SEBI, advisors' fees, public announcement publication expenses, printing and dispatch expenses, transaction costs viz. brokerage, applicable taxes such as securities transaction tax, GST, stamp duty, other incidental and related expenses, etc.), being 14.47% of the aggregate of the fully paid-up equity share capital and free reserves as per the latest audited financial statements of the Company for the financial year ended March 31, 2019.

Since the Buyback constitutes more than 10% of the total paid-up equity capital and free reserves of the Company, in terms of Section 68(2)(b) of the Act, it is necessary to obtain the consent of the shareholders of the Company, for the Buyback by way of a special resolution. Further, as per Section 110 of the Act read with Rule 22(16)(g) of the Rules, the consent of the shareholders of the Company to the Buyback is required to be obtained by means of postal ballot or voting by electronic means as provided under section 108 of the Companies act, 2013. Accordingly, the Company is seeking your consent for the aforesaid proposal as contained in the resolution in Notice of AGM through voting by electronic means as provided under section 108 of the Companies act, 2013. Certain figures contained in this Notice/Explanatory Statement, including financial information, have been subject to rounding-off adjustments. All decimals have been rounded off to two decimal points. In certain instances, (i) the sum or percentage change of such numbers may not conform exactly to the total figure given; and (ii) the sum of the numbers in a column or row in certain tables may not conform exactly to the total figure given for that column or row.

Requisite details and material information relating to the Buyback are given below:

- a. **Date of the Board meeting at which the proposal for buy back was approved by the Board of Directors of the Company** – August 23, 2019
- b. **Necessity for the Buyback**

Share buyback is the acquisition by a company of its own shares. The objective is to return surplus cash to the shareholders holding equity shares of the Company. Buyback is a more efficient form of distributing surplus cash to the shareholders holding equity shares of the Company, inter-alia, for the following reasons:

- (i) The Buyback will help the Company to distribute surplus cash to its shareholders holding Equity Shares broadly in proportion to their shareholding thereby enhancing the overall return for them;
- (ii) The Buyback, which is being implemented through the tender offer route as prescribed under the Buyback Regulations, would involve a reservation of up to 15% of the equity shares, which the

Company proposes to buyback, for small shareholders or the actual number of Equity Shares entitled as per the shareholding of small shareholders on the Record Date. The Company believes that this reservation for small shareholders would benefit a significant number of the Company's public shareholders, who would be classified as "Small Shareholders";

- (iii) The Buyback is generally expected to improve return on equity and improve earnings per share by reduction in the equity base of the Company, thereby leading to long term increase in shareholders' value; and
- (iv) The Buyback gives an option to the Eligible Shareholders (as defined below) to either (A) participate in the Buyback and receive cash in lieu of their Equity Shares which are accepted under the Buyback, or (B) not to participate in the Buyback and get a resultant increase in their percentage shareholding in the Company post the Buyback, without additional investment.
- (v) The Buyback will help in achieving an optimal capital structure.

c. Maximum number of securities that the Company proposes to buyback

The Company proposes to buy back up to 10,00,000 (Ten Lacs only) fully paid up Equity Shares of face value of ₹10 (Rupees Ten Only) each.

d. Buyback price and the basis of arriving at buyback price

- (i) The Equity Shares of the Company are proposed to be bought back at a price of ₹ 110 (Rupees One Hundred Ten only) per Equity Share.
- (ii) The Buyback Price of ₹ 110 (Rupees One Hundred Ten only) per Equity Share has been arrived at after considering various factors including but not limited to the trends in the volume weighted average prices and closing price of the Equity Shares on the Stock Exchange where the Equity Shares of the Company are listed during last 2 months, the net worth of the Company, price earnings ratio, impact on other financial parameters of the Company and possible impact of buyback on the return on net north and earnings per share.
- (iii) The equity shares are being offered for buyback at a premium of 16.34% over the closing price of equity shares on BSE being ₹94.55, on the date of intimation of Board meeting to consider the proposal for buyback to BSE(i.e. on August 20, 2019).
- (iv) Certain financial ratios as at March 31, 2019 ("Pre-Buyback") as derived from our audited statements and the corresponding ratios post buyback assuming full acceptance of the Buyback ("Post-Buyback") are mentioned hereunder:

Particulars	Pre Buyback	Post Buyback
Book Value per Equity Share (₹)	62.93	58.71
Basic EPS (₹)	11.32	12.33
Return on Net Worth (%)	17.98	21.01

e. Maximum amount of funds required for the Buyback and its percentage of the total paid up capital and free reserves and source of funds from which Buyback would be financed.

The maximum amount required for Buyback will not exceed ₹11,00,00,000 Crores (Rupees Eleven Crores only)(excluding any expenses incurred or to be incurred for the Buyback like filing fee payable to SEBI, advisors' fees, public announcement publication expenses, printing and dispatch expenses, transaction costs viz. brokerage, applicable taxes such as securities transaction tax, GST, stamp duty, other incidental and related expenses, etc.). The maximum amount mentioned aforesaid is 14.47 % of the aggregate of the fully paid-up equity share capital and free reserves as per the latest audited financial statements of the Company for the financial year ended March 31, 2019, which is within the prescribed limit of 25%.

The funds for the implementation of the proposed Buyback will be sourced out of free reserves and securities premium of the Company and any other source as may be permitted by the Buyback Regulations or the Act. Borrowed funds from banks and financial institutions, if any, will not be used for the Buyback.

The Company shall transfer from its free reserves or securities premium account, a sum equal to the nominal value of the equity shares bought back through the Buyback to the Capital Redemption Reserve account.

f. **Method to be adopted for the Buyback**

The Buyback shall be on a proportionate basis through the **tender offer** route, as prescribed under the Buyback Regulations, to the extent permissible, and the “Mechanism for acquisition of shares through Stock Exchanges” as prescribed under the SEBI Circulars. The Buyback will be implemented in accordance with the Act, Rules, to the extent applicable, the Buyback Regulations and on such terms and conditions as may be deemed fit by the Company.

As per the proviso to Regulation 40(1) of the Listing Regulations (notified by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Fourth Amendment) Regulations, 2018) read with SEBI notification No. SEBI/LAD-NRO/GN/2018/49 dated November 30, 2018, and the press releases dated December 3, 2018 and March 27, 2019 issued by SEBI, effective from April 1, 2019, requests for effecting transfer of securities shall not be processed unless the securities are held in the dematerialized form with a depository. Accordingly, shareholders desirous of tendering their Equity Shares held in physical form can do so only after the shares are dematerialized and are advised to approach the concerned depository participant to have their Equity Shares dematerialized.

As required under the Buyback Regulations, the Company will announce a record date for the Buyback for determining the names of the shareholders holding Equity Shares of the Company who will be eligible to participate in the Buyback (“**Eligible Shareholder(s)**”). Subject to the approval of the special resolution under this AGM Notice and subject to SEBI’s comments on the draft letter of offer, Eligible Shareholders will receive a letter of offer along with a tender/offer form indicating their entitlement.

The Equity Shares to be bought back is divided in two categories:

- (i) Reserved category for small shareholders; and
- (ii) General category for all other shareholders.

As defined in Regulation 2(1)(n) of the Buyback Regulations, a “small shareholder” is a shareholder who holds equity shares having market value, on the basis of closing price on Stock Exchange having highest trading volume as on record date, of not more than ₹2,00,000 (Rupees Two Lakh Only).

In accordance with Regulation 6 of the Buyback Regulations, 15% of the number of Equity Shares which the Company proposes to buyback or such number of Equity Shares entitled as per the shareholding of small shareholders as on the record date, whichever is higher, shall be reserved for the small shareholders as part of this Buyback.

Based on the holding on the record date, the Company will determine the entitlement of each Eligible Shareholder to tender their shares in the Buyback. This entitlement for each Eligible Shareholder will be calculated based on the number of Equity Shares held by the respective shareholder as on the record date and the ratio of the Buyback applicable in the category to which such shareholder belongs. In accordance with the explanation to Regulation 9(ix) of Buyback Regulations, in order to ensure that the same shareholders with multiple demat accounts/folios do not receive a higher entitlement under the Small Shareholder category, the Company proposes to club together the equity shares held by such shareholders with a common PAN for determining the category (Small Shareholder or General) and entitlement under the Buyback. In case of joint shareholding, the Company will club together the equity shares held in cases where the sequence of the PANs of the joint shareholders is identical. The shareholding of institutional investors like mutual funds, pension funds/trusts, insurance companies etc., with common PAN will not be clubbed together for determining the category and will be considered separately, where these equity shares are held for different schemes and have a different demat account nomenclature based on information prepared by the Registrar and Transfer Agent as per the shareholder records received from the Depositories.

Shareholders’ participation in Buyback will be voluntary. Eligible Shareholders holding Equity Shares of the Company can choose to participate and get cash in lieu of shares to be accepted under the Buyback or they may choose not to participate. Eligible Shareholders holding Equity Shares of the Company may also accept a part of their entitlement. Eligible Shareholders holding equity shares of the Company also have the option of tendering additional shares (over and above their entitlement) and participate in the shortfall created due to non-participation of some other shareholders, if any.

The maximum tender under the Buyback by any Eligible Shareholder cannot exceed the number of Equity Shares held by the shareholder as on the record date.

The Equity Shares tendered as per the entitlement by Eligible Shareholders holding Equity Shares of the Company as well as additional shares tendered, if any, will be accepted as per the procedure laid down in Buyback Regulations. The settlement under the Buyback will be done using the "Mechanism for acquisition of shares through Stock Exchange" notified by SEBI Circulars.

Participation in the Buyback by shareholders may trigger capital gains taxation in India and in their country of residence. The Buyback transaction would also be chargeable to securities transaction tax in India. The shareholders are advised to consult their own legal, financial and tax advisors prior to participating in the Buyback.

Detailed instructions for participation in the Buyback (tender of Equity Shares in the Buyback) as well as the relevant timetable will be included in the letter of offer to be sent to the Eligible Shareholder(s).

g. Time limit for completing the Buyback

Subject to receipt of regulatory consents and approvals, if any, the Buyback is proposed to be completed within 12 months from the date of passing of special resolution detailed in this AGM Notice.

h. Compliance with Section 68(2)(c) of the Act

The aggregate paid-up share capital and free reserves as per the latest audited financial statements of the Company as on March 31, 2019 is ₹76.044 crores. Under the provisions of the Act, the funds deployed for the Buyback cannot exceed 25% of the aggregate of the fully paid-up share capital and free reserves of the Company i.e., ₹76.044 crores. The maximum amount proposed to be utilized for the Buyback, ₹ 11 crore (Rupees Eleven Crore Only), is therefore within the limit of 25% of the Company's fully paid-up share capital and free reserves as per the latest audited financial statements of the Company as on March 31, 2019.

i. Details of holding and transactions in the shares of the Company

- (i) The shareholding of the Promoters and Promoter Group and persons who are in control as on the date of the Board Meeting and Notice convening AGM i.e., August 23, 2019, are as follows:

Sr. No.	Name of Shareholder	No. of Equity Shares	% Shareholding
1	Ashok Vishindas Motiani	17,42,389	14.35
2	Nanita Ashok Motiani	9,62,895	7.93
3	Mayank Ramesh Tandon	4,95,400	4.08
4	Priyanka Tandon	6,53,740	5.38
5	Dipti Ashok Motiani	8,24,734	6.79
6	Freshcap Foodstuff LLP	23,68,013	19.50
Total		70,47,171	58.03

- (ii) The shareholding of the Directors / Partners of Promoter & Promoter Group Companies / Entities, Directors and Key Managerial Personnel of the Company as on the date of the Board Meeting and Notice convening AGM i.e., August 23, 2019, are as follows:

Sr. No.	Name of Shareholder	No. of Equity Shares	% Shareholding
1	Ashok Vishindas Motiani	17,42,389	14.35
2	Nanita Ashok Motiani	9,62,895	7.93
3	Priyanka Tandon	6,53,740	5.38
4	Dipti Ashok Motiani	8,24,734	6.79

- (iii) Aggregate shares purchased or sold by the Promoters and Promoter Group and persons who are in control of the Company, Directors / Partners of Promoter & Promoter Group Companies / Entities, Directors and Key Managerial Personnel of the Company during a period of six months preceding the date of the Board Meeting and Notice convening AGM i.e., August 23, 2019, are as follows:

Name	Aggregate Number of Equity Shares purchased/sold	Nature of Transactions	Maximum Price Per Equity Share (₹)	Date of Maximum Price	Minimum Price Per Equity Share (₹)	Date of Minimum Price
NIL						

j. **Intention of Promoter and Promoter Group to participate in Buyback**

In terms of the SEBI Buy-Back Regulations, under the Tender Offer route, the Promoter and Promoter Group of the Company have an option to participate in the Buy-Back, vide their letters dated August 23, 2019, expressed their intention to tender their Equity Shares in the Buy-Back upto maximum of such number of shares which is equal to their respective entitlement under the Buy-Back and may also tender additional number of shares. However, the Promoter and Promoter group will not tender more than 70,47,171, being the total number of Equity Shares held by them.

Details of the date and price of acquisition of the Equity Shares held by the persons belonging to the Promoter and Promoter Group, who are participating in the Buy-Back are given below:

A. Ashok V Motiani

Details prior to 09/09/2004 are not available with the Company and the promoter and hence not disclosed here.

Date	Market Purchase / Market Sale	Transaction	Nature of Consideration	Consideration (in ₹)
14-06-03	266,450	Opening		-
09-09-04	500	Market Purchase	CASH	8.62
10-09-04	1,000	Market Purchase	CASH	7.80
13-09-04	500	Market Purchase	CASH	8.69
14-09-04	1,000	Market Purchase	CASH	7.87
26-10-04	2,300	Market Purchase	CASH	9.34
28-10-04	2,300	Market Purchase	CASH	9.50
11-03-05	16,800	Market Purchase	CASH	17.69
29-03-05	17,100	Market Purchase	CASH	15.17
04-04-05	4,000	Market Purchase	CASH	13.60
13-02-06	3,200	Market Purchase	CASH	70.30
03-04-06	(31,500)	Market Sale	CASH	91.05
06-06-06	100	Market Purchase	CASH	140.00
20-06-06	300	Market Purchase	CASH	65.50
20-06-06	242	Market Purchase	CASH	66.03
23-06-06	1,000	Market Purchase	CASH	72.95
25-07-06	500	Market Purchase	CASH	61.00
27-07-06	500	Market Purchase	CASH	65.00
04-08-06	1,000	Market Purchase	CASH	79.13
31-01-07	1,000	Market Purchase	CASH	101.64
01-02-07	1,000	Market Purchase	CASH	100.18
02-02-07	1,000	Market Purchase	CASH	99.30
02-03-07	2,000	Market Purchase	CASH	88.61
29-05-07	1,000	Market Purchase	CASH	78.77

Date	Market Purchase / Market Sale	Transaction	Nature of Consideration	Consideration (in ₹)
09-08-07	2,150	Market Purchase	CASH	108.18
10-08-07	500	Market Purchase	CASH	114.15
27-09-07	1,000	Market Purchase	CASH	126.47
17-10-07	235	Market Purchase	CASH	120.73
19-10-07	2,235	Market Purchase	CASH	117.22
22-10-07	3,316	Market Purchase	CASH	119.75
23-10-07	1,656	Market Purchase	CASH	123.73
21-01-08	3,000	Market Purchase	CASH	60.08
10-01-08	304,384	Bonus Shares	NA	-
29-01-10	25,000	Preferential allotment	CASH	19.40
13-11-10	100,000	Preferential allotment	CASH	19.40
18-07-12	25,000	Market Purchase	CASH	13.25
19-07-12	28,880	Market Purchase	CASH	13.35
20-07-12	40,000	Market Purchase	CASH	13.50
23-07-12	40,000	Market Purchase	CASH	13.75
24-07-12	59,000	Market Purchase	CASH	13.75
05-03-13	8,100	Market Purchase	CASH	17.69
06-03-13	5,478	Market Purchase	CASH	17.95
11-03-13	4,746	Market Purchase	CASH	18.01
22-03-13	8,800	Market Purchase	CASH	17.37
25-03-13	4,700	Market Purchase	CASH	17.36
13-02-13	200,000	Preferential Allotment	CASH	14.00
01-08-13	12,500	Market Purchase	CASH	14.96
09-08-13	4,744	Market Purchase	CASH	18.15
13-08-13	100,000	Preferential allotment	CASH	14.00
03-10-13	10,002	Market Purchase	CASH	25.36
04-10-13	3,200	Market Purchase	CASH	26.00
08-10-13	14,700	Market Purchase	CASH	26.00
22-10-13	8,177	Market Purchase	CASH	24.70
23-10-13	8,325	Market Purchase	CASH	24.87
28-10-13	14,388	Market Purchase	CASH	24.74
30-10-13	1,275	Market Purchase	CASH	23.98
08-11-13	5,220	Market Purchase	CASH	24.91
14-11-13	4,550	Market Purchase	CASH	24.14
08-02-14	200,000	Preferential Allotment	CASH	14.00
09-06-14	14,500	Market Purchase	CASH	31.00
13-06-14	5,500	Market Purchase	CASH	31.00
01-07-14	6,689	Market Purchase	CASH	33.96
02-07-14	5,793	Market Purchase	CASH	33.97
11-07-14	600	Market Purchase	CASH	33.98
14-07-14	1,094	Market Purchase	CASH	33.94
15-07-14	10,000	Market Purchase	CASH	35.87
21-07-14	10,175	Market Purchase	CASH	38.76
22-07-14	3,000	Market Purchase	CASH	38.52
31-07-14	10,000	Market Purchase	CASH	58.00

Date	Market Purchase / Market Sale	Transaction	Nature of Consideration	Consideration (in ₹)
09-12-14	(1,500)	Market Sale	CASH	123.63
10-12-14	(13,400)	Market Sale	CASH	123.39
11-12-14	(8,100)	Market Sale	CASH	123.35
02-02-15	(30,000)	Market Sale	CASH	178.40
03-02-15	(42,741)	Market Sale	CASH	181.29
08-09-15	1,842	Market Purchase	CASH	74.41
09-09-15	10,000	Market Purchase	CASH	84.67
12-10-15	14,500	Market Purchase	CASH	92.01
18-12-15	12,368	Market Purchase	CASH	83.52
10-02-16	14,000	Market Purchase	CASH	71.09
25-02-16	9,250	Market Purchase	CASH	77.23
29-02-16	3,650	Market Purchase	CASH	76.44
17-08-16	5,350	Market Purchase	CASH	93.52
09-09-16	10,000	Market Purchase	CASH	95.65
14-09-16	5,000	Market Purchase	CASH	93.92
16-09-16	10,000	Market Purchase	CASH	92.00
11-10-16	2,660	Market Purchase	CASH	88.37
28-11-16	11,000	Market Purchase	CASH	79.03
22-12-16	34,000	Market Purchase	CASH	83.49
30-12-16	45,526	Market Purchase	CASH	88.71
04-01-17	15,000	Market Purchase	CASH	86.83
10-07-17	8,080	Market Purchase	CASH	91.02
11-08-17	10,000	Market Purchase	CASH	93.46

B. Nanita Ashok Motiani

Details prior to 07/09/2004 are not available with the Company and the promoter and hence not disclosed here.

Date	Market Purchase / Market Sale	Transactions	Nature of Consideration	Consideration (in ₹)
01-04-03	252,800	Opening		-
07-09-04	2,000	Market Purchase	CASH	9.97
08-09-04	800	Market Purchase	CASH	9.57
09-09-04	1,000	Market Purchase	CASH	9.07
13-09-04	1,000	Market Purchase	CASH	9.08
13-09-04	800	Market Purchase	CASH	8.00
30-05-05	8,800	Market Purchase	CASH	19.65
13-02-06	5,000	Market Purchase	CASH	70.97
03-04-06	(30,000)	Market Sale	CASH	90.05
27-06-06	500	Market Purchase	CASH	63.84
13-09-06	27,000	Market Purchase	CASH	36.19
25-10-07	1,000	Market Purchase	CASH	123.68
26-10-07	2,218	Market Purchase	CASH	123.60
30-10-07	705	Market Purchase	CASH	122.00
10-01-08	273,623	Bonus Shares	NA	-
29-01-10	25,000	Preferential allotment	CASH	19.40

Date	Market Purchase / Market Sale	Transactions	Nature of Consideration	Consideration (in ₹)
13-11-10	100,000	Preferential allotment	CASH	19.40
13-02-13	100,000	Preferential allotment	CASH	14.00
13-08-13	100,000	Preferential allotment	CASH	14.00
16-07-15	28,000	Market Purchase	CASH	75.00
17-07-15	10,000	Market Purchase	CASH	83.74
18-12-15	5,000	Market Purchase	CASH	84.49
30-09-16	5,900	Market Purchase	CASH	85.22
04-10-16	946	Market Purchase	CASH	88.65
07-10-16	1,750	Market Purchase	CASH	88.79
13-10-16	7,474	Market Purchase	CASH	86.66
23-11-16	3,079	Market Purchase	CASH	74.97
28-11-16	11,000	Market Purchase	CASH	79.52
22-12-16	17,500	Market Purchase	CASH	83.48

C. Priyanka Mayank Tandon

Details prior to 28/10/2004 are not available with the Company and the promoter and hence not disclosed here.

Date	Market Purchase / Market Sale	Transaction	Nature of Consideration	Consideration (in ₹)
14-06-03	178,841	Opening		-
28-10-04	2,000	Market Purchase	CASH	9.50
29-10-04	200	Market Purchase	CASH	9.00
11-02-05	2,800	Market Purchase	CASH	10.58
16-02-05	1,200	Market Purchase	CASH	10.70
09-05-05	9,700	Market Purchase	CASH	16.12
10-05-05	10,000	Market Purchase	CASH	15.93
28-03-06	62,500	Preferential allotment	CASH	20.00
11-05-06	62,500	Preferential allotment	CASH	20.00
26-10-07	746	Market Purchase	CASH	121.11
30-10-07	295	Market Purchase	CASH	120.00
10-01-08	198,300	Bonus share	NA	-
13-02-13	100,000	Preferential allotment	CASH	14.00
18-12-15	10,000	Market Purchase	CASH	83.04
10-10-16	10,000	Market Purchase	CASH	88.86
29-11-16	978	Market Purchase	CASH	79.09
23-12-16	22	Market Purchase	CASH	85.09
30-12-16	109	Market Purchase	CASH	88.09
04-01-17	3,891	Market Purchase	CASH	86.74
17-03-17	(342)	Market Sale	CASH	107.57

D. Mayank Tandon

Details prior to 30/05/2005 are not available with the Company and the promoter and hence not disclosed here.

Date	Market Purchase / Market Sale	Transaction	Nature of Consideration	Consideration (in ₹)
2005-06	13,500	Opening	CASH	
30-05-05	10,000	Market Purchase	CASH	19.00
01-06-05	10,000	Market Purchase	CASH	19.00
28-03-06	62,500	Preferential Allotment	CASH	20.00
11-05-06	62,500	Preferential Allotment	CASH	20.00
09-02-07	100	Market Purchase	CASH	120.70
22-10-07	500	Market Purchase	CASH	120.00
24-10-07	750	Market Purchase	CASH	121.00
10-01-08	159,850	Bonus share	NA	-
22-01-08	1,000	Market Purchase	CASH	47.21
22-09-10	300	Market Purchase	CASH	25.17
12-03-11	60	Market Purchase	CASH	14.00
14-03-11	669	Market Purchase	CASH	14.98
16-03-11	435	Market Purchase	CASH	15.30
18-03-11	2,254	Market Purchase	CASH	15.53
17-03-11	2,000	Market Purchase	CASH	15.48
16-03-11	5,000	Market Purchase	CASH	15.50
16-03-11	4,000	Market Purchase	CASH	15.51
17-03-11	1,582	Market Purchase	CASH	17.39
21-03-11	100	Market Purchase	CASH	15.85
18-03-11	2,000	Market Purchase	CASH	18.00
24-03-11	925	Market Purchase	CASH	17.50
24-03-11	450	Market Purchase	CASH	20.39
31-03-11	4,000	Market Purchase	CASH	20.30
31-03-11	2,000	Market Purchase	CASH	21.15
29-08-11	5	Market Purchase	CASH	16.20
13-02-13	100,000	Preferential Allotment	CASH	14.00
30-10-13	2,322	Market Purchase	CASH	23.90
31-10-13	12,290	Market Purchase	CASH	24.97
01-11-13	1,562	Market Purchase	CASH	24.90
16-07-15	9,190	Market Purchase	CASH	75.72
17-07-15	6,000	Market Purchase	CASH	83.35
18-12-15	556	Market Purchase	CASH	83.75
18-12-15	100	Market Purchase	CASH	85.00
10-10-16	12,000	Market Purchase	CASH	89.08
13-10-16	900	Market Purchase	CASH	86.00
29-11-16	3,110	Market Purchase	CASH	80.20
03-11-17	890	Market Purchase	CASH	179.73

E. Dipti Ashok Motiani

Details prior to 10/01/2008 are not available with the Company and the promoter and hence not disclosed here.

Date	Market Purchase / Market Sale	Transaction	Nature of Consideration	Consideration (in ₹)
14-06-03	150,000	Opening	-	-
10-01-08	150,000	Bonus share	NA	-
29-01-10	100,000	Preferential allotment	CASH	19.40
13-11-10	150,000	Preferential allotment	CASH	19.40
15-03-11	2,500	Market Purchase	CASH	15.16
16-03-11	11,600	Market Purchase	CASH	15.63
30-03-11	3,103	Market Purchase	CASH	18.90
31-03-11	2,509	Market Purchase	CASH	20.00
13-02-13	100,000	Preferential allotment	CASH	14.00
13-08-13	100,000	Preferential allotment	CASH	14.00
17-07-15	10,000	Market Purchase	CASH	83.38
20-08-15	5,000	Market Purchase	CASH	104.47
08-10-15	11,438	Market Purchase	CASH	91.28
08-10-15	(1,438)	Market Sale	CASH	90.12
18-12-15	5,000	Market Purchase	CASH	84.50
25-10-16	2,693	Market Purchase	CASH	88.74
23-10-16	500	Market Purchase	CASH	85.96
26-12-16	2,007	Market Purchase	CASH	85.38
27-12-16	300	Market Purchase	CASH	85.86
30-12-16	15,500	Market Purchase	CASH	88.73
28-12-16	22	Market Purchase	CASH	85.00
04-01-17	4,000	Market Purchase	CASH	86.95

F. FRESHCAP FOODSTUFF LLP

Details prior to 14/12/2006 are not available with the Company and the respective promoters and hence not disclosed here.

Date	Market Purchase / Market Sale	Transaction	Nature of Consideration	Consideration (in ₹)
02-11-06	921,674	Opening	-	-
14-12-06	3,000	Market Purchase	CASH	108.98
18-12-06	2,000	Market Purchase	CASH	104.42
07-06-07	2,000	Market Purchase	CASH	85.27
03-08-07	2,500	Market Purchase	CASH	113.85
06-08-07	2,598	Market Purchase	CASH	111.00
07-08-07	3,500	Market Purchase	CASH	115.00
08-08-07	2,500	Market Purchase	CASH	113.00
09-08-07	5,500	Market Purchase	CASH	111.78
10-08-07	1,000	Market Purchase	CASH	110.65
14-08-07	1,000	Market Purchase	CASH	119.29
20-08-07	1,000	Market Purchase	CASH	113.42
09-10-07	8,655	Market Purchase	CASH	127.78
11-10-07	100	Market Purchase	CASH	127.78

Date	Market Purchase / Market Sale	Transaction	Nature of Consideration	Consideration (in ₹)
12-10-07	2,327	Market Purchase	CASH	120.03
23-10-07	4,000	Market Purchase	CASH	121.87
10-01-08	963,354	Bonus Share	NA	-
21-08-09	5,200	Market Purchase	CASH	27.44
15-09-09	3,105	Market Purchase	CASH	26.35
29-01-10	350,000	Preferential Allotment	CASH	19.40
13-11-10	150,000	Preferential Allotment	CASH	19.40
09-12-14	1,500	Market Purchase	CASH	125.24
10-12-14	12,900	Market Purchase	CASH	123.35
11-12-14	8,600	Market Purchase	CASH	123.39
30-03-15	20,000	Market Purchase	CASH	119.11
22-12-16	(50,000)	Market Sale	CASH	83.47
30-12-16	(60,000)	Market Sale	CASH	88.72

k. Confirmations from Company as per the provisions of Buyback Regulations and Act

- (i) All the equity shares of the Company are fully paid up.
- (ii) The Company shall not issue any equity shares or other specified securities (including by way of bonus, or convert any outstanding ESOPs/outstanding instruments into equity shares) from the date of resolution passed by the shareholders approving the proposed Buyback till the date of expiry of the Buyback period;
- (iii) The Company shall not raise further capital for a period of one year from the date of expiry of the Buyback period, except in discharge of subsisting obligations such as conversion of warrants, stock option schemes, sweat equity or conversion of preference shares or debentures into Equity Shares;
- (iv) The Company shall not withdraw the Buyback after the draft letter of offer is filed with SEBI or the public announcement of the offer to buyback is made;
- (v) The Company shall not buyback locked-in shares and non-transferable shares or other specified securities till the pendency of the lock-in or till the shares or other specified securities become transferable;
- (vi) The Company shall transfer from its free reserves or securities premium account, a sum equal to the nominal value of the equity shares bought back through the Buyback to the Capital Redemption Reserve account;
- (vii) The Company confirms that there are no defaults subsisting in repayment of deposits, redemption of debentures or interest thereon or redemption of preference shares or payment of dividend due to any shareholder, or repayment of any term loans or interest payable thereon to any financial institution or banking company.
- (viii) The Company further confirms that a period of more than three years has lapsed since any such default which has ceased to subsist. -Not Applicable
- (ix) The Company shall not buyback its Equity Shares from any person through negotiated deals whether on or off the Stock Exchanges or through spot transactions or through any private arrangement in the implementation of the Buyback;
- (x) The Company has been in compliance with Sections 92, 123, 127 and 129 of the Act; and
- (xi) The ratio of the aggregate of secured and unsecured debts owed by the Company shall not be more than twice the paid-up Equity Share capital and free reserves after the Buyback.

I. **Confirmations from the Board**

The Board of Directors of the Company has confirmed that it has made a full enquiry into the affairs and prospects of the Company and, after taking into account the financial position of the Company including the projections and also considering all contingent liabilities, has formed the opinion that:

- (i) That immediately following the date of this board meeting dated August 23, 2019 ("Board Meeting") and the date of ensuing AGM on which the special resolution will be passed by the shareholders, there will be no grounds on which the Company could be found unable to pay its debts;
- (ii) That as regards the Company's prospects for the year immediately following the date of the Board Meeting and the date of ensuing AGM on which the special resolution will be passed by the shareholders, having regard to Board's intentions with respect to the management of the Company's business during that year and to the amount and character of the financial resources which will, in the Board's view, be available to the Company during that year, the Company will be able to meet its liabilities as and when they fall due and will not be rendered insolvent within a period of one year from that date; and
- (iii) That in forming the aforementioned opinion, the Board has taken into account the liabilities (including prospective and contingent liabilities) as if the Company were being wound up under the provisions of the Act and the Insolvency and Bankruptcy Code, 2016.

m. **For any clarifications related to the Buyback process, Members holding Equity Share of the Company may contact the following person:**

Company: **Freshtrop Fruits Limited**

Contact Person: Mr. Ronak Dhruve, Company Secretary & Compliance Officer

A-603, Shapath - IV, Opp. Karnavati Club, S.G. Highway, Ahmedabad - 380015.

Tel: 079 40307050-57, E-mail : secretarial@freshtrop.com

n. **Report addressed to the Board of Directors by the Company's Auditors on the permissible capital payment and the opinion formed by Directors regarding insolvency**

The text of the Report dated 23rd August 2019 the Statutory Auditors of the Company, addressed to the Board of Directors of the Company is reproduced below:

Quote

The Board of Directors
Freshtrop Fruits Limited
Ahmedabad

Dear Sir/ Madam,

Statutory Auditor's Report in respect of proposed buyback of equity shares by Freshtrop Fruits Limited (the "Company") in terms of the clause (xi) of Schedule I of the Securities and Exchange Board of India (Buy Back of Securities) Regulations, 2018 (as amended) ("Buyback Regulations").

1. This Report is issued in accordance with the terms of our engagement letter dated August 21, 2019. The board of directors of the Freshtrop Fruits Limited have the buyback of equity shares by the Company at its meeting held on August 23, 2019, in pursuance of the provisions of Sections 68, 69 and 70 of the Companies Act, 2013 (the "Act") and the Buyback Regulations.
2. We have been requested by the management of the Company ("Management") to provide a report on the accompanying statement of permissible capital payment (including premium) ('Annexure') as at March 31, 2019 (hereinafter referred to as the "Statement"). This Statement has been prepared by the Management, which we have initialed for identification purposes only.

Management's Responsibility for the Statement

3. The preparation of the Statement in accordance with Section 68(2)(c) of the Act and the compliance with the Buyback Regulations, is the responsibility of the Management of the

Company, including the computation of the amount of the permissible capital payment, the preparation and maintenance of all accounting and other relevant supporting records and documents. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Statement and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.

Auditor's Responsibility:

4. Pursuant to the requirement of the Buyback Regulations, it is our responsibility to provide a reasonable assurance:
 - I. Whether we have inquired into the state of affairs of the Company in relation to the audited financial statements as at and for the year ended March 31, 2019.
 - II. The amount of permissible capital payment for proposed buyback of equity shares as stated in Annexure A, has been properly determined considering the audited financial statements as at March 31, 2019 in accordance with Section 68(2) of the Act; and
 - III. The Board of Directors of the Company, in their meeting held on August 23, 2019 have formed the opinion as specified in Clause(x) of Schedule I to the Buyback Regulations, on reasonable grounds and that the Company will not, having regard to its state of affairs, be rendered insolvent within a period of one year from the aforesaid date and from the date on which the results of the shareholders' resolution with regard to the proposed buyback are declared.
5. The financial statements referred to in paragraph 4 above, have been audited by us, on which we have issued an unmodified audit opinion vide our report dated May 28, 2019. We conducted our audit of these financial statements in accordance with the Standards on Auditing and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India ("ICAI"). Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether these financial statements are free of material misstatement.
6. We conducted our examination of the Statement in accordance with the Guidance Note on Audit Reports and Certificates for Special Purposes, issued by the ICAI ("Guidance Note"). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

8. Based on enquiries conducted and our examination as above, we report that:
 - a) We have enquired into the state of affairs of the Company in relation to its audited financial statements as at and for the year ended March 31, 2019 which have been approved by the Board of Directors of the Company on May 28, 2019.
 - b) The amount of permissible capital payment (including premium) towards the proposed buyback of equity shares as computed in the Statement attached herewith, is properly determined in our view in accordance with Section 68(2)(c) of the Act. The amounts of share capital and free reserves have been extracted from the audited financial statements of the Company as at and for the year ended March 31, 2019.
 - c) The Board of Directors of the Company, in their meeting held on May 23, 2019 have formed their opinion as specified in clause (x) of Schedule I to the Buyback Regulations, on reasonable grounds and that the Company, having regard to its state of affairs, will not be rendered insolvent within a period of one year from the date of passing the Board meeting resolution dated May 23, 2019, and from the date on which the results of the shareholders' resolution with regard to the proposed buyback are declared.

Restriction on Use

9. This report has been issued at the request of the Company solely for use of the Company

(i) in connection with the proposed buyback of equity shares of the Company in pursuance to the provisions of Sections 68 and other applicable provisions of the Act and the Buyback Regulations, (ii) to enable the Board of Directors of the Company to include in the explanatory statement to the notice for special resolution, public announcement, draft letter of offer, letter of offer and other documents pertaining to buyback to be sent to the shareholders of the Company or filed with (a) the Registrar of Companies, Securities and Exchange Board of India, stock exchanges, public shareholders and any other regulatory authority as per applicable law and (b) the Central Depository Services (India) Limited, National Securities Depository Limited and (iii) for providing to the managers, each for the purpose of extinguishment of equity shares and may not be suitable for any other purpose.

Accordingly, We do not accept or assume any liability for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

We are also not responsible for changes, events and circumstances occurring after the date of this report which may require an updation of this report.

FOR F P & ASSOCIATES
CHARTERED ACCOUNTANTS
(FRN: 143262W)

(F.S. Shah)

Partner

(Membership No - 133589)

Date : 23.08.2019
Place : Ahmedabad

ANNEXURE A - STATEMENT OF PERMISSIBLE CAPITAL PAYMENT

Computation of amount of permissible capital payment towards buyback of equity shares in accordance with section 68(2)(c) of the Act based on audited financial statements as at and for the year ended March 31, 2019:

Particulars	Amount (₹ In Crore)	
Paid up Capital as on March 31, 2019 (1,21,45,000 equity share of ₹ 10 each)		12.145
Free reserves as on March 31, 2019		
- Securities Premium Account	1.880	
- Retain Earning*	61.891	
- General Reserves	0.129	63.899
TOTAL		76.044
Maximum amount permitted for buyback i.e. 25% of the total paid up share capital and free reserves as on March 31, 2019		19.011

*Net of re-measurement of assets and liabilities at fair value of ₹ 0.385 Cr.

Note: Free Reserves Includes Securities Premium as per Explanation II to Section 68 of the Companies Act 2018.

For Freshtrop Fruits Limited

Place : Ahmedabad

Date : 23.08.2019

Authorised Signatory

Unquote

All the material documents referred to in the Notice and Explanatory Statement such as the Memorandum and Articles of Association of the Company, relevant Board resolution for the Buyback, the Statutory Auditors' Report dated August 23, 2019 and the audited financial statements as at March 31, 2019 are available for inspection by the shareholders of the Company at its Registered Office on any working day during business hours, i.e. between 10:00 hours IST and 16:00 hours IST, from the date of dispatch of the notice up to the date of AGM.

In the opinion of the Board, the proposal for the Buyback is in the interest of the Company and its shareholders holding equity shares of the Company. The Directors, therefore, recommend the special resolution as set out in the accompanying Notice for approval by the shareholders.

None of the Directors or any Key Managerial Personnel of the Company or their respective relatives are in anyway, concerned or interested, either directly or indirectly in passing of the said resolution, save and except to the extent of their respective interest as shareholders of the Company.

None of the Directors or Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the Special Resolution, save and except to the extent of their respective interest as shareholders of the Company, as applicable.

Date: August 23, 2019

Registered Office

A-603, Shapath IV,
Opp. Karnavati Club, S. G. Road,
Ahmedabad – 380 015
CIN: L15400GJ1992PLC018365

By order of the Board
For Freshtrop Fruits Ltd

Ashok Motiani
Chairman & Managing Director
(DIN: 00124470)

DIRECTORS' REPORT

DEAR MEMBERS,

Your Directors are pleased to present the 27th Annual Report along with the audited financial statements of your Company for the financial year ended on 31st March 2019.

FINANCIAL PERFORMANCE SUMMARY

Pursuant to notification dated 16th February, 2015 issued by the Ministry of Corporate Affairs, the Company has adopted the Indian Accounting Standards ("IND AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 prescribed under Section 133 of the Companies Act, 2013 (as amended from time to time) with effect from 1st April, 2016 and the accounts are prepared under IND AS.

The summary of the financial performance for the year is given below:

₹ in lacs

Particular	2018-19	2017-18
Revenue from operations	17,140.47	17,638.96
Other Income	464.55	156.92
Total Income	17,605.02	17,795.87
Total Expenses	15,815.35	16,407.93
Profit Before Tax	1,789.68	1,330.26
Tax Expenses		
- Current Tax	365.80	506.00
- Deferred Tax	49.48	-6.15
Profit After Tax	1,374.40	830.41
Other Comprehensive income (net of tax)	179.06	-175.21
Total Comprehensive Income for the period / year	1,553.47	655.20
Earning Per Equity Share (EPS) for the period (Face Value of ₹10)		
- Basic	11.32	6.84
- Diluted	11.32	6.84

OPERATIONS:

During the year under review total revenue of your Company decreased by 2.82 %, from ₹ 17639 lacs to ₹ 17140 lacs. The profit after tax for the year stood at ₹ 1374.40 Lacs against ₹ 830.41 lacs in the previous year.

Further to strengthening our fruit processing business, the Company has started commercial production of cold extracts juices, which includes maximum nutrition and taste that exists at a farm to doorstep at Mumbai, Gurgaon, Bangalore, Hyderabad, Pune and Nasik.

FRESH FRUITS SEGMENT:

TABLE GRAPES

Grape production and export from India were started from 1991 with an initiation of economic liberalization. The major grape producing countries are China, France, and Italy. The crop ranks fifth in India on the basis of agricultural productivity. In India it is covering an area almost 123 thousand hectares occupying 2.01 % of the total area.

Indian grapes come in varied characteristics namely colored, white, seeded, seedless, large and small berries.

Major grape-growing states are Maharashtra, Karnataka, Telangana, Andhra Pradesh, Tamil Nadu, and the north-western region covering Punjab, Haryana, western Uttar Pradesh, Rajasthan and Madhya Pradesh. Maharashtra ranks first in terms of production accounting for more than 81.22 % of total grape production.

The demand for consumption of grapes has been increased in last few decades due to increase in the wineries business and facilitates such as cold storage, cold chain transport, packaging, drip irrigation systems, facilities for exporters etc.

There is a phenomenal rise in export of grapes from India, India's grape exports rose from 92,286 tonnes in 2017-18 to 1,21,469 tonnes in 2018-19. The country's top exporting destinations for grapes are Netherlands, Russia, UK and Germany.

According to data by APEDA, India's grape exports to Europe rose by 31% in 2018-19 and has to reach ₹ 1,900 crore.

POMEGRANATES ARILS

Pomegranate is grown in tropical and subtropical regions of the world. India is the world's leading Pomegranate growing country with about 1.81 lakh hectares of area.

Pomegranate is one of the esteemed table fruits. The fruit is known for their sweetness and fine blend of acidity. pomegranate known as a "super fruit" due to its high nutritional value and health benefits.

India is the largest producer of pomegranates in the world. Maharashtra is the largest pomegranate-growing state in the country, with a coverage of over five lakh acres.

As pomegranate arils are ready-to-eat form would be convenient with desirable alternative to the consumption of fresh fruits. The demand for pomegranate arils is increasing in domestic as well as international markets, because of high economic importance, healthiness, changing food consumption and their desirable characteristics as compared to whole pomegranate fruit.

MANGO PULP

Mango is the most important fruit of India and is known as "King of fruits". The fruit is cultivated in the largest area i.e. 2,312 thousand hector. Uttar Pradesh tops the list of mangos producing states followed by Andhra Pradesh, Maharashtra, Karnataka, Bihar and Gujarat.

Mango is protector against heart disease, cancer and cholesterol build-up. In addition, this luscious fruit is a warehouse of potassium, beta-carotene and antioxidants.

Mango Pulp is prepared from selected varieties of Fresh Mango. Mango Pulp/Concentrate is perfectly suited for conversion to juices, nectars, drinks, jams, fruit cheese and various other kinds of beverages. However, in recent years the popularity of mango has spread to the western markets with consumers showing interest in the taste.

India accounts for contributing approximately 67 percent of the total world export when it comes to processed mango product. The country has exported 1,05,873.21 MT of Mango Pulp to the world for the worth of ₹ 657.66 crores / 93.95 USD Millions during the year 2018-19.

FOOD PROCESSING SEGMENT

Food processing industry is of enormous significance for India's development because of the vital linkages and synergies it promotes between the two pillars of our economy, industry and agriculture. It has also play important role for linking Indian farmers to consumers in the domestic and international markets.

The key sub-segments of the Food Processing industry in India are: Dairy, Fruits & Vegetables, Poultry & Meat processing, Fisheries, Food retail etc. During the last one decade due to easy availability of raw materials, changing lifestyles and relaxation in policies that has given a substantial momentum to the industry's development.

India is blessed with diverse agro-climatic conditions, which are conducive to the cultivation of different fruits and vegetables almost round the year, India is the 2nd largest producer of fruits and vegetables in Asia.

After 25 years of supplying fresh fruits to supermarkets in Europe, Japan and North America, Freshtrop has moved into cold-extracted beverages in 2018 the company comes with a new brand, "**SECOND NATURE**".

"**SECOND NATURE**" means Second-To-Tree, these three words adequately summarize about to we are tries to provide the same as the same nutrition and taste out of most fruits is when you pluck them from the tree and have them. We believe, the second best is our way and hence we come up with Second Nature brand which is a range of 100% Cold Extracted Fruit juices, Fruit & Veggie blends, Fruit nectars and Dairy-Free Nut Milks.

DIVIDEND:

The Board of Directors of your Company, after considering holistically the relevant circumstances and keeping in view the company's dividend distribution policy, has decided that it would be prudent, not to recommend any Dividend for the year under review.

DIRECTORS AND KEY MANAGERIAL PERSONNEL:

Pursuant to the provisions of Section 149 of the Act, which came into effect from April 1, 2014, Mr. Mayur Shah, Mr. Dinesh Oza, and Mr. Anil Sharma were appointed as independent directors at the Annual General Meeting of the Company held on September 22, 2014. The terms and conditions of appointment of independent directors are as per Schedule IV of the Companies Act, 2013. Your Company has received declarations from all the Independent Directors of the Company confirming that they meet with the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 and the SEBI Listing Regulations and there has been no change in the circumstances which may affect their status as independent director during the year.

The following changes have been made to the Board of Directors & Key Managerial Personnel of the Company during the year:

S. No.	Name	Designation	Appointment or Resignation	Appointment Date or Resignation Date
1	Mr. Jignesh Gandhi	Company Secretary	Resignation	07/01/2019
2	Mr. Ronak Dhruve	Company Secretary	Appointment	07/01/2019

Brief details of Directors proposed to be appointed / re-appointed as required under Regulation 36 of the SEBI Listing Regulation are provided in the Notice of Annual General Meeting.

DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to Section 134(5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability, state the following:

- That in the preparation of the annual financial statements, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- that such accounting policies have been selected and applied consistently and judgement and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March 2019 and of the profit of the Company for the year ended on that date;
- that proper and sufficient care has been taken 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;
- that the annual financial statements have been prepared on a going concern basis;
- that proper internal financial controls were in place and that the financial control were adequate and were operating effectively;
- that proper systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

INSURANCE:

The assets of the Company are adequately insured against the loss of fire and other risks which are considered necessary by the management.

INTERNAL FINANCIAL CONTROL SYSTEM AND THEIR ADEQUACY:

The details in respect of internal financial control and their adequacy are included in Management Discussion and Analysis Report which forms part of this report.

DEPOSIT:

During the year under review, your Company has not accepted any deposits within the meaning of Section 73 of the Companies Act, 2013 read with rules made there under.

COMPLIANCE OF APPLICABLE SECRETARIAL STANDARDS:

The Company has complied with applicable Secretarial Standards during the year under review.

CERTIFICATION:

During the year under review, the Company has obtained the following certifications pertaining to the Highest International Standard of Food Safety and Hygiene:

1. **ISO 22000**- ISO 22000 is international standard developed by the International Organization for Standardization dealing with food safety, it is systematic and proactive approach to identification of food safety hazards, development and implementation of control measures.
2. **SGF International E.V.** - This certifies participation of the Company voluntary self-control safe guide in the fruit juice segment for enhancing customer and consumer safety.
3. **SEDEX (Supplier Ethical Data Exchange)**: - SEDEX is world's largest collaborative platforms for sharing responsible sourcing data on supply chains, the company is member of SEDEX.
4. **Halal Certificate** - Halal Products are "universal" products not only suitable for Muslims consumption, it is ensuring the safety of nation's food supply and we acquired this certificate to export our products in Islamic Countries.
5. **Kosher Certificate** - This certificate provides certification for ingredients, packaged foods, beverages, and certain materials, as well as food-service providers and facilities in which kosher food is prepared or served. This certification provides certificate as per standards set in Jewish dietary law. kosher symbol boosts market share, that a kosher product can win more favourable shelf space, and that positioned next to a competing non-kosher brand. This certificate helps in increasing the salability of the product in the international supermarkets.
6. **BRC certificate**: the BRC certificate for Food Safety as requirements of the EU General Product Safety, the BRC certificate is for Nashik (Unit I) Pack house and Sangli (Unit II) Pack house.
7. **FDA**: The Food and Drug Administration ensuring the safety of food supply in US Market.
8. **APEDA Pack House**: The APEDA Recognition for pack house will be granted for multiple produce for which appropriate facilities and procedural compliances as per the importing countries. APEDA Pack house has Recognition for Nashik (Unit I) and Sangli (Unit II) as Pack house.
9. **Global GAP Certificate** - it is a voluntary set worldwide standard for agriculture producer for adoption of safe and sustainable practices.
10. **Walmart Supply Chain Security**: is the accumulation of controls throughout the supply chain process that enhance the security of the supply chain during the transportation of finished, we follow the same for Unit I and Unit II.
11. **Fairtrade certificate**- Fair trade is an alternative approach to conventional trade based on a partnership between producers and traders, businesses and consumers.
12. **FSSAI License**: Food Safety and Standards Authority of India, is the food regulatory body of India, The FSSAI registration becomes mandatory in order to ensure safe, and smooth operations of the food business. FSSAI food license helps the government, as well as the consumers, feel assured that the regulation of the storage, production, distribution and the sales has been carried out in a way that the food products are fit for consumption. FSSAI License is for Nasik (Unit I) Pack house and Sangli (Unit II) Pack house and Nashik processing unit (Unit IV).
13. **Amfori BSCI** - The amfori BSCI is based on the labor standards of the International Labour Organization (ILO) as well as on national regulations. This initiative aims at continuously improving the social performance of suppliers, ultimately enhancing working conditions in factories worldwide.

ENERGY CONSUMPTION:

Total energy consumption and energy consumption per unit of production are as under:

Particular		2018-19	2017-18
1. Electricity			
a) Purchased			
Units	KWH	30,51,027	2,467,129
Total amount	₹	25,502,751	17,974,494
Rate / Unit	₹	8.36	7.29
b) Own Generation through Diesel Generator Set			
Units			
Diesel			
Quantity	Ltrs	26,161	22,730
Total Amount	₹	1,852,748	1,409,027
Rate / Unit	₹	70.82	61.99
c) Coal and other Fuels			
Units	Kgs	744,498	654,863
Total Amount	₹	6,379,893	5,043,924
Rate / Unit	₹	8.57	7.70

TECHNOLOGY ABSORPTION AND ENERGY CONSERVATION:

The Company has a continuous focus on energy conservation. Regular studies are conducted to analyse quantitative energy conservation patterns and variances are rigorously scrutinized. The Company regularly benchmarks its energy conservation levels and consistently works towards improving efficiencies.

NUMBER OF BOARD MEETINGS:

The Board of Directors met 4 (Four) times during the year under review. The details of board meetings and the attendance of the Directors are provided in the Corporate Governance Report which forms part of this Report.

INDEPENDENT DIRECTORS' MEETING:

The Independent Directors met one times during the year under review, without the attendance of Non-Independent Directors and members of the Management. The Independent Directors reviewed the performance of non-independent directors and the Board as a whole; the performance of the Chairperson of the Company, taking into account the views of Executive Directors and Non-Executive Directors and assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

BOARD EVALUATION:

The Board implemented a formal mechanism for assessing its performance and as well as that of its Committees and individual Directors, including the Chairman of the Board. The exercise was carried out through a designed assessment process covering various features of the Boards functioning such as composition of the Board & committees, experience & proficiencies, performance of specific duties & obligations, contribution at the meetings and otherwise, independent judgment, governance issues etc.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION:

The Company's policy on directors' appointment, remuneration and other matters provided in Section 178 (3) of the Companies Act, 2013 is available on the website of the Company.

FOREIGN EXCHANGE EARNING AND OUTGO:

Foreign Exchange earnings during the year amounts to ₹ 1,90,62,04,587 (Previous Year ₹ 1,54,68,64,421) and Foreign Exchange outgo during the year was ₹ 10,49,17,491 (Previous Year ₹ 2,11,73,12,655).

CORPORATE SOCIAL RESPONSIBILITY:

The details of Corporate Social Responsibility (CSR) carried out by the Company are appended in the Annexure - B to the Directors' Report. The policy is available on the website of the Company on the web link www.freshtrop.com.

The particulars of the CSR committee constituted by the Company pursuant to the provisions of Section 135 of the Companies Act, 2013 and the rules forming part of the same are included in the Corporate Governance Report annexed and form part of this Annual Report.

PARTICULARS OF EMPLOYEES:

The information required pursuant to Section 197 of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company, will be provided upon request. In terms of Section 136 of the Companies Act, 2013, the Report and Accounts are being sent to the members and others entitled thereto, excluding the information on employees' particulars which is available for inspection by the members at the Registered Office of the Company during business hours on working days of the Company upto the date of the ensuing Annual General Meeting. If any member is interested in inspecting the same, such member may write to the Company Secretary in advance.

CORPORATE GOVERNANCE AND MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

A separate report on Corporate Governance compliance and a Management Discussion and Analysis Report as stipulated by Listing Regulations forms part of this Annual Report along with the required Certificate from a Practising Company Secretary regarding compliance of the conditions of Corporate Governance as stipulated.

In compliance with Corporate Governance requirements, your Company has formulated and implemented a Code of Business Conduct and Ethics for all Board members and senior management personnel of the Company, who have affirmed the compliance thereto.

FORMATION OF VARIOUS COMMITTEES:

Details of various committees constituted by the Board of Directors as per the provision of the SEBI Listing Regulations and the Companies Act 2013 are given in the Corporate Governance Report annexed which is a part of this report.

PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE:

As per the requirement, The Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 read with rules made thereunder, your Company has constituted Internal Complaints Committee which is responsible for redressal of complaints related to sexual harassment. During the year under review, there were no complaints pertaining to sexual harassment.

EXTRACT OF ANNUAL RETURN:

The details forming part of the extract of the Annual Return in Form MGT-9, is annexed to this Report as Annexure-A and available at company website: www.freshtrop.com.

RELATED PARTY TRANSACTIONS:

All the related party transactions entered into during the financial year were on an arm's length basis and were in the ordinary course of business. Your Company has not entered into any transactions with related parties which could be considered material in terms of Section 188 of the Companies Act, 2013. Accordingly, the disclosure of related party transactions as required under Section 134(3) (h) of the Companies Act, 2013 in Form AOC -2 is not applicable.

SECRETARIAL AUDIT REPORT:

Pursuant to the provisions of Section 204 of the Act read with the rules made thereunder, your Company had appointed Mr. Manoj Hurkat, Practising Company Secretary to undertake the Secretarial Audit of the Company. The Secretarial Audit Report for financial year 2018-19 is annexed which forms part of this report as Annexure-C. There were no qualifications, reservation or adverse remarks in the Secretarial Audit Report of the Company.

INTERNAL AUDITORS:

The Board of Directors has reappointed Mr. Kalpesh Parikh as an internal auditor for F.Y. 2019-20.

DETAILS OF SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNAL:

There are no significant material orders passed by the Regulators / Courts which would impact the going concern status of the Company and its future operations.

AUDITORS' & AUDITORS' REPORT:

Pursuant to the provisions of Section 139 of the Act read with rules made thereunder, as amended from time to time, M/s F P & Associates, Chartered Accountants (Firm Registration Number - 0143262W), were appointed as statutory auditors of the Company to hold office from the conclusion on 25th Annual General Meeting till the conclusion of the 30th Annual General Meeting, subject to ratification of their appointment at every AGM, if required under law.

In view of the Companies (Amendment) Act, 2017, the first proviso in sub-section (1) in section 139 of the Companies Act, 2013 has been omitted with effect from 7th May 2018. In view of this, the said appointment of auditor is no longer required to be ratified by the members at every annual general meeting.

Notes to the financial statements referred in the Auditors Report are self-explanatory and therefore do not call for any comments under Section 134 of the Act. The Auditors' Report is enclosed with the financial statements in this Annual Report.

ACKNOWLEDGMENT

Your Directors place on record their appreciation of the sincere and devoted services, rendered by all employees of the company and the continued support and confidence of the customers. The Board expresses special thanks to progressive farmers of Maharashtra who have worked hard to achieve International Standards in the quality of their produce. The Board also expresses its sincere thanks to Axis Bank Ltd and their officers, Agricultural and Processed Food Products Export Development Authority (APEDA), Ministry of Food Processing Industry (MFPI) and all other well-wishers, for their timely support.

Date: May 28, 2019

Registered Office

A-603, Shapath IV,
Opp. Karnavati Club, S. G. Road,
Ahmedabad – 380 015
CIN: L15400GJ1992PLC018365

By order of the Board
For Freshtrop Fruits Ltd

Ashok Motiani
Chairman & Managing Director
(DIN: 00124470)

**ANNEXURE A
TO THE DIRECTORS' REPORT**

**FORM NO. MGT.9
EXTRACT OF ANNUAL RETURN
AS ON THE FINANCIAL YEAR ENDED ON MARCH 31, 2019**

[PURSUANT TO SECTION 92(3) OF THE COMPANIES ACT, 2013 AND RULE 12(1) OF THE COMPANIES
(MANAGEMENT AND ADMINISTRATION) RULES, 2014]

I. REGISTRATION AND OTHER DETAILS:

i)	CIN	L15400GJ1992PLC018365
ii)	Registration Date	30/09/1992
iii)	Name of the Company	FRESHTROP FRUITS LIMITED
iv)	Category / Sub-Category of the Company	Public Company / Limited by shares
v)	Address of the Registered office and contact details	A-603, Shapath -IV, Opp Karnavati Club, S G Highway, Ahmedabad – 380015 Tel: +91 79 40307050 - 7057
vi)	Whether listed company	Yes / No
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	BIGSHARE SERVICES PVT. LTD. 1 st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri (e), Mumbai - 400059 Tel:- + 91-022-6263 8200 Fax:- + 91-022-6263 8299 Email:- investor@bigshareonline.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

Sr. No.	Name and Description of main products/ services	NIC Code of the Product/ service*	% to total turnover of the company [#]
1.	Fresh Fruits	6011	80.60
2.	Processing of Fruit & Vegetables	2024	19.40

* As per National Industrial Classification – Ministry of Statistics and Programme implementation

On the basis of Gross Turnover

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

Sr. No	Name and Address of The Company	CIN/GLN	Holding/ Subsidiary/ Associate	% Of Shares Held	Applicable Section
NIL					

IV. SHARE HOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY)
A. Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(A) SHAREHOLDING OF PROMOTER AND PROMOTER GROUPS									
INDIAN									
(a) Individual / HUF	4679158	0	4679158	38.53	4679158	0	4679158	38.53	0
(b) Central / State government(s)	0	0	0	0	0	0	0	0	0
(c) Bodies Corporate	2368013	0	2368013	19.50	2368013	0	2368013	19.50	0
(d) Financial Institutions / Banks	0	0	0	0	0	0	0	0	0
(e) Any Others (Specify)	0	0	0	0	0	0	0	0	0
(i) Group Companies	0	0	0	0	0	0	0	0	0
(ii) Trusts	0	0	0	0	0	0	0	0	0
SUB TOTAL (A)(1) :	7047171	0	7047171	58.03	7047171	0	7047171	58.03	0
Foreign									
(a) Bodies Corporate	0	0	0	0	0	0	0	0	0
(b) Individual	0	0	0	0	0	0	0	0	0
(c) Institutions	0	0	0	0	0	0	0	0	0
(d) Qualified Foreign Investor	0	0	0	0	0	0	0	0	0
(e) Any Others (Specify)	0	0	0	0	0	0	0	0	0
Sub Total (A)(2) :	0	0	0	0	0	0	0	0	0
Total holding for promoters (A)=(A)(1) + (A)(2)	7047171	0	7047171	58.03	7047171	0	7047171	58.03	0
(B) Public shareholding									
Institutions									
(a) Central / State government(s)	0	0	0	0	0	0	0	0	0
(b) Financial Institutions / Banks	0	0	0	0	0	0	0	0	0
(c) Mutual Funds / UTI	0	0	0	0	0	0	0	0	0
(d) Venture Capital Funds	0	0	0	0	0	0	0	0	0
(e) Insurance Companies	0	0	0	0	0	0	0	0	0
(f) FI'S	200000	0	200000	1.65	399500	0	399500	3.29	1.64
(g) Foreign Venture Capital Investors	0	0	0	0	0	0	0	0	0
(h) Qualified Foreign Investor	0	0	0	0	0	0	0	0	0
(i) Any Others (Specify)	0	0	0	0	0	0	0	0	0
(j) Foreign Portfolio Investor	50000	0	50000	0.41	22407	0	22407	0.18	(0.23)
(k) Alternate Investment Fund	0	0	0	0	0	0	0	0	0
SUB TOTAL (B)(1) :	250000	0	250000	2.06	421907	0	421907	3.47	1.42
Non-institutions									

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(a) Bodies Corporate	211745	107500	319245	2.63	219461	77500	296961	2.45	(0.18)
(b) Individual									
(i) (Capital Upto to ₹ 1 Lakh)	2362694	290304	2652998	21.84	2509146	276104	2785250	22.93	1.09
(ii) (Capital Greater Than ₹ 1 Lakh)	1340580	0	1340580	11.04	1113573	0	1113573	9.17	(1.87)
(c) Any Others (Specify)	0	0	0	0	0	0	0	0	0
(i) Trusts	0	0	0	0	0	0	0	0	0
(ii) Clearing Member	38301	0	38301	0.32	37967	0	37967	0.31	0
(iii) Non-Resident Indians (NRI)	6716	49200	55916	0.46	10284	49200	59484	0.49	0.03
(iv) Non-Resident Indians (Repat)	390875	0	390875	3.22	321167	0	321167	2.64	(0.57)
(v) Non-Resident Indians (Non Repat)	49314	0	49314	0.41	60920	0	60920	0.50	0.10
(vi) Directors Relatives	0	0	0	0	0	0	0	0	0
(vii) Employee	0	0	0	0	0	0	0	0	0
(viii) Overseas Bodies Corporates	0	0	0	0	0	0	0	0	0
(ix) Unclaimed Suspense Account	0	0	0	0	0	0	0	0	0
(x) IEPF	0	0	0	0	0	0	0	0	0
(d) Qualified Foreign Investor	0	0	0	0	0	0	0	0	0
NBFC Registered with RBI	600	0	600	0	600	0	600	0	0
Sub Total (B)(2) :	4400825	447004	4847829	39.92	4273118	402804	4675922	38.50	(1.42)
Total Public Shareholding (B)= (B)(1) + (B)(2):	4650825	447004	5097829	41.97	4695025	402804	5097829	41.97	0
(C) Shares held by Custodians and against which Depository Receipts have been issued									
(a) Shares held by Custodians	0	0	0	0	0	0	0	0	0
(i) Promoter and Promoter Group	0	0	0	0	0	0	0	0	0
(ii) Public	0	0	0	0	0	0	0	0	0
SUB TOTAL (C)(1):	0	0	0	0	0	0	0	0	0
(C)=(C)(1)	0	0	0	0	0	0	0	0	0
Grand Total (A) + (B) + (C)	11697996	447004	12145000	100	11742196	402804	12145000	100	0

Notes: Name, Number of Shares held & Percentage of Entities / Persons holding more than 1% of the total shares of the Company is as per Annexure

B. Shareholding of Promoters / Promoters Group

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year (as on 01-04-2018)			Shareholding at the end of the year (as on 31-03-2019)			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged/encumbered to total shares	
1	Ashok Vishindas Motiani	0	0.0000	0.0000	101000	0.8316	0.0000	0.8316
2	Mayank Ramesh Tandon	17000	0.1400	0.0000	17000	0.1400	0.0000	0.0000
3	Priyanka Tandon	24658	0.2030	0.0000	24658	0.2030	0.0000	0.0000
4	Nanita Ashok Motiani	100000	0.8234	0.0000	100000	0.8234	0.0000	0.0000
5	Ashok Vishindas Motiani	245510	2.0215	0.0000	245510	2.0215	0.0000	0.0000
6	Priyanka Mayank Tandon	246600	2.0305	0.0000	246600	2.0305	0.0000	0.0000
7	Priyanka Mayank Tandon	382482	3.1493	0.0000	382482	3.1493	0.0000	0.0000
8	Mayank Ramesh Tandon	478400	3.9391	0.0000	478400	3.9391	0.0000	0.0000
9	Dipti Ashok Motiani	824734	6.7907	0.0000	824734	6.7907	0.0000	0.0000
10	Nanita Ashok Motiani	862895	7.1049	0.0000	862895	7.1049	0.0000	0.0000
11	Ashok Vishindas Motiani	1496879	12.3251	0.0000	1395879	11.4935	0.0000	(0.8316)
12	Freshcap Foodstuff LLP	2368013	19.4978	0.0000	2368013	19.4978	0.0000	0.0000
		7047171	58.0253	0.0000	7047171	58.0253	0.0000	0.0000

C. Change in Promoters' Shareholding

	Shareholding at the beginning of the year (01/04/2018)		Shareholding at the end of the year (31/03/2019)	
	Number of Shares	% of total shares of the company	Number of Shares	% of total shares of the company
At the beginning of the year	7047171	58.03	7047171	58.03
SAME 31/03/2018	0	0	7047171	58.03
SAME 06/04/2018	0	0	7047171	58.03
SAME 13/04/2018	0	0	7047171	58.03
SAME 20/04/2018	0	0	7047171	58.03
SAME 27/04/2018	0	0	7047171	58.03
SAME 04/05/2018	0	0	7047171	58.03
SAME 11/05/2018	0	0	7047171	58.03
SAME 18/05/2018	0	0	7047171	58.03
SAME 25/05/2018	0	0	7047171	58.03
SAME 01/06/2018	0	0	7047171	58.03
SAME 08/06/2018	0	0	7047171	58.03
SAME 15/06/2018	0	0	7047171	58.03
SAME 22/06/2018	0	0	7047171	58.03
SAME 29/06/2018	0	0	7047171	58.03
SAME 30/06/2018	0	0	7047171	58.03
SAME 06/07/2018	0	0	7047171	58.03
SAME 13/07/2018	0	0	7047171	58.03
SAME 20/07/2018	0	0	7047171	58.03
SAME 27/07/2018	0	0	7047171	58.03
SAME 03/08/2018	0	0	7047171	58.03

	Shareholding at the beginning of the year (01/04/2018)		Shareholding at the end of the year (31/03/2019)	
	Number of Shares	% of total shares of the company	Number of Shares	% of total shares of the company
SAME 10/08/2018	0	0	7047171	58.03
SAME 17/08/2018	0	0	7047171	58.03
SAME 24/08/2018	0	0	7047171	58.03
SAME 31/08/2018	0	0	7047171	58.03
SAME 07/09/2018	0	0	7047171	58.03
SAME 14/09/2018	0	0	7047171	58.03
SAME 21/09/2018	0	0	7047171	58.03
SAME 28/09/2018	0	0	7047171	58.03
SAME 29/09/2018	0	0	7047171	58.03
SAME 05/10/2018	0	0	7047171	58.03
SAME 12/10/2018	0	0	7047171	58.03
SAME 19/10/2018	0	0	7047171	58.03
SAME 26/10/2018	0	0	7047171	58.03
SAME 02/11/2018	0	0	7047171	58.03
SAME 09/11/2018	0	0	7047171	58.03
SAME 16/11/2018	0	0	7047171	58.03
SAME 23/11/2018	0	0	7047171	58.03
SAME 30/11/2018	0	0	7047171	58.03
SAME 07/12/2018	0	0	7047171	58.03
SAME 14/12/2018	0	0	7047171	58.03
SAME 21/12/2018	0	0	7047171	58.03
SAME 28/12/2018	0	0	7047171	58.03
SAME 31/12/2018	0	0	7047171	58.03
SAME 04/01/2019	0	0	7047171	58.03
SAME 11/01/2019	0	0	7047171	58.03
SAME 18/01/2019	0	0	7047171	58.03
SAME 25/01/2019	0	0	7047171	58.03
SAME 01/02/2019	0	0	7047171	58.03
SAME 08/02/2019	0	0	7047171	58.03
SAME 15/02/2019	0	0	7047171	58.03
SAME 22/02/2019	0	0	7047171	58.03
SAME 01/03/2019	0	0	7047171	58.03
SAME 08/03/2019	0	0	7047171	58.03
SAME 15/03/2019	0	0	7047171	58.03
SAME 22/03/2019	0	0	7047171	58.03
SAME 29/03/2019	0	0	7047171	58.03
SAME 30/03/2019	0	0	7047171	58.03
At the end of the year			7047171	58.03

D. Shareholding Pattern of top ten Shareholders (other than Directors, Promoter and Holders of GDRs and ADRs):

Sr. No	NAME	No. of Shares at the beginning/End of the year	Date	Increase/ Decrease in shareholding	Reason	Number of Shares	Percentage of total shares of the company
1	Passage to India Master Fund Limited	200,000	31-Mar-18	0	NA	200,000	1.65
			12-Oct-18	25000	Transfer	225,000	1.85
			14-Dec-18	10000	Transfer	235,000	1.94
			21-Dec-18	28000	Transfer	263,000	2.17
			28-Dec-18	58400	Transfer	321,400	2.65
			31-Dec-18	1100	Transfer	322,500	2.66
			4-Jan-19	40000	Transfer	362,500	2.98
			18-Jan-19	7000	Transfer	369,500	3.04
			1-Feb-19	10000	Transfer	379,500	3.12
			22-Feb-19	10000	Transfer	389,500	3.21
			1-Mar-19	10000	Transfer	399,500	3.29
		399,500	30-Mar-19	0	NA	399,500	3.29
2	Girish Gulati HUF	189,223	31-Mar-18	0	NA	189,223	1.56
			4-Jan-19	(82436)	Transfer	106,787	0.88
			11-Jan-19	(106787)	Transfer	0	0.00
			30-Mar-19	0	NA	0	0.00
3	Avinash P Wadhwa	126,437	31-Mar-18	0	NA	126,437	1.04
		126,437	30-Mar-19	0	NA	126,437	1.04
4	Shital Navin Agarwal	125,630	31-Mar-18	0	NA	125,630	1.03
		125,630	30-Mar-19	0	NA	125,630	1.03
5	Savita Gulati	101,450	31-Mar-18	0	NA	101,450	0.84
			18-May-18	(3931)	Transfer	97,519	0.80
			17-Aug-18	(13550)	Transfer	83,969	0.69
			24-Aug-18	(3469)	Transfer	80,500	0.66
			31-Aug-18	(2500)	Transfer	78,000	0.64
			14-Sep-18	(8000)	Transfer	70,000	0.58
			21-Sep-18	(5929)	Transfer	64,071	0.53
			28-Sep-18	(4805)	Transfer	59,266	0.49
			5-Oct-18	(8733)	Transfer	50,533	0.42
			12-Oct-18	(8047)	Transfer	42,486	0.35
			19-Oct-18	(1457)	Transfer	41,029	0.34
			26-Oct-18	(17678)	Transfer	23,351	0.19
			2-Nov-18	(5066)	Transfer	18,285	0.15
			9-Nov-18	(1694)	Transfer	16,591	0.14
			16-Nov-18	(375)	Transfer	16,216	0.13
			23-Nov-18	(14816)	Transfer	1,400	0.01
			30-Nov-18	(400)	Transfer	1,000	0.01
			14-Dec-18	(990)	Transfer	10	0.00
		10	30-Mar-19	0	NA	10	0.00

Sr. No	NAME	No. of Shares at the beginning/End of the year	Date	Increase/Decrease in shareholding	Reason	Number of Shares	Percentage of total shares of the company
6	Nitin Kapil Tandon	0	31-Mar-18		NA	0	0.00
			14-Dec-18	30000	Transfer	30,000	0.25
			21-Dec-18	15000	Transfer	45,000	0.37
			25-Jan-19	36000	Transfer	81,000	0.67
			15-Mar-19	7000	Transfer	88,000	0.72
		88,000	30-Mar-19	0	NA	88,000	0.72
7	Navin Agarwal	84,000	31-Mar-18	0	NA	84,000	0.69
		84,000	30-Mar-19	0	NA	84,000	0.69
8	Shashi Gupta	0	31-Mar-18	0	NA	0	0.00
			11-Jan-19	54700	Transfer	54,700	0.45
			1-Feb-19	21300	Transfer	76,000	0.63
		76,000	30-Mar-19	0	NA	76,000	0.63
9	Amit Bhartia	63,980	31-Mar-18	0	NA	63,980	0.53
			8-Jun-18	(25000)	Transfer	38,980	0.32
			20-Jul-18	(38980)	Transfer	0	0.00
			30-Mar-19	0	NA	0	0.00
10	Mira Parshotam Hirani	60,000	31-Mar-18	0	NA	60,000	0.49
		60,000	30-Mar-19	0	NA	60,000	0.49
11	Sudhir Anand	57,500	31-Mar-18	0	NA	57,500	0.47
			24-Aug-18	(9300)	Transfer	48,200	0.40
			31-Aug-18	(9000)	Transfer	39,200	0.32
			7-Sep-18	(8537)	Transfer	30,663	0.25
			14-Sep-18	(7663)	Transfer	23,000	0.19
			14-Dec-18	(4000)	Transfer	19,000	0.16
			21-Dec-18	(19000)	Transfer	0	0.00
			30-Mar-19	0	NA	0	0.00
12	Nikhil Shantilal Parikh	50,000	31-Mar-18	0	NA	50,000	0.41
		50,000	30-Mar-19	0	NA	50,000	0.41
13	India Max Investment Fund Limited	50,000	31-Mar-18	0	NA	50,000	0.41
			19-Oct-18	2916	Transfer	52,916	0.44
			28-Dec-18	(22916)	Transfer	30,000	0.25
			18-Jan-19	(1498)	Transfer	28,502	0.23
			25-Jan-19	(6095)	Transfer	22,407	0.18
		22,407	30-Mar-19	0	NA	22,407	0.18
14	Urvashiben Nikhilbhai Parikh	50,000	31-Mar-18	0	NA	50,000	0.41
		50,000	30-Mar-19	0	NA	50,000	0.41
15	Rajkumar Tolani	46,000	31-Mar-18	0	NA	46,000	0.38
		46,000	30-Mar-19	0	NA	46,000	0.38

E. Shareholding of Directors and Key Managerial Personnel:

Sr. No	Name	Shareholding at the beginning		Change in shareholding (No. of Shares)		Shareholding at the end	
		No Shares	% of Total Shares of company	Decrease	Increase	No Shares	% of Total Shares of company
1	Ashok Vishindas Motiani	17,42,389	14.35	0	0	17,42,389	14.35
2	Nanita Ashok Motiani	9,62,895	7.92	0	0	9,62,895	7.92
3	Mayur Jashvantlal Shah	5,625	0.05	0	0	5,625	0.05
4	Dinesh Oza	0	0	0	0	0	0
5	Anil Sharma	0	0	0	0	0	0
6	Sanjay Prajapati	0	0	0	0	0	0
7	Jignesh Gandhi	0	0	0	0	0	0
8	Ronak Dhruve	0	0	0	0	0	0

VI. Indebtedness:

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

	Secured Loans excluding Deposit	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	414,497,243	309,982	----	414,807,225
ii) Interest due but not paid	202,611	----	----	202,611
iii) Interest accrued but not due	----	----	----	----
Total (i+ii+iii)	414,699,854	309,982	----	415,009,836
Change in Indebtedness during the financial year				
• Addition	----	----	----	----
• Reduction	27,325,766	281,898	----	27,607,664
• Exchange Difference	----	----	----	----
Net Change	(27,325,766)	(281,898)	----	(27,607,664)
Indebtedness at the end of the financial year				
i) Principal Amount	387,206,992	28,084	----	387,235,076
ii) Interest due but not paid	167,096	----	----	167,096
iii) Interest accrued but not due	----	----	----	----
Total (i+ii+iii)	387,374,088	28,084	----	387,402,172

VII. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

Sr. no.	Particulars of Remuneration	Ashok Motiani (MD)	Nanita Motiani (WTD)	Total Amount
1.	Gross salary	1,02,00,000	45,00,000	1,47,00,000
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961			
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961			
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961			
2.	Stock Option	0	0	0
3.	Sweat Equity	0	0	0
4.	Commission	3,845,389	0	3,845,389
	- as % of profit			
	- others, specify...			
5.	Others, please specify (Bonus)	24,00,000	12,00,000	36,00,000
	Total (A)	1,64,45,389	57,00,000	2,21,45,389
	Ceiling as per the Act			

B. Remuneration to other directors:

Sl. no.	Particulars of Remuneration	Name of Directors			Total Amount
1	Independent Directorss	Mayur Shah	Dinesh Oza	Anil Sharma	
	• Fee for attending board committee meetings	40,000	40,000	30,000	110,000
	• Commission				
	• Others, please specify				
	Total (1)	40,000	40,000	30,000	110,000
2	Other Non-Executive Directors	0	0	0	0
	• Fee for attending board committee meetings	0	0	0	0
	• Commission				
	• Others, please specify				
	Total (2)	0	0	0	0
	Total (B) = (1 + 2)	40,000	40,000	30,000	110,000
	Total Managerial Remuneration	40,000	40,000	30,000	110,000
	Overall Ceiling as per the Act	--	--	--	--

C. Remuneration to Key Managerial Personnel Other than MD/MANAGER/WTD

Sr. no.	Particulars of Remuneration	Key Managerial Personnel		
		CS	CFO	Total
		Jignesh Gandhi / Ronak Dhruve	Sanjay Prajapati	
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	6,48,151	9,21,125	15,69,276
2.	Stock Option	0	0	0
3.	Sweat Equity	0	0	0
4.	Commission - as % of profit - others, specify...	0	0	0
5.	Others, please specify	0	0	0
	Total	6,48,151	9,21,125	15,69,276

VIII. Penalties/Punishment/Compounding of Offences:

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

Date: May 28, 2019**Registered Office**

A-603, Shapath IV,
Opp. Karnavati Club, S. G. Road,
Ahmedabad – 380 015
CIN: L15400GJ1992PLC018365

By order of the Board
For Freshtrop Fruits Ltd

Ashok Motiani

Chairman & Managing Director
(DIN: 00124470)

**ANNEXURE B
TO DIRECTORS REPORT
ANNUAL REPORT ON CSR ACTIVITIES**

1. A brief outline of Company's CSR Policy, including overview of products or programs proposed to be undertaken and a reference to the web-link to the CSR Policy and projects or programs

At Freshtrop Fruits limited, Corporate Social Responsibility (CSR) goes beyond philanthropy and compliance. It addresses how we manage our economic, social and environmental obligations in all key areas of our operations specially the rural areas close to our manufacturing facilities.

In this regard, the Company has made a policy which encompasses the Company's philosophy for delineating its responsibility as a Corporate Citizen for undertaking socially useful programmes for welfare & sustainable development of the community at large. The policy is placed on website of the Company.

Areas of Interest:

1. Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation including contribution to the Swach Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water.
2. Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.
3. Promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centers and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups.
4. Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water including contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga.
5. Protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional art and handicrafts.
6. Measure for the benefit of armed forces veterans, war widows and their dependents.
7. Training to promote rural sports, nationally recognized sports, Paralympics sports and Olympic sports.
8. Contribution to the prime minister's national relief fund or any other fund set up by the central govt. for socio economic development and relief and welfare of the schedule caste, tribes, other backward classes, minorities and women.
9. Contributions or funds provided to technology incubators located within academic institutions which are approved by the central govt.
10. Rural development projects.
11. Slum area development.
12. Disaster management, including relief, rehabilitation and reconstruction activities.

2. The Composition of the CSR Committee

A Committee of the directors titled 'Corporate Social Responsibility Committee', was constituted by the Board with the following members:

- a) Mrs. Nanita Motiani, Chairperson
- b) Mr. Mayur Shah, Member
- c) Mr. Dinesh Oza, Member
- d) Mr. Anil Sharma, Member

3. Average Net Profit of the Company for last three financial years prior to 2018-19: ₹ 126,415,792
4. Prescribed CSR Expenditure (2% of the amount as in item No 3 Above): ₹ 25,28,316
5. Details of CSR spent during the financial year:
 - I. Total amount spent for the financial year: ₹ 4,29,688
 - II. Amount unspent: ₹ 20,98,628 will be allocated & distributed on various CSR Projects / Programs in Progress.
 - III. Manner in which the amount spent during the financial years is detailed below:

1	2	3	4	5	6	7
Sr No.	Name/ Details of implementing Agency	CSR project / Activity Identified	Sector In which the Project is covered	Location of Projects / Programme (Local area or state/ District)	Amount outlay Projected (₹ in Lacs)	Amount Spent (₹ Lacs)
1	Own	Providing 05 nos. LED TV for promoting Digital classroom	Education	Siddhiwadi, Sangli	27,00,000	4,29,688

6. **In case the Company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report.**

The Company has most of its operations in rural area and employs a large workforce on seasonal basis. CSR activities have been a core activity for the company. The Company also ensures that the money spent on CSR correctly achieves the desired objectives. However, last year no such project reached a stage of financial requirement. However, the Company is in continuous discussion with various organizations and will fulfil this responsibility.

7. **Responsibility statement of the CSR committee that the implementation and monitoring of CSR policy is in compliance with CSR objectives and Policy of the Company duly signed by Director and Chairperson of the CSR Committee.**

The CSR Committee confirms that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company.

**ANNEXURE C
TO DIRECTORS REPORT**

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

*[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]*

To

The Members

FRESHTROP FRUITS LIMITED

(CIN: L15400GJ1992PLC018365)

A-603, Shapath - IV, Opp. Karnavati Club,

S G Highway Ahmedabad - 380015

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **FRESHTROP FRUITS LIMITED** (hereinafter called the “**Company**”). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing my opinion thereon.

Based on our verification of the 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, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2019 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:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2019 according to the provisions of:

- I. The Companies Act, 2013 (the Act) and the Rules made thereunder;
- II. The Securities Contracts (Regulation) Act, 1956 (**‘SCRA’**) and the Rules made thereunder;
- III. The Depositories Act, 1996 and the Regulations and Byelaws framed thereunder;
- IV. The Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (**‘SEBI Act’**) to the extent applicable to the Company: -
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - d) The Securities and Exchange Board of India (Share Based Employee Benefits), Regulations, 2014;
 - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
 - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;

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

- I. Secretarial Standards issued by The Institute of Company Secretaries of India.
- II. The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015;

We hereby report that during the period under review, the Company has complied with the applicable provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above.

- VI. We further report that having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with the provisions of The Food Safety and Standards Act, 2006 and Rules made thereunder, as is specifically applicable to the Company.

We further report that:

- a) 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.
- b) Adequate notice is given to all Directors to schedule the Board Meetings at least seven days in advance. Agenda and detailed notes on agenda were also sent to all Directors 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.
- c) Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

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.

We further report that during the audit period, no event/action has taken place which have major bearing on the affairs of the Company in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.

For, MANOJ HURKAT AND ASSOCIATES

Practicing Company Secretaries

MANOJ R HURKAT

Partner

Place : Ahmedabad

FCS No. 4287

Date : 28th May, 2019

C P No.: 2574

Note: This report is to be read with our letter of even date which annexed as Annexure A and form an integral part of this report.

ANNEXURE A

To
The Members
FRESHTROP FRUITS LIMITED
(CIN: L15400GJ1992PLC018365)
A-603, Shapath - IV, Opp. Karnavati Club,
S G Highway Ahmedabad - 380015

Our report of even date is to be read along with this letter:

1. Maintenance of Secretarial record 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 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 and cost records of the Company.
4. We have obtained the Management representation about the compliance of laws, rules and regulations and happening of events, secretarial records and other factual position which cannot be otherwise verified etc. wherever required or necessary.
5. The compliance of the provision of corporate and other applicable laws, rules, regulations, standards is the responsibility of Management. Our examination was limited to the verification of the same 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.

For, MANOJ HURKAT AND ASSOCIATES
Practicing Company Secretaries

MANOJ R HURKAT
Partner
FCS No. 4287
C P No.: 2574

Place : Ahmedabad
Date : 28th May, 2019

ANNEXURE TO THE DIRECTOR REPORT MANAGEMENT DISCUSSION AND ANALYSIS

The discussion hereunder covers the financial results of Freshtrop Fruits Limited for the financial year 2018-19 and its business outlook for the future. Certain statements in the 'Management Discussion and Analysis Report' section may be forward looking and are stated as required by applicable laws and regulations. Many factors may affect the actual results, which could be different from what the Directors envisage in terms of the future performance and outlook.

GLOBAL SCENARIO

FRESH FRUITS

Fruit constitutes a significant part of human nutrition – and are highly recommended for a healthy, vitamin-rich diet. International trade in fruits and vegetables has expanded more rapidly than trade in other agricultural commodities, especially since the 1980s as remarkable technological developments in postharvest management have expanded its dimensions.

The role of emerging economies in global agricultural markets has increased since 2000. Higher agricultural productivity and exports has resulted in reducing poverty and increasing per capita income in these countries. Worldwide, more than 675 million metric tons of fruit are produced each year. The most popular fruit varieties are bananas and apples, followed by grapes and oranges. Largest fresh fruit exporter is USA followed by Mexico which has overtaken EU in the past decade. India is the second largest producer of fruits in the world. It contributes 9.54% of the total fruit production of the world. The global fruit and vegetable processing market is expected to witness a compound annual growth rate of 8.3% during the forecast period (2018-2023).

PROCESSING FOOD

Global fruit processing market growth has been influenced by ready-to-eat food products, especially in the developed and developing nations in the recent years. The changing lifestyles of the consumers and increasing per capita income is anticipated to fuel the sales of fruit processing products. Moreover, governments of the developing economies are supportive of the small and medium enterprises by providing different loan facilities at lower interest rates and has also helped to build necessary infrastructure. This factor will play a major role to boost the market growth in developing countries.

The processed fruit segment is 65% of fruit and vegetable processing sector, by market share. The processed fruit and vegetable sector include frozen, canned, dried fruit & vegetables and others. There is a high consumption of frozen fruits and vegetables in the United States and Canada. However, due to the increasing health awareness, consumers are expected to shift toward fresh produce in the long run.

The global fruit & vegetable processing market will be estimated to reach USD 346.05 Billion by 2022, whereas. The global fruits and vegetable processing market is expected to witness a compound annual growth rate of 8.3% during the forecast period (2018-2023).

Summary of last three-year export of fresh fruits and proceed fruits and juices

Products	2016-17		2017-18		2018-19	
	Qty	Value	Qty	Value	Qty	Value
Fresh Fruits	798755.00	496692.15	657175.00	474630.87	736946.00	530404.99
Processed Fruits, Juices & Nuts	300006.44	249270.25	317353.16	264784.10	339606.52	280496.58

(Source: APEDA)

INDIA SCENARIO

FRESH FRUIT

The Indian government has taken many steps since the last few years to boost agriculture production and agricultural exports. Hence the agriculture sector had a growth rate of around 2.7% in the last 10 years. As per data published by National Horticulture Database published, India produced 92.9 million metric tons of fruits.

The vast production base offers India tremendous opportunities for export. During 2018-19, India exported fruits worth ₹ 4817.35 crores - 692.01 USD Millions. Grapes, Pomegranates, Mangoes, Bananas, Oranges account for larger portion of fruits exported.

Indian Export (Grapes / other fruits) summary for financial year 2018-19 are as under

Products	Quantity (MT)	Value (lacs)
Fresh Grapes	2,46,133.76	2,33,525.09
Fresh Mangoes	46,510.22	40,649.55
Other Fresh Fruits	3,72,213.73	1,83,457.17

(Source: APEDA)

PROCESSING FOOD

The Indian food processing industry is primarily export orient. India's geographical situation gives it the unique advantage of connectivity to Europe, the Middle East, Japan, Singapore, Thailand, Malaysia and Korea.

India has strong a footing in agriculture, it provides a large and varied raw material base for food processing.

Recently there is a good demand of processed food products like frozen pulps and vegetables, frozen dried fruits and vegetables, fruit juice concentrates and canned products. The major items of export by India are fruit juices, pulps, jams, pickles and chutneys, canned fruits & vegetables, concentrated pulps and juices, dehydrated vegetables, frozen fruits, frozen pulps and freeze-dried green pepper.

India's exports of Processed Food were ₹ 3111.90 Crores in 2018-19, which including the share of products like Mango Pulp (₹ 657.67 Crores - 93.97 Millions USD), Processed Fruits, Juices & Nuts (₹2804.97 Crores - 402.52 Millions USD).

1. INDUSTRY STRUCTURE AND DEVELOPMENT:

FRUIT PROCESSING:

Fruit processing industry in India is increasingly seen as a potential source for driving the rural economy as it brings about synergy between the consumer, industry and agriculture. The government on its part has initiated extensive reforms, some of the key measures undertaken by the Government include amendment of the Agriculture Produce Marketing Committee Act, rationalization of food laws, implementation of the National Horticulture mission etc.

The demand for processed and packed food continues to be growing in response to changing demographics, evolving preferences for branded and convenient items, retail and food sector modernization and increasing health consciousness.

FRESH FRUITS EXPORTS:

India is an agrarian economy, more than 52 percent of the land area is considered arable. its diverse agro-climatic conditions allows production of wide range of tropical and temperate fruits. Other factors that makes Indian horticulture a promising sector from the angle of global competition, is reasonably low Labor costs. Fruit production in India, is practiced over an area of 3.79 M hector. Varieties of fruits are grown in India viz. Mango, Banana, Citrus, Guava, Grape, Pineapple and Apple are major fruits.

The productions of fruits during the year 2018-19 are 97.35 MT fruits as compared to 94.88 MT in previous year.

The major destinations for Indian fruits and vegetables are Netherlands, UK, Russia and Saudi Arabia. Though India is known as fruit basket of the world, its share in the global market is still only 1%.

2. OPPORTUNITIES AND THREATS:

OPPORTUNITIES

GRAPE

Grapes are commercially an important fruit in India, it is one of the most consumed fruits in the world due to several health benefit such as low in fat and high in fiber, B1, B2, B6, Vitamin K and Potassium.

Various initiatives are being taken by the government, grape growers and exporters to develop new varieties of grape both domestic and the international markets. India's grape exports rose from 92,286 tonnes in 2017-18 to 1,21,469 tonnes in 2018-19 and is expected to grow further in the coming years.

FOOD PROCESSING

The demand for processed and packed food continues to grow in response to changing demographics, evolving preferences for branded and convenient items, retail and food sector modernization and increasing health consciousness and one of the major reasons for rise is due to the growing penetration of organized retail in the country.

THREAT / CHALLENGE

GRAPE

Grape is grown under temperate conditions and requires adequate and planned irrigation, as the weather is unpredictable, and the irrigation system are not fully developed the production still depends excessively on the vagaries of nature.

FOOD PROCESSING

Despite continued efforts and initiatives of the Government to provide the required stimulus to the sector, processing activity is still at a nascent stage in India. A combination of uncontrollable and controllable factors have affected the growth of the sector and has acted as a hindrance in achieving its potential. The controllable factors are quantity of raw produce, low labor productivity and slow adoption of technology, whereas uncontrollable factors include fragmentation in of land holdings which have resulted in lack of scale and has made investments in automation unviable; regional climatic variation which impact production; and the constraints in land availability.

Biggest challenge in processed food exports is huge competition from global leaders, frequently changing technology and international laws affect the food processing industry. Further the costs of Research and development is very high.

3. SEGMENT WISE PERFORMANCE

The Company has identified following segments as reportable segment

1. Fresh Fruits
2. Food Processing

Details of segment wise performance are given at respective place in this report.

4. FUTURE OUTLOOK

India enjoys a rich diversity of horticultural crops covering large groups of fruits and vegetables. Fruits and vegetables together contributed 90.2 per cent of this production and 65.8 per cent of the total area.

The agriculture sector in India is expected to generate better momentum in the next few years due to increased investments in agricultural infrastructure such as irrigation facilities, warehousing and cold storage.

As the digital literacy rate in India is growing, the demand for organic food in India will see good growth, it was increased in double-digit during 2013-2019.

The government of India has launched several initiatives to support production of fresh food and increasing consumer awareness by educating consumers about fresh food.

Further, Food processing industry in India is a sunrise sector that has gained prominence in the recent years. Availability of raw materials, changing lifestyles and appropriate fiscal policies has given a considerable push to the industry's growth some of the key measures undertaken by the Government include amendment of the various food Acts, private and foreign investor 100% allows in the food processing & cold chain infrastructure. Further availability of cheap labors, government subsidiaries, convenience of transportation facilities and changing in consumption pattern driven faster growth in the food processing sector.

5. **INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY**

The company has adequate internal control systems commensurate with its size and operations to ensure orderly and efficient conduct of business while safeguarding the assets, quality, safety, procurements, finance and accounts and reducing and detecting error.

6. **RISK & CONCERNS**

Risk Management is a critical exercise for all organizations, particularly it with the agricultural sector which is uncontrollable as it depends on weather. However, the main aim of risk management is to identify and analyze the risks through a structured Risk-Benefit Analysis as and mitigate those risks which are not beneficial to the organization.

7. **FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE**

The financial performance of the Company is described in the Director's Report under the head "Financial Result" and "Review of Operations".

8. **MATERIAL DEVELOPMENT IN HUMAN RESOURCES AND INDUSTRIAL RELATION FRONT**

The Company routinely undertakes employee development activities keeping in mind the professional requirement of the employee as well as the growth of the company.

The Company has embarked on the path to formalize its CSR commitments and is perhaps the only company in India in the fresh produce export sector to move in this direction. This is not only going to result in the better integration within the supply chain but also offer a significant competitive edge in marketing our products in the developed markets across the world.

The industrial relations were cordial throughout the year with no incidence of strike or lockouts.

CAUTIONARY NOTE

Statement in the management discussion and analysis describing the company's objectives, projections, estimates, expectations and other may constitute "forward - looking statements" within the meaning of applicable securities laws and regulations. Actual results may differ from those expressed or implied. Several factors that could significantly impact the company's operations include economic conditions affecting demand, supply and price conditions in the domestic and overseas markets, changes in the government regulations, tax laws and other statutes, climatic conditions and such incidental factors over which the company does not any direct control.

The company undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise.

Reference: Ministry of agricultural government of India, Agricultural and processed food products export development (APEDA), Media report, journals and press release: informatics journal, Business wire news journal, The Federation of Indian Chambers of Commerce and Industry (FICCI), National Horticulture Database.

ANNEXURE TO THE DIRECTOR'S REPORT

CORPORATE GOVERNANCE REPORT

The Security and exchange board of India (SEBI) has stipulated Corporate Governance standards for Listed Companies vide Regulation 17 to 27 and 46 of SEBI (Listing obligations and Disclosure Requirement) Regulations, 2015 with the stock exchange.

Corporate Governance is corporate discipline, extended, transparency, integrity and accountability toward all stakeholders. Corporate Governance help to achieve excellence to enhance stakeholders' value by focusing on long term value creation by timely disclosed the information's.

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The Company's philosophy on Corporate Governance envisages attainment of highest level of transparency, integrity, fairness and accountability in all faces of its functioning and its interactions with shareholders, employees, government, regulatory bodies and community at large. We believe that Corporate Governance is a journey for constantly improving sustainable value creation and through the Governance policy and mechanism in the Company and hence your Company gives equal importance for maintain and improve the quality of its products by carried out continues product development and stringent quality control norms as per international standard.

At Freshtrop Fruits, we are committed to doing things the right way which means taking business decisions and acting in a way that is ethical and is in compliance with applicable legislation.

The Company has established systems, policies and actions which are fully compliant with the requirements stipulated by the Security and Exchange board of India from time to time under the SEBI (Listing Obligations and Disclosure Requirements) regulations 2015. Your Company's systems and policies designed to further the objectives of Good Corporate Governance of the Company.

1. BOARD OF DIRECTORS:

a) COMPOSITION & SIZE OF THE BOARD

The board of directors of your Company is a balanced Board, comprising Executive and Non-Executive Directors with half of the Board of the Company comprising Independent Directors. At the end of the year the Board consists of Five directors comprising of one executive chairman and managing director, one executive whole-time director and three non-executive independent directors. The appointment of three non-executive independent directors is in conformity with the provisions of Section 149 of the Companies Act, 2013 and Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and none of the Director of the Company is on the Board of more than 7 listed companies as an Independent Director.

The board of directors provides leadership and guidance to the Company's management and directs, supervises and control the performance of the Company. Non-executive and independent director consist of professionals drawn from diverse fields that bring wide range of skill and experience to the board. The key skills, expertise and competence that the Board thinks is necessary for functioning in context of the Company's business and sector and which in the opinion of the Board, its Members must possess includes, Commercial, Finance, Shares and Securities Market, General management and Human Resources, Legal, including laws related to corporate governance and Marketing etc.

The composition of the board of directors and Committee membership(s) in other Companies:

Name of Directors	Board	Committees
Mr. Ashok V Motiani	Nil	Nil
Mrs. Nanita A Motiani		
Mr. Mayur J Shah		
Mr. Dineshbhai S Oza		
Mr. Anil Sharma		

Notes: This number excludes the directorship / Committee membership held in private companies, a company registered under section 8 of the Companies Act, 2013 and also the Company committee

includes audit committee and stakeholder grievance committee. None of the Directors of the Company is Director in any other listed Company.

b) BOARD MEETING

The board generally meets once in each quarter and the gap between any two board meetings was not more than 120 days. During the year under review board met four times on 26th May 2018, 14th August 2018, 14th November 2018 and 29th January 2019.

Agenda papers containing the necessary information/ documents are made available to the board to discharge its responsibility effectively and take effective decisions. The information as specified in Regulation 17(7) of the SEBI (LODR) Regulation 2015 is regularly made available to the board. The Stock Exchanges are informed about the outcome of the Board Meeting as soon as the meeting concludes.

The meetings of the Board and its various Committees are held at the Registered Office of the Company at Ahmedabad

Details of the composition of the Board, the Board meetings held during the year, attendance of Directors at Board meetings and other related matters are as under:

Name of Directors	Designation / Category of Directors	Total no of board meeting during the year	No of Board Meeting attended	Attendance at the last AGM
Mr. Ashok V Motiani	Chairman and Managing Director	4	4	YES
Mrs. Nanita A Motiani	Whole Time Director	4	4	YES
Mr. Mayur J Shah	Non-Executive / Independent Director	4	4	YES
Mr. Dineshbhai S Oza	Non-Executive / Independent Director	4	4	YES
Mr. Anil Sharma	Non-Executive / Independent Director	4	4	YES

c) CODE OF CONDUCT

In Compliance with Part-D under Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; the Board has adopted the code of conduct for the Board of Directors and senior management personnel of the Company. This code of conduct is comprehensive code which is applicable to all Directors and senior management personnel. A copy of the same has been put on the Company's website www.freshstrop.com.

A declaration signed by the chairman and Managing director to this effect is attached at the end of this report. The board has also adopted separate code of conduct with respect to duties of independent directors as per the provision of the companies act 2013.

d) SEPARATE MEETING OF INDEPENDENT DIRECTOR

Pursuant to Schedule IV of the Companies Act, 2013 and the Rules made thereunder and Regulation 25 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, all the Independent Directors of the Company met once during a year, without the attendance of Non-Independent Directors and Members of the Management. The Independent Directors reviewed performance of Non-Independent Directors, Chairman of the Company and the performance of the Board as a whole. The Independent Directors also matter pertaining to the company affairs and put forth their views to lead independent director.

e) DISCLOSURE REGARDING APPOINTMENT / RE-APPOINTMENT

Mr. Ashok Motiani, director is retiring at the ensuing Annual General meeting and being eligible, has Offered himself for reappointment.

The brief profile and other information required to be disclosed under this section is provided in the notice convening AGM.

2. COMMITTEES OF THE BOARD

The board of director currently has following committee to oversee day to day business of the company:

- i. Audit committee
- ii. Nomination and Remuneration Committee
- iii. Stakeholder's Relationship Committee
- iv. Corporate social Responsibility Committee

The terms of reference if the board Committee are determined by the board from time to time. The board is responsible for constituting, assigning and co-opting the members of the committees are convened by the respective committee chairperson.

a) AUDIT COMMITTEE:

The Audit Committee constituted in accordance with the provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

The Audit Committee comprises of four Directors out of which three are Independent Directors and one is Executive Director. The Chairman of the Audit Committee is an Independent Director.

During the year under review, the audit committee met 04 times on 26.05.2018, 14.08.2018, 14.11.2018 and 29.01.2019. the intervening gap between two meeting didn't exceed 4 months.

The details of the members along with the attendance of the members of the committee at the meetings are as under:

Name	Category	No. Of Meeting Held	No. of Meeting attended
Mr. Dinesh Oza	Independent Director	4	4
Mrs. Nanita Motiani	Whole-Time Director	4	4
Mr. Mayur Shah	Independent Director	4	4
Mr. Anil Sharma	Independent Director	4	4

The Chairman of the committee was present at the last annual general meeting held on 28th September 2018 to respond share holder queries.

I. Brief Description of terms of reference of the Audit Committee:

The terms of reference and role of the audit committee as decided by the Board of Directors are in accordance with provisions of Section 177 of the Companies Act, 2013 and SEBI Regulations as under:

- a) Oversight of the company's financial reporting process and the disclosure of its financial
- b) information to ensure that the financial statements are correct, sufficient and credible; Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
- c) Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- d) Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
- e) Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013.
- f) Changes, if any, in accounting policies and practices and reasons for the same
- g) Major accounting entries involving estimates based on the exercise of judgment by management

- h) Significant adjustments made in the financial statements arising out of audit findings Compliance with listing and other legal requirements relating to financial statements
- i) Disclosure of any related party transactions
- j) Qualifications in the draft audit report
- k) Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- l) Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / 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;
- m) Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- n) Approval or any subsequent modification of transactions of the company with related parties;
- o) Scrutiny of inter-corporate loans and investments;
- p) Valuation of undertakings or assets of the company, wherever it is necessary;
- q) Evaluation of internal financial controls and risk management systems;
- r) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- s) 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;
- t) Discussion with internal auditors of any significant findings and follow up there on;
- u) 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;
- v) 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;
- w) 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;
- x) To review the functioning of the Whistle Blower Mechanism (Vigil Mechanism);
- y) Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
- z) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
- aa) A statement of all transactions with related parties, including their basis shall be placed before the Audit Committee for formal approval / ratification with explanations where there are interested transactions.
- bb) Details of material individual transactions with related parties which are not in the normal course of business shall be placed before the audit committee.
- cc) Details of material individual transactions with related parties or others, which are not an arm's length basis should be placed before the Audit Committee, together with Manager's justification for the same.

b) NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee comprises of 3 Directors and all are Independent Directors. Accordingly, the Company has complied with the requirements of Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 relating to composition of Nomination and Remuneration Committee.

During the year under review, the committee met 04 times on 26.05.2018, 14.08.2018, 14.11.2018 and 29.01.2019.

The details of the members along with the attendance of the members of the committee at the meetings are as under:

Name	Category	No. Of Meeting Held	No. of Meeting attended
Mr. Dinesh Oza	Independent Director	4	4
Mr. Mayur Shah	Independent Director	4	4
Mr. Anil Sharma	Independent Director	4	4

The power role and terms of reference of committee covers the area as contempt under the SEBI listing regulations and section 178 of the companies act 2013.

I. The brief terms of reference of Nomination & Remuneration committee are as under:

- To formulate criteria for determining qualification, positive attributes & Independence of director and recommend boarding a policy relating to remuneration for the Directors, KMP and other employees.
- To formulate criteria for evaluation of performance of Independent Directors and Board;
- To devise a policy on diversity of Board of Directors;
- To identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal;
- 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;
- To perform any other functions as may be assigned to Committee by the Board from time to time.

II. Performance evaluations

The Board has prepared performance evaluation policy for evaluating performance of Individual Directors including Chairman of the Company, Board as a whole and its Committees, thereof. The criteria of the Board evaluation include Board composition, talents, experience and knowledge, and discussions at the Board Meeting, frequency of the Board Meeting, feedback and suggestion given to the management, participation in the discussion etc. The performance of Non-Independent Directors and the Board as a whole, after taking views of the Executive and Non-Executive Directors were evaluated by the Independent Directors at its Meeting held on August 14, 2018.

III. Director remuneration

Remuneration paid or payable to Chairman and Whole-time director the FY 2018-19 is as under:

Name	Remuneration (Including Prerequisites)
Mr. Ashok Motiani	7,00,000 Per month (April -18 to Sept-18) / 10,00,000 Per month (Oct -18 to March-19)
Mrs. Nanita Motiani	3,50,000 Per month (April -18 to Sept-18) / 4,00,000 Per month (Oct -18 to March-19)

There was no other pecuniary relationship or transaction of Non - executive directors via a vis the company.

Sitting Fees and Commission on net profit paid or payable to Non-Executive Directors for the Financial Year 2018-19 is as under:

Name	Sitting Fees
Mr. Mayur Shah	10,000 Each Meeting
Mr. Dinesh Oza	10,000 Each Meeting
Mr. Anil Sharma	10,000 Each Meeting

Details of shares of the company held by directors as on March 31, 2019 are as under

Name	No. of Share held
Mr. Ashok Motiani	17,42,389
Mrs. Nanita Motiani	9,62,895
Mr. Mayur Shah	5,625
Mr. Dinesh Oza	-
Mr. Anil Sharma	-

c) **STAKEHOLDERS RELATIONSHIP COMMITTEE**

In terms of the provisions of Section 178 of the Companies Act, 2013 and Regulation 20 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has constituted Stakeholders' Relationship Committee to look into the mechanism of redressal of grievances of shareholders and investors of the Company. The Stakeholders' Relationship Committee has Four members comprising of three non-executive director and one executive director.

During the year under review, the committee met 04 times on 26.05.2018, 14.08.2018, 14.11.2018 and 29.01.2019.

The details of the members along with the attendance of the members of the committee at the meetings are as under:

Name	Category	No. Of Meeting Held	No. of Meeting attended
Mr. Dinesh Oza	Independent Director	4	4
Mr. Mayur Shah	Independent Director	4	4
Mr. Anil Sharma	Independent Director	4	4
Mrs. Nanita Motiani	Whole time Director	4	4

i. **The brief terms of reference of Stakeholders Relationship Committee are as under:**

To look into the redressal of shareholders and investor complaints like transfer of shares, non-receipts of annual report, non-receipts of declared dividend, revalidation of dividend warrant or refund order etc. to consider and resolve the grievance of security holders of the company.

Opening Balance	During the year		At the end
	Received	Resolved	
Nil	Nil	Nil	Nil

d) **CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE:**

Pursuant to Section 135 of the Companies Act, 2013, the Company has constituted Corporate Social Responsibility Committee, inter alia, to formulate Corporate Social Responsibility (CSR) Policy, to recommend the amount of expenditure to be incurred on social activities and to monitor the CSR Policy.

During the year under review, the committee met 04 times on 26.05.2018, 14.08.2018, 14.11.2018 and 29.01.2019.

The composition of the Committee as well as the particulars of attendance at the Committee meetings during the year and other related details are given in the table below:

Name	Category	No. Of Meeting Held	No. of Meeting attended
Mr. Dinesh Oza	Independent Director	4	4
Mr. Mayur Shah	Independent Director	4	4
Mr. Anil Sharma	Independent Director	4	4
Mrs. Nanita Motiani	Whole time Director	4	4

I. Terms of reference

- To formulate and recommended to the board, a corporate social responsibility policy which shall indicate the activities to be undertaking by the company as specified in schedule VII of the companies act 2013 and the rules made their under.
- To recommend the amount of expenditure to be incurred on the CSR activates
- To monitor the implementation of framework of CSR Policy.
- To carry out any other function as mandated by the board from time to time and/or enforced by any statutory notification, amendment or modification as may be applicable or as may be applicable or as may be necessary or appropriate for performance of its duties.

II. CSR Policy

The policy on CSR is available at the website of the company at www.freshtrop.com under the investor segment.

3. GENERAL INFORMATION:

I. Subsidiary Companies

The company does not have any subsidiary.

II. Whistle Blower Policy

The company has adopted a whistle blower policy and has established the necessary vigil mechanism for the employees and directors to report consents about unethical behavior. No person has been denied access to the chairman of the audit committee. The said policy is hosted on the website of the company at <https://www.freshtrop.com/policies.php>. During the year under review there were no case of whistle blower.

III. General Body Meetings

Annual general meeting - Details of the AGM held during last three years are as under

Financial Year	Date and time	Venue	No. of Special resolution passed
2015-16	29.09.2016 (11.00 A.M.)	Sindhu Bhavan, Sindhu Bhavan Marg, opp. Pakwan, off. S.G. road, Ahemdabad - 380059	2
2016-17	28.09.2017 (10.00 A.M.)	Karnavati Club, S.G. Road, Ahmedabad - 380059	2
2017-18	28.09.2018 (10.00 A.M.)	Karnavati Club, S.G. Road, Ahmedabad - 380059	7

No extra ordinary general meeting was held during the financial year 2018-19.

No special resolution was passed through postal ballot during the financial year 2018-19.

IV. Means Of Communication With Shareholders

During the year, audited quarterly and audited annual financial results on standalone basis and un-audited quarterly and audited annual financial results of the Company were submitted to the stock exchanges soon after the Board meeting approved these and were published in leading newspapers viz The Business Standard in all edition of English language and Jansatta in Gujarati language. These were also promptly put on the Company's website www.freshtrop.com. The Company sends soft copies of Annual Report to those shareholders whose E-mail IDs are registered with the Depository Participants and / or with the Company's Registrars and Transfer Agents, unless opted by them to get the physical copy, to support the "Green Initiative in Corporate Governance", of the Ministry of Corporate Affairs.

V. Company Registration And Office Details

1	CIN	L15400GJ1992PLC018365
2	Registered Office	A-603, Shapath IV, Opp. Karnavati Club, S.G. Road, Ahemdabad - 380015
3	Listing Stock Exchange	Bombay Stock Exchange Limited (BSE) Phiroze Jeejeebhoy Towers, Dalal street, Mumbai - 400001
4	Stock Code	BSE Script Code: 530077
5.	Type of Security and No. of paid up shares	Equity Shares : 12145000 equity shares of ₹ 10/- each fully paid
6.	Registrar & Share transfer agent	BIGSHARE SERVICES PVT. LTD 1 st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri (East), Mumbai - 400059 Email: investor@bigshareonline.com Contact: 022 - 62638200 Website: www.bigshareonline.com

VI. Date, time and venue of the 27th Annual general meeting:

26th September 2019 at 10.00 AM at Rajpath Club, S.G. Road, Ahmedabad - 380059.

VII. Book closure date

The register of Member and share transfer books of the company will be closed from September 18, 2019 to September 26, 2019 (both days including).

VIII. Financial year:

Financial year is from 1st April to 31st March of the year and financial result will be declared as per following schedule.

IX. Tentative Financial Calendar for the year 2019-20.

Quarterly Result	Tentative Schedule
Quarter ending June 30, 2019	On or before August 14, 2019
Quarter ending September 30, 2019	On or before November 14, 2019
Quarter ending December 31, 2019	On or before February 14, 2019
Annual Financial Result of 2019-20	Within 60 days from March 31, 2020

X. Dividend

There is no dividend declared during the year.

XI. Confirmation of payment of Listing Fees:

The annual listing fees for the year 2019-20, to the stock exchanges where the securities of the Company are listed, has been paid in prescribed time limit.

XII. Unclaimed dividends to be transferred to investor education and Protection fund

Sr	Financial Year	Date of Declaration	Due for transfer on
1.	2012-13	13-09-2013	02-11-2020
2.	2013-14	10-09-2014	28-10-2021
3.	2014-15	18-09-2015	03-11-2022
4.	2015-16	21-09-2016	05-11-2023

Members who have not encashed their dividends warrants or those who have not received the dividend warrants so far, are requested to seek issuance for duplicate dividend warrant. Otherwise, all above said dividend to be transferred to investor education and protection fund on above said due dates.

XIII. Market Price Data:

The monthly high / low and the volume of the Company's shares trades at BSE Limited and the monthly high/low of the said exchange are as under:

Month	Bombay Stock Exchange		Turnover
	High (₹)	Low (₹)	
Apr - 2018	182.30	145.00	3,62,20,814
May - 2018	190.00	148.75	7,57,87,705
June - 2018	152.45	103.05	3,80,39,872
July - 2018	125.75	91.95	3,66,84,239
Aug - 2018	161.00	112.00	8,68,61,990
Sep - 2018	152.75	116.10	7,02,88,938
Oct - 2018	136.00	108.15	3,07,68,296
Nov - 2018	135.00	114.40	4,06,98,056
Dec - 2018	192.50	113.00	12,31,89,619
Jan - 2019	197.80	155.60	24,31,06,177
Feb - 2019	173.95	125.50	3,54,04,829
Mar - 2019	176.80	150.00	7,24,42,944

XIV. Shareholding as on March 31, 2019

No of Share	Shareholders		Shares	
	Nos.	% of Total	Nos.	% of Total
1-500	5,520	81.2242	8,576,520	7.0618
501-1000	608	8.9464	4,874,810	4.0138
1001-2000	297	4.3702	4,544,890	3.7422
2001-3000	127	1.8687	3,163,100	2.6044
3001-4000	45	0.6622	1,622,630	1.3360
4001-5000	45	0.6622	2,139,350	1.7615
5001-10000	82	1.2066	5,826,510	4.7975
10001 - above	72	1.0595	90,702,190	74.6828
Total	6796	100	12,145,000	100.00

XV. Shareholding pattern as on March 31, 2019

Category	No. of Shareholders	Total No of Shares Held	% of Capital
Promoters	6	70,47,171	58.03
Public	6,436	38,98,823	32.10
Foreign Institution Investor	1	39,95,00	3.29
Foreign Portfolio Investor	1	22,407	0.18
Non - Resident Individual	200	4,41,571	3.64
Bodies Corporate	118	2,96,961	2.45
Corporate body - NBFC	1	600	0.00
Clearing Member	33	37,967	0.31
Total	6,796	1,21,45,000	100.00

XVI. Dematerialization of Shares and liquidity:

Trading in the Company's shares is permitted only in dematerialization form for all investors. The Company has established connectivity with CDSL and NSDL through the Registrar, M/s Bigshare Services Private Limited, Mumbai, whereby the investors have the option to dematerialize their shares with either of the depositories. As on 31 March 2019, 96.68% of the paid-up share capital has been dematerialized.

XVII. Address for Correspondence:

Shareholders correspondence should be addressed to the company's registrar and share transfer agent at the address mention above.

Shareholder may also contact the compliance officer, Freshtrop Fruits Limited, A-603, Shapath -IV, Opp. Karnavati Club, S.G. Road, Ahmedabad - 380015.

Phone: 079 - 40307050-57 • Email: secretarial@freshtrop.com

Shareholders holding shares in the electronic mode should address all their correspondence to their respective depository participates.

XVIII. Plant locations:**Plant I**

Gat No. 171, Village Jaulke, Mumbai Agra Road, Tal: Dindori, Dist. Nasik - 422207.

Plant II

Survey No. 1366, Savlej - Wayfale Road, Post: Siddhewadi, Tal: Tasgaon, Dist: Sangli - 416311.

Plant IV

Gat No. 598/1, Village Janori, Tal: Dindori, Dist: Nasik - 422206.

XIX. Disclosure

- There was no transaction of material nature between the company and its directors or management and their relatives or promoters that may have potential conflict with the interest of the company. The details of the related party transactions are disclosed in the financial section of this Annual Report
- In the preparation of the financial statements, the company has followed the accounting policies and practices as prescribed in the accounting standards.
- Management Discussion and Analysis report is set out in a separate section included in this annual report and forms part of this report.
- The Company has complied with all the mandatory requirements of the Listing Agreements with the stock exchange as well as regulations and guidelines of the SEBI. Further, no penalties

strictures were imposed on the company by Stock Exchange or SEBI or any stator authority, on any matter related to capital market, during the year under review.

- e) No treatment different from accounting standards, prescribed by the Institute of Chartered Accountants of India, has been followed in the preparation of the Financial statements.
- f) Disclosure under the Sexual Harassment of Women at Workplace (prevention, Prohibition and Redressal) Act, 2013:
 - a. Number of complaints filed during the Financial Year - 0
 - b. Number of complaints disposed of during the Financial Year - 0
 - c. Number of complaints pending as on end of the Financial Year - 0
- g) The Board of Directors confirm that the Independent Directors fulfill the conditions as specified under clause b of Regulation 16(1) and are Independent to the Management.
- h) A certificate has been obtained from M/s. Manoj Hurkat & Associates, Practicing Company Secretary that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as a director of companies by the Security and Exchange Board of India/ Ministry of Corporate Affairs or by any other Statutory Authority.
- i) In terms of the amendments made to the Listing Regulations, the Board of Directors confirm that during the year, it has accepted all recommendations received from its mandatory committees.
- j) There were no instances of raising of funds through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A) of the Listing Regulations.
- k) During 2018-2019, the total fees for all services paid by the Company on a consolidated basis, to M/s. FP & Associates, Chartered Accountants and all entities in the network firm/network entity of M/s. FP & Associates was Rs. 11 Lakhs.

DECLARATION BY THE MANAGING DIRECTOR

I, Ashok Motiani, Chairman and Managing Director of the Freshtrop Fruits Limited, hereby declare that all members of the board of directors and the senior members personnel have affirmed compliance with the code of Conduct, applicable to them as laid down by the Board of Directors in terms of Regulations 26(3) of SEBI (LODR) Regulations, 2015.

Date: May 28, 2019

Registered Office

A-603, Shapath IV,
Opp. Karnavati Club, S. G. Road,
Ahmedabad – 380 015
CIN: L15400GJ1992PLC018365

By order of the Board
For Freshtrop Fruits Ltd

Ashok Motiani

Chairman & Managing Director
(DIN: 00124470)

**CERTIFICATION BY
MANAGING DIRECTOR AND CHIEF FINANCIAL OFFICE COMPLIANCE CERTIFICATE**

We, Ashok Motiani, Managing Director and Sanjay Prajapati, Chief Financial Officer of Freshtrop Fruits Limited, to the best of our knowledge and below certify that:

We have reviewed financial statements and the cash flow statement for the year ended March 31, 2019 and that to the best of their knowledge and belief:

1. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
2. These statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
3. To the best of their knowledge and belief, no transactions entered into by the listed entity during the year which are fraudulent, illegal or violative of the listed entity's code of conduct.
4. We accept responsibility for establishing and maintaining internal controls for financial reporting and that they have evaluated the effectiveness of internal control systems of the listed entity pertaining to financial reporting and they have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.
5. We further certify that we have indicated to the auditors and the Audit committee:
 - a) There have been no significant changes in internal control over financial reporting during the year;
 - b) There have been no significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - c) Instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the listed entity's internal control system over financial reporting.

Place: Ahmedabad

Date: 28/05/2019

Sanjay Prajapati

Chief Financial Officer

Ashok Motiani

Managing Director

AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members

FRESHTROP FRUITS LIMITED

We have examined all relevant records of FRESHTROP FRUITS LIMITED ("Company") for the purpose of certifying compliance of the conditions of Corporate Governance as prescribed under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations") for the financial year ended on 31st March, 2019. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of certification.

The compliance of the conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the procedure and implementation thereof.

On the basis of our examination of the records produced, explanations and information furnished, we certify that the Company has complied with all the mandatory conditions of the Corporate Governance, as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46 (2) and Paragraphs C, D and E of Schedule V of the Listing Regulations during the year ended 31st March, 2019.

This certificate 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.

For, MANOJ HURKAT & ASSOCIATES
Practicing Company Secretaries

MANOJ R HURKAT
Partner

Place : Ahmedabad

Date : 28th May, 2019

Membership No: FCS No. 4287

Certificate of Practice No: C P No.: 2574

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) read with Clause 10(i) of Part C of
Schedule V of The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To
The Members
FRESHTROP FRUITS LIMITED

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of FRESHTROP FRUITS LIMITED ("Company") produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Clause 10(i) of Part C of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations") for the financial year ended 31st March, 2019.

Ensuring the eligibility 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.

In our opinion and to the best of our information and according to the verifications as considered necessary and explanations furnished to us by the Company and its officers, we hereby certify that for the financial year ended on 31st March, 2019 none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Director of the Company by the Securities and Exchange Board of India/ Ministry-of Corporate Affairs or such other statutory Authority.

For **MANOJ HURKAT & ASSOCIATES**
Company Secretaries

Date : 28th May, 2019
Place : Ahmedabad

Manoj R. Hurkat
Membership No: FCS 4287
Certificate of Practice No: CP 2574

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF
FRESHTROP FRUITS LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **Freshtrop Fruits Limited ("the Company")** which comprise the Balance Sheet as at March 31st, 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flow for the period then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

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 Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, its profit and total comprehensive income, changes in equity and its cash flows for the period ended on that date.

Basis for Opinion

We conducted our audit of Standalone financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. 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 (ICAI) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

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.

Key audit matters	How our audit addressed the key audit matter
Revenue recognition (refer notes 2.12 and 23 to the Standalone Financial Statements)	
Revenue is one of the key profit drivers and is therefore susceptible to misstatement. Cut-off is the key assertion in so far as revenue recognition is concerned, since an inappropriate cut-off can result in material misstatement of results for the year. For the year ended March 31, 2019 the Company has recognized revenue from contracts with customers amounting to Rs. 17140.47 Lakhs. Revenue from contracts with customers is recognized on transfer of control of promised goods or services to a customer at an amount that reflects the consideration to which the Company is expected to be entitled to in exchange for those goods or services. Revenue is measured net of returns ,incentives, cash discounts, trade discounts, and volume rebates (collectively 'discount and rebates'). These are material items of business cost. The calculation of the amount of expense to be recognized based on sales made during the year is material and considered to be judgmental. There is a risk that these discount and rebates are incorrectly recorded as it also requires a certain degree of estimation, resulting in understatement of the associated expenses and accrual. Accordingly, due to the significant risk associated with revenue recognition in accordance with terms of Ind AS 115 'Revenue from contracts with customers', it was determined to be a key audit matter in our audit of the standalone Ind AS financial statements.	Our audit procedures included the following: - Revenue recognition included testing controls, automated and manual, around dispatches/ deliveries, inventory reconciliations and circularization of receivable balances, substantive testing for cut-offs and analytical review procedures. - Assessed the design and tested the operating effectiveness of internal controls related to revenue recognition, discounts and rebates. - Performed sample tests of individual sales transaction and traced to sales invoices, sales orders, shipping documents and other related documents. Further Tested the provision calculations related to management incentives, discounts and rebates by agreeing a sample of amounts recognized to underlying arrangements with customers and other supporting documents. - To test cut off selected sample of sales transactions made pre- and post-year end, agreeing the period of revenue recognition to third party support, such as transporter invoice and customer confirmation of receipt of goods. - Considered the adequacy of the Company's disclosures in respect of revenue.

We have determined that there are no other key audit matters to communicate in our report.

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the 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 during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind As and other accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance

of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting 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 controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statement 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 is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibility for the Audit of the Standalone 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 standalone financial statements.

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

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

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 (Auditor's Report) Order, 2016 (the "Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
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 purposes 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 Other Comprehensive Income, and the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
 - d. In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.
 - e. On the basis of the written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 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". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's Internal Financial Controls over financial reporting.
 - g. 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, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements -Refer Note 39 to the financial statements.
 - ii. The Company has made provision as at March 31, 2019, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education & Protection Fund by the Company.

For F P & Associates
Chartered Accountants
Firm Registration No: 143262W

Place: Ahmedabad
Date: May 28, 2019

F.S. SHAH
Partner
Membership No. 133589

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to the paragraph 1 under "Report on Other Legal and Regulatory Requirements" section of our report of even date)

- i. (a) The company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets;
- (b) The fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals having regard to the size of the company, nature and value of its assets. According to the information and explanation given to us, no material discrepancies were noticed on such verification.
- (c) In our opinion and according to information and explanations given to us and on the basis of an examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- ii. The inventory except goods-in-transit has been physically verified by the Management at reasonable intervals during the year. In our opinion, the frequency of such verification is reasonable. For goods-in-transit at year end, relevant evidences have been obtained. The discrepancies noticed on verification between the physical stocks and the book records were not material and have been dealt with in books of account.
- iii. In our opinion and according to information & explanation given to us, the company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnership or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly the provisions of Clause (iii) of paragraph 3 of the order are not applicable to the Company.
- iv. In our opinion and according to information and explanations given to us, the Company has complied with provisions of Sections 185 and 186 of the Act in respect of loans, investments, guarantees and security.
- v. According to the information and explanations given to us, the Company has not accepted any deposit nor has any unclaimed deposit within the meaning of the provisions of Sections 73 to 76 or any other relevant provision of the Act and the rules framed there under. Accordingly, the provisions of Clause (v) of paragraph 3 of the Order are not applicable to the Company.
- vi. In our opinion and according to the information and explanations given to us, the requirement for maintenance of cost records pursuant to the Companies (Cost Records and Audit) Rules, 2014 specified by the Central Government of India under Section 148 of the Companies Act, 2013 are not applicable to the Company for the year under audit.
- vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing the undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Goods and Services Tax, Duty of Customs, Duty of Excise, Value Added Tax, Goods and Service tax, Cess, and any other material statutory dues, as applicable, with the appropriate authorities.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Goods and Service tax, Cess and any other material statutory dues were in arrears as at 31st March, 2019 for a period of more than six months from the date they became payable.

- (c) According to the information and explanations given to us, details of dues towards Income Tax and Service Tax which have not been deposited by the Company on account of disputes are as follows,

Name of the Statute	Nature of the Dues	Amount (in Rs.)	Period to which amount relates	Forum where dispute is pending
Finance Act, 1994	Service Tax & Penalty	4,32,44,054	Various Years 2006-07 to 2011-12	C.S.T- Service Tax Ahmedabad
Income Tax Act, 1961.	Income Tax	17,14,460	A.Y. 2014-15	Commissioner of Income tax -Ahmedabad

According to the information and explanations given to us, there are no dues of Sales tax, Excise Duty, Custom Duty, Value Added Tax, Goods and Service tax and Cess which have not been deposited with the appropriate authorities on account of any dispute.

- viii. In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to banks. The Company does not have any loans or borrowings from financial institutions or government and has not issued any debentures.
- ix. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans during the year. Accordingly, the provisions of clause (ix) of paragraph 3 of the Order are not applicable to the Company.
- x. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- xi. In our opinion and according to the information and explanations given to us, managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of the Section 197 read with Schedule V to the Act.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, the provisions of Clauses (xii) of paragraph 3 of the Order are not applicable to the Company.
- xiii. In our opinion and according to the information and explanations given to us the Company is in compliance with Section 177 and 188 of the Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the Ind AS financial statements as required by the applicable Indian accounting standards.
- xiv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- xv. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transaction with the Directors or Persons connected with its Directors and covered under Section 192 of the Act. Accordingly, the provisions of Clause (xv) of paragraph 3 of the Order are not applicable to the Company.
- xvi. According to the information and explanations given to us, the Company is not required to be registered under Section 45- IA of the Reserve Bank of India Act, 1934. Accordingly, Clause (xvi) of paragraph 3 of the Order is not applicable to the Company.

For F P & Associates
Chartered Accountants
Firm Registration No: 143262W

Place: Ahmedabad
Date: May 28, 2019

F.S. SHAH
Partner
Membership No. 133589

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2(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 **FRESHTROP FRUITS LIMITED** (the "Company") as of 31st March 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Company 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 (the "Guidance Note") 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 the Company's business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's Internal Financial Control over Financial Reporting of the Company 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") issued by the Institute of Chartered accountants of India and the Standards on Auditing prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of Internal Financial Controls. 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 Control 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 Control over Financial Reporting included obtaining an understanding of Internal Financial Control 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 Control system over Financial Reporting.

Meaning of Internal Financial Controls over Financial Reporting

A Company's Internal Financial Control over Financial Reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

A Company's Internal Financial Control over Financial Reporting includes those policies and procedures that:

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and

- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of Internal Financial 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 Internal Financial Controls 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, to the best of our information and according to the explanations given to us, the Company has, in all material respects, adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2019, based on the criteria for internal financial controls over financial reporting 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 F P & Associates
Chartered Accountants
Firm Registration No: 143262W

Place: Ahmedabad
Date: May 28, 2019

F.S. SHAH
Partner
Membership No. 133589

BALANCE SHEET AS AT 31ST MARCH, 2019

(₹ in Lakhs)

Particulars	Notes	As At 31st March, 2019	As At 31st March, 2018
ASSETS			
Non-Current Assets			
Property, plant and equipment	4	5,580.16	5,728.60
Capital work in progress	4	15.81	-
Intangible assets	5	32.53	33.72
Financial assets			
(i) Investment*	6	0.00	0.00
(ii) Other financial asset	8	46.80	42.01
Other non-current assets	9	25.00	80.66
Income Tax Assets (Net)	10	20.89	-
Total Non-Current Assets		5,721.19	5,884.99
Current Assets			
Inventories	11	4,885.98	3,624.94
Financial Assets			
(i) Investments	6	997.58	97.06
(ii) Trade receivables	12	3,947.76	5,003.72
(iii) Cash and cash equivalents	13	392.65	438.50
(iv) Other Bank Balances	14	24.69	27.01
(v) Loans	7	10.68	11.88
(vi) Other Financial asset	8	83.07	-
Other current assets	9	1,094.50	672.78
Total Current Assets		11,436.91	9,875.88
Total Assets		17,158.09	15,760.87
EQUITY AND LIABILITIES			
Equity			
Equity share capital	15	1,214.50	1,214.50
Other Equity	16	6,514.17	4,960.70
Total Equity		7,728.67	6,175.20
Liabilities			
Non-Current Liabilities			
Financial Liabilities			
(i) Borrowings	17	1,020.03	1,484.01
(ii) Other financial liabilities	18	6.31	213.50
Provisions	21	4.19	-
Deferred tax liabilities (Net)	38	559.71	416.01
Total Non-Current Liabilities		1,590.25	2,113.52
Current Liabilities			
Financial Liabilities			
(i) Borrowings	17	2,403.86	2,356.02
(ii) Trade Payable	19	-	-
Due to Micro and Small Enterprises		4,291.57	3,938.38
Due to Others		906.58	875.79
(iii) Other financial liabilities	18	216.30	66.16
Other current liabilities	20	20.86	29.20
Provisions	21	-	206.60
Current tax liability (Net)	22	-	-
Total Current Liabilities		7,839.17	7,472.14
Total Liabilities		9,429.42	9,585.66
Total Equity and Liabilities		17,158.09	15,760.87
Significant Accounting Policies	2 & 3		

* Numbers are below one thousand under the rounding off convention adopted by the company and accordingly not reported.

The accompanying notes are integral part of the financial statements.

As per our report of even date attached

For, F P & Associates

Chartered Accountants

FRN: 143262W

(F. S. Shah)

Partner

M.No. 133589

Place: Ahmedabad

Date: May 28, 2019

For and on behalf of the Board of Directors

(Ashok Motiani)

Managing Director

DIN 00124470

(Ronak Dhruve)

Company Secretary

Place: Ahmedabad

Date: May 28, 2019

(Nanita Motiani)

Executive Director

DIN 00787809

(Sanjay Prajapati)

Chief Financial officer

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED ON 31ST MARCH, 2019

(₹ in Lakhs)

Particulars	Notes	Year Ended 31.03.2019	Year Ended 31.03.2018
Revenue from Operations			
Revenue from Operations	23	17,140.47	17,638.96
Other Income	24	464.55	156.92
Total Income (A)		17,605.02	17,795.87
Expenses			
Cost of materials consumed	25	10,856.86	10,717.21
Changes in inventories of finished goods	26	(1,071.39)	778.41
Excise duty		-	69.96
Employee benefits expense	27	1,786.12	1,322.32
Finance costs	28	131.65	80.48
Depreciation and amortisation expenses	29	517.51	416.10
Other Expenses	30	3,594.60	3,023.45
Total Expenses (B)		15,815.35	16,407.93
Exceptional items	31	-	57.68
Profit Before Tax (A-B)		1,789.68	1,330.26
Tax Expenses	32		
Current Tax		385.00	506.00
Adjustments for the current tax of prior periods		(19.20)	-
Deferred Tax		49.48	(6.15)
		415.27	499.85
Profit After Tax for the Period		1,374.40	830.41
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Remeasurements of post-employment benefit obligations		8.76	2.26
Income tax relating to these items		(2.55)	(0.78)
Items that will be reclassified to profit or loss			
Effective portion of gains and loss on designated portion of hedging instruments in a cash flow hedge		264.53	(270.20)
Income tax relating to these items		(91.67)	93.51
Other Comprehensive Income for the Period, net of tax		179.06	(175.21)
Total Comprehensive Income for the Period		1,553.47	655.20
Earning per Equity Share (EPS) for Profit for the Period (Face Value of Rs 10)			
Basic (₹)	42	11.32	6.84
Diluted (₹)	42	11.32	6.84
Significant Accounting Policies	2 & 3		
The accompanying notes are integral part of the financial statements.			

As per our report of even date attached

For, F P & Associates

Chartered Accountants

FRN: 143262W

(F. S. Shah)

Partner

M.No. 133589

Place: Ahmedabad

Date: May 28, 2019

For and on behalf of the Board of Directors

(Ashok Motiani)

Managing Director

DIN 00124470

(Ronak Dhruve)

Company Secretary

Place: Ahmedabad

Date: May 28, 2019

(Nanita Motiani)

Executive Director

DIN 00787809

(Sanjay Prajapati)

Chief Financial officer

STATEMENT OF CASH FLOW FOR THE YEAR ENDED ON 31ST MARCH, 2019

(₹ in Lakhs)

Particulars	For the Period ended 31.03.2019	For the Period ended 31.03.2018
Cash Flow from Operating Activities		
Profit before Taxes	1,789.68	1,330.26
Adjustments for:		
Depreciation and Amortisation	517.51	416.10
(Profit)/Loss on sale of Investments	(11.39)	(19.04)
(Profit)/Loss on sale of Assets	(38.47)	(0.39)
Exceptional items	-	57.68
Unrealised Foreign Exchange Loss / (Gain)	21.61	84.38
Loss arising on financial assets measured at FVTPL	1.77	2.94
Finance Cost	131.65	80.48
Interest/Dividend/Rent received	(56.51)	(10.95)
Operating Profit before Working Capital Changes	2,355.85	1,941.47
Changes in Current Assets and Current Liabilities		
(Increase) / Decrease in Trade Receivables	970.75	(1,495.98)
(Increase) / Decrease in Inventories	(1,261.04)	894.52
(Increase) / Decrease in financial assets	(84.34)	177.07
(Increase) / Decrease in Other assets	(377.82)	(533.99)
Increase / (Decrease) in Trade and other Payable	607.59	169.73
Increase / (Decrease) in provisions	4.62	16.23
Cash generated from Operations	2,215.60	1,169.04
Income Taxes paid	637.18	274.83
Net Cash Flow from Operating Activities (A)	1,578.41	894.21
Cash Flow from Investing Activities		
Purchase of PPE including Capital Work In Progress and capital advances	(337.25)	(2,261.67)
Sale proceed of Fixed Assets	47.70	31.28
Interest/Dividend/Rent received	56.51	10.95
Sale proceed of Current Investment	1,416.81	1,723.13
Purchase of Current Investments	(2,307.71)	(1,804.09)
Net Cash Flow from/ (used in) Investing Activities (B)	(1,123.95)	(2,300.40)
Cash Flow from Financing Activities		
Increase / (Decrease) in Non Current Borrowings	(463.98)	1,427.61
Increase / (Decrease) in Current Borrowings	47.84	(185.08)
Finance Cost	(131.65)	(80.48)
Net Cash Flow from Financing Activities (C)	(547.78)	1,162.05
Net Increase / (Decrease) in Cash and Cash Equivalents (A+ B+ C)	(93.31)	(244.14)
Cash and Cash Equivalents at the beginning of the period	438.50	669.22
Unrealised Gain/(Loss) on foreign currency Cash and Cash Equivalents	47.47	13.42
Cash and Cash Equivalents at the end of the period	392.65	438.50

STATEMENT OF CASH FLOW FOR THE YEAR ENDED ON 31ST MARCH, 2019**Notes to Statement of Cash Flows**

- (a) The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard (Ind-As-7)- Statement of Cash Flow
- (b) Cash and cash equivalent includes- (₹ in Lakhs)

PARTICULAR	As at 31st March, 2019	As at 31st March, 2018
Cash and Cheques on Hand	4.10	0.83
Balances with Scheduled Banks		
in Current Accounts	63.03	31.97
in Exchange Foreign Currency Account	325.52	405.69
Cash and Cash Equivalent in Cash Flow Statement	392.65	438.50

As per our report of even date attached

For, F P & Associates

Chartered Accountants

FRN: 143262W

(F. S. Shah)

Partner

M.No. 133589

Place: Ahmedabad

Date: May 28, 2019

For and on behalf of the Board of Directors

(Ashok Motiani)

Managing Director

DIN 00124470

(Ronak Dhruve)

Company Secretary

Place: Ahmedabad

Date: May 28, 2019

(Nanita Motiani)

Executive Director

DIN 00787809

(Sanjay Prajapati)

Chief Financial officer

STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED ON 31ST MARCH 2019

A. Equity Share Capital

(₹ in Lakhs)

PARTICULAR	As at 31st March, 2019	As at 31st March, 2018
Balance at the beginning of the Reporting period	1,214.50	1,214.50
Changes in Equity Share Capital during the year	-	-
Balance at the end of the Reporting period	1,214.50	1,214.50

B. Other Equity

(₹ in Lakhs)

PARTICULAR	Reserves & Surplus				Other reserves	Total Other Equity
	Securities Premium Reserve	General Reserve	Capital reserve	Retained Earnings	Cash flow hedging reserve	
Balance as at April 1, 2017 (A)	188.00	12.88	89.50	4,015.13	-	4,305.51
Addition during the year:						
Profit for the period	-	-	-	830.41	-	830.41
Items of OCI for the year, net of tax:						
Remeasurement benefit of defined benefit plans	-	-	-	1.48	-	1.48
Effective portion of gains and loss on designated portion of hedging instruments in a cash flow hedge (net of tax)	-	-	-	-	(176.69)	(176.69)
Total Comprehensive Income for the year 2017-18(B)	-	-	-	831.89	(176.69)	655.20
Reductions during the year:	-	-	-	-	-	-
Total (C)	-	-	-	-	-	-
Balance as at 31st March, 2018 (D)=(A+B+C)	188.00	12.88	89.50	4,847.02	(176.69)	4,960.70
Addition during the year:						
Profit for the period	-	-	-	1,374.40	-	1,374.40
Items of OCI for the year, net of tax:						
Remeasurement benefit of defined benefit plans	-	-	-	6.21	-	6.21
Effective portion of gains and loss on designated portion of hedging instruments in a cash flow hedge (net of tax)	-	-	-	-	172.85	172.85
Total Comprehensive Income for the year 2018-19 (E)	-	-	-	1,380.61	172.85	1,553.47
Reductions during the year:	-	-	-	-	-	-
Total (F)	-	-	-	-	-	-
Balance as at 31st March, 2019 (G)=(D+E+F)	188.00	12.88	89.50	6,227.63	(3.84)	6,514.17

As per our report of even date attached

For, F P & Associates
Chartered Accountants
FRN: 143262W

(F. S. Shah)
Partner
M.No. 133589
Place: Ahmedabad
Date: May 28, 2019

For and on behalf of the Board of Directors

(Ashok Motiani)
Managing Director
DIN 00124470

(Ronak Dhruve)
Company Secretary

Place: Ahmedabad
Date: May 28, 2019

(Nanita Motiani)
Executive Director
DIN 00787809

(Sanjay Prajapati)
Chief Financial officer

Notes to the Financial Statements for the year ended 31st March, 2019

1. CORPORATE INFORMATION

Freshtrop Fruits Limited ("The Company") is a public company domiciled in India and incorporated under provisions of the Companies Act, 1956. The company is primarily engaged in the business of exports of fresh fruits and vegetables to leading supermarket chains in various parts of Europe, Russia & Hong Kong as well as in Domestic Market. The company is producing Fruit Pulp & Concentrate for both the Domestic & International Customers. The company has started new venture of cold processed juice for the domestic customers.

2. SIGNIFICANT ACCOUNTING POLICIES:

2.1 Basis of preparation of financial statements

(i) Compliance with Ind AS

These financial statements have been prepared in accordance with Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified under Section 133 of the Companies Act, 2013 ("Act") read with the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act.

These financial statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting except for certain financial assets and financial liabilities (including Derivative Instrument) that are measured at fair values and Defined benefit planned assets measured at fair value at the end of each reporting period, as stated in the accounting policies set out below. The accounting policies have been applied consistently over all the periods presented in these financial statements.

(ii) Use of estimates and judgments

The estimates and judgments used in the preparation of the financial statements are continuously evaluated by the Company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Company believes to be reasonable under the existing circumstances. Differences between actual results and estimates are recognised in the period in which the results are known/materialized.

The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

(iii) Current / Non Current Classification

All assets and liabilities have been classified as current or noncurrent 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 the time between 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/non-current classification of assets and liabilities.

2.2 Property Plant and Equipment

Recognition and measurement

Freehold land is carried at historical cost. All the other items of Property, Plant and Equipment are stated at cost, net of recoverable taxes, less accumulated depreciation and accumulated impairment losses, if any.

The cost of Property, Plant and Equipment comprises of its purchase price or construction cost, any costs directly attributable to bringing the asset into the location and condition necessary for it to be capable of operating in the manner intended by management, the initial estimate of any decommissioning obligation, if any, and borrowing costs for assets that necessarily take a substantial period of time to get ready for their intended use. Subsequent costs are included in the asset's carrying amount 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.

Capital work-in-progress is stated at cost. All the direct expenditure related to implementation including incidental expenditure incurred during the period of implementation of a project, till it is commissioned, is accounted as Capital work-in-progress (CWIP) and after commissioning the same is transferred / allocated to the respective item of property, plant and equipment.

Pre-operating costs, are expensed to the Statement of Profit and Loss as and when incurred.

If significant parts of an item of Property, Plant and Equipment have different useful lives and cost, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognized in Statement of Profit and Loss.

2.3 Intangible asset

Recognition and measurement

Intangible assets are initially measured at cost. Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the assets will flow to the Company and the cost of the asset can be measured reliably.

Such intangible assets are subsequently measured at cost less accumulated amortization and any accumulated impairment losses. The cost of an intangible asset comprises of its purchase price, including any import duties and other taxes (other than those subsequently recoverable from the taxing authorities), and any directly attributable expenditure on making the asset ready for its intended use

2.4 Depreciation method, estimated useful lives and residual value

The estimate of the useful life of the assets has been assessed based on technical advice which considered the nature of the asset, the usage of the asset, expected physical wear and tear, the operating conditions of the asset, anticipated technological changes, manufacturers warranties and maintenance support, etc.

Depreciation is provided on a pro-rata basis on the straight line method over the useful lives as prescribed under Schedule II to the Companies Act, 2013 with the exception of the following:

Asset Description	Useful Life
Office Building with RCC frame structure	30
Factory building	20

The management believes that these estimated useful lives reflect fair approximation of the period over which the assets are likely to be used.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if required.

Intangible assets are amortized over the estimated period of benefit, not exceeding five years.

2.5 Impairment

Assets that have an indefinite useful life, for example goodwill, are not subject to amortization and are tested for impairment annually and whenever there is an indication that the asset may be impaired.

Assets that are subject to depreciation are reviewed for impairment, whenever events or changes in circumstances indicate that carrying amount may not be recoverable. Such circumstances include, though are not limited to, significant or sustained decline in revenues or earnings and material adverse changes in the economic environment.

An impairment loss is recognized whenever the carrying amount of an asset or its cash generating unit (CGU) exceeds its recoverable amount. The recoverable amount of an asset is the greater of its fair value less cost to sell and value in use. To calculate value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market rates and the risk specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the CGU to which the asset belongs. Fair value less cost to sell

is the best estimate of the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the cost of disposal.

Impairment losses, if any, are recognized in the Statement of Profit and Loss and included in depreciation and amortization expense. Impairment losses are reversed in the Statement of Profit and Loss only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had previously been recognized.

2.6 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

A financial asset is recognised in the balance sheet when the Company becomes party to the contractual provisions of the instrument. At initial recognition, the Company measures a financial asset at its fair value plus or minus, in the case of a financial asset not at fair value through statement of profit and loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset.

Subsequent measurement

For purpose of subsequent measurement, financial assets are classified into:

- a. Financial assets measured at amortized cost;
- b. Financial assets measured at fair value through other comprehensive income (FVTOCI);
- c. Financial assets measured at fair value through statement of profit and loss (FVTPL)

The Company classifies its financial assets in the above mentioned categories based on:

- a. The Company's business model for managing the financial assets;
- b. The contractual cash flows characteristics of the financial asset.

Financial assets measured at amortized cost

This category generally applies to trade and other receivables.

A financial asset is measured at amortized cost if both of the following conditions are met:

- a. The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows;
- b. The contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

Financial assets are subsequently measured at amortized cost using the Effective Interest Rate (EIR) method.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the statement of profit and loss. The losses arising from impairment are recognised in the statement of profit and loss.

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

A financial asset is measured at fair value through other comprehensive income if both of the following conditions are met:

- a. The financial asset is held within a business model whose objective is achieved by both collecting the contractual cash flows and selling financial assets;
- b. The asset's contractual cash flows represent SPPI.

Financial assets measured at fair value through the statement of profit and loss (FVTPL)

FVTPL is a residual category. Any financial asset, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL. In addition, the Company may elect to designate a financial asset, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, recognised as 'other income' in the Statement of Profit and Loss.

Equity Instruments

All the equity instruments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL.

If the company decides to classify an equity instrument as at FVTOCI, then all the fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to statement of profit and loss, even on sale of investment. However, the company may transfer the cumulative gain or loss within equity. Equity instruments included within FVTPL category are measured at fair value with all the changes recognized in statement of profit and loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognized (i.e. removed from the Company's balance sheet) when:

- a. The contractual rights to the cash flows from the financial asset have expired, or
- b. The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either
- c. The Company has transferred substantially all the risks and rewards of the asset, or
- d. The Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Impairment of financial assets

In accordance with Ind AS 109, the Company assesses impairment based on expected credit loss (ECL) model to the following:

- a. Financial assets measured at amortized cost;
- b. Financial assets measured at fair value through other comprehensive income

Expected credit losses are measured through a loss allowance at an amount equal to:

- a. The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
- b. Full time expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

The Company follows simplified approach for recognition of impairment loss allowance on trade receivables, under the simplified approach; the Company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable which is adjusted for management's estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analyzed.

Financial Liabilities**Initial recognition and measurement**

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through statement of profit and loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables and short term borrowings.

Subsequent measurement

- a. Financial liabilities measured at amortized cost;
- b. Financial liabilities subsequently measured at fair value through statement of profit and loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Gains or losses on liabilities held for trading are recognised in the statement of profit and loss.

Financial liabilities designated upon initial recognition at fair value through statement of profit and loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied.

Trade and other payables

These amounts represent liability for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

Fair Value

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

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 best economic interest.

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

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

2.7 Derivative financial instruments and Hedge Accounting

The company's activities expose it to the financial risk of the changes in foreign exchange and interest rates. The use of financial derivative is governed by the company's risk management policies approved by the board of the directors. The company has taken cross currency interest rate swaps for its floating rate foreign currency borrowings to hedge foreign currency risk and interest rate risk. The company has taken forward contracts to hedge future probable forecasted export sales.

The company documents at the inception of the hedging transaction the economic relationship between hedging instruments and hedged items including whether the hedging instrument is expected to offset changes in cash flows of hedged items. The company documents its risk management objective and strategy for undertaking various hedge transactions at the inception of each hedge relationship.

The full fair value of a hedging derivative is classified as a non-current asset or liability when the remaining maturity of the hedged item is more than 12 months; it is classified as a current asset or liability when the remaining maturity of the hedged item is less than 12 months. Trading derivatives are also classified as a current asset or liability when expected to be realized /settled within 12 months of the balance sheet date.

a. Cash flow hedges that qualify for hedge accounting:

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in the other comprehensive income in cash flow hedging reserve within equity, limited to the cumulative change in fair value of the hedged item on a present value basis from the inception of the hedge. The gain or loss relating to the ineffective portion is recognised immediately in statement of profit and loss, within other gains/(losses). Amounts accumulated in equity are reclassified to statement of profit and loss in the periods when the hedged item affects statement of profit and loss

2.8 Inventories

Inventories are valued at cost or net realizable value (NRV), whichever is lower. The basis of determining cost for various categories of inventories is as follows:

- a. Raw materials, finished goods, packing materials, stores and spares and consumables are carried at the lower of cost and net realizable value after providing for obsolescence, if any. The comparison of cost and NRV is made on an item-by-item basis.
- b. In determining the cost of raw materials, packing materials, consumables, stores and spares, First- in-First-Out (FIFO) method is used. Cost of inventory comprises all costs of purchase, duties, taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventory to their present location and condition.
- c. Cost of finished goods includes the cost of raw materials, packing materials, an appropriate share of fixed and variable production overheads, excise duty as applicable and other costs incurred in bringing the inventories to their present location and condition.

2.9 Employee benefit

Short-term employee benefits

Employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries and wages, bonus, short term compensated absences, ex-gratia, etc. The undiscounted amount of short-term employee benefits to be paid in exchange for employee services is recognised as an expense as the related service is rendered by employees.

Compensated Absences

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

Post-Employment Benefits:

(i) Defined Contribution plans:

Defined contribution plans are employee state insurance scheme and Government administered provident funds scheme for all applicable employees and superannuation scheme for eligible employees.

Recognition and measurement of defined contribution plans:

The Company recognizes contribution payable to a defined contribution plan as an expense in the Statement of Profit and Loss when the employees render services to the Company during the reporting period. If the contributions payable for services received from employees before the reporting date exceed the contributions already paid, the deficit payable is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the reporting date, the excess is recognized as an asset to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund.

(ii) Defined Benefit Plans**Provident Fund scheme:**

Defined Contribution Plans such as Provident Fund etc., are charged to the Statement of Profit and Loss as incurred. The contributions are made to a government administered Provident Fund scheme towards which the Company has no further obligations beyond its monthly contributions.

Defined benefit Gratuity plan:

The Company has funded its gratuity liability with Life Insurance Corporation of India (LIC) under the Group Gratuity Cash Accumulation Plan.

Recognition and measurement of Defined Benefit plans:

The cost of providing defined benefits is determined using the Projected Unit Credit method with actuarial valuations being carried out at each reporting date. The defined benefit obligations recognized in the Balance Sheet represent the present value of the defined benefit obligations as reduced by the fair value of plan assets, if applicable. Any defined benefit asset (negative defined benefit obligations resulting from this calculation) is recognized representing the present value of available refunds and reductions in future contributions to the plan.

All expenses represented by current service cost, past service cost, if any, and net interest on the defined benefit liability / (asset) are recognized in the Statement of Profit and Loss. Remeasurements of the net defined benefit liability / (asset) comprising actuarial gains and losses and the return on the plan assets (excluding amounts included in net interest on the net defined benefit liability/asset), are recognized in Other Comprehensive Income. Such remeasurements are not reclassified to the Statement of Profit and Loss in the subsequent periods.

The Company presents the above liability/(asset) as current and non-current in the Balance Sheet as per actuarial valuation by the independent actuary; however, the entire liability towards gratuity is considered as current as the Company will contribute this amount to the LIC within the next twelve months.

2.10 Borrowing Cost

The Company is capitalizing borrowing costs that are directly attributable to the acquisition or construction of qualifying assets. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. For borrowing cost capitalization, the capital cost of a particular project is identified against a borrowing in terms of period of construction and the borrowing cost for the relevant period is added to the capital cost till the particular project is capitalised and thereafter the interest is charged to the statement of profit and loss. All other borrowing costs are recognized as expense in the period in which they are incurred and charged to the statement of profit and loss.

2.11 Foreign Currency Translation**Functional and presentation currency**

The financial statements are presented in Indian rupee (₹), which is Company's functional and presentation currency.

Initial Recognition:

On initial recognition, transactions in foreign currencies entered into by the Company are recorded in the functional currency (i.e. Indian Rupees), by applying to the foreign currency amount, the spot exchange rate prevailing on the date of the transaction. Exchange differences arising on foreign exchange transactions settled during the year are recognized in the Statement of Profit and Loss.

Transactions and balances:

Transactions in foreign currencies are recognised at the prevailing exchange rates on the transaction dates. Realized gains and losses on settlement of foreign currency transactions are recognised in the Statement of Profit and Loss.

Monetary foreign currency assets and liabilities at the year-end are translated at the year-end exchange rates and the resultant exchange differences are recognised in the Statement of Profit and Loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined.

2.12 Revenue Recognition

Revenue from contracts with customers is recognized on transfer of control of promised goods or services to a customer at an amount that reflects the consideration to which the Company is expected to be entitled to in exchange for those goods or services.

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract. This variable consideration is estimated based on the expected value of outflow. Revenue (net of variable consideration) is recognized only to the extent that it is highly probable that the amount will not be subject to significant reversal when uncertainty relating to its recognition is resolved.

Sale of products:

Revenue from sale of products is recognized when the control on the goods have been transferred to the customer. The performance obligation in case of sale of product is satisfied at a point in time i.e., when the material is shipped to the customer or on delivery to the customer, as may be specified in the contract.

Revenue from services:

Revenue from services is recognized over time by measuring progress towards satisfaction of performance obligation for the services rendered as per contractually agreed terms.

Interest and dividends:

Interest income is recognized using effective interest method. Dividend income is recognized when the right to receive dividend is established.

Other Operating Revenue -Export Incentive:

Export Incentives are recognized as income when right to receive credit as per the terms of the scheme is established in respect of the exports made and when there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds.

2.13 Taxation**Income taxes**

Tax expense is the aggregate amount included in the determination of profit or loss for the period in respect of current tax and deferred tax.

Current tax:

Current tax is the amount of income taxes payable in respect of taxable profit for a period. Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible under the Income Tax Act, 1961.

Current tax is measured using tax rates that have been enacted by the end of reporting period for the amounts expected to be recovered from or paid to the taxation authorities.

Deferred tax:

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit under Income Tax Act, 1961.

Deferred tax liabilities are generally recognized for all taxable temporary differences. However, in case of temporary differences that arise from initial recognition of assets or liabilities in a transaction that affect neither the taxable profit nor the accounting profit, deferred tax liabilities are not recognized. Also, for temporary differences if any that may arise from initial recognition of goodwill, deferred tax liabilities are not recognized.

Deferred tax assets are generally recognized for all deductible temporary differences to the extent it is probable that taxable profits will be available against which those deductible temporary difference can be utilized. In case of temporary differences that arise from initial recognition of assets or liabilities in a transaction that affect neither the taxable profit nor the accounting profit, deferred tax assets are not recognized.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow the benefits of part or all of such deferred tax assets to be utilized.

Deferred tax assets and liabilities are measured at the tax rates that have been enacted or substantively enacted by the Balance Sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled.

Minimum Alternate Tax credit is recognised as deferred tax asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.

Presentation of current and deferred tax:

Current and deferred tax are recognized as income or an expense in the Statement of Profit and Loss, except when they relate to items that are recognized in Other Comprehensive Income, in which case, the current and deferred tax income/ expense are recognized in Other Comprehensive Income.

The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously. In case of deferred tax assets and deferred tax liabilities, the same are offset if the Company has a legally enforceable right to set off corresponding current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority on the Company.

2.14 Provisions and Contingent Liabilities

The Company recognizes provisions when a present obligation (legal or constructive) as a result of a past event exists and it is probable that an outflow of resources embodying economic benefits will be required to settle such obligation and the amount of such obligation can be reliably estimated.

If the effect of time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources embodying economic benefits or the amount of such obligation cannot be measured reliably. When there is a possible obligation or a present obligation in respect of which likelihood of outflow of resources embodying economic benefits is remote, no provision or disclosure is made.

2.15 Research and Development Expenditure

Expenditure on research is recognised as an expense when it is incurred. Expenditure on development which does not meet the criteria for recognition as an intangible asset is recognised as an expense when it is incurred.

Items of property, plant and equipment and acquired Intangible Assets utilized for Research and Development are capitalised and depreciated in accordance with the policies stated for Property, Plant and Equipment and Intangible Assets.

2.16 Earnings per Share

Basic EPS is computed by dividing net profit after taxes for the year by weighted average number of equity shares outstanding during the financial year, adjusted for bonus share elements in equity shares issued during the year and excluding treasury shares, if any.

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential equity shares and the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

2.17 Segment Reporting

The Chief Operational Decision Maker (CODM) monitors the operating results of its business segments separately for the purpose of making decisions about resource allocation and performance assessment. Operating segments are reported in a manner consistent with the internal reporting provided to the CODM.

The Board of Directors (BOD) of the Company assesses the financial performance and position of the Company, and makes strategic decisions; hence the Board of Directors are CODM. Refer note 39 for segment related information.

2.18 Cash and cash equivalents

Cash and cash equivalents comprise cash and deposits with banks. The Company considers all highly liquid investments with a remaining maturity at the date of purchase of three months or less and that are readily convertible to known amounts of cash to be cash equivalents.

2.19 Statement of Cash Flows

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

2.20 KEY ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of the Company's financial statements requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Critical accounting 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:

Income taxes

The Company's tax jurisdiction is India. Significant judgments are involved in estimating budgeted profits for the purpose of paying advance tax, determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions (Refer Note 32).

Property, Plant and Equipment

Property, Plant and Equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company's assets are determined by the management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technical or commercial obsolescence arising from changes or improvements in production or from a change in market demand of the product or service output of the asset.

Defined Benefit Obligation

The costs of providing gratuity and other post-employment benefits are charged to the Statement of Profit and Loss in accordance with Ind AS 19 'Employee benefits' over the period during which benefit is derived from the employees' services. The costs are assessed on the basis of assumptions selected by the management. These assumptions include salary escalation rate, discount rates, expected rate of return on assets and mortality rates. The same is disclosed in Note 35, 'Employee benefits'.

Fair value measurement of Financial Instruments

When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques, including the discounted cash flow model, which involve various judgments and assumptions.

3. STANDARD ISSUED NOT YET EFFECTIVE**Standards issued but not yet effective**

On March 30, 2019 the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2019, notifying Ind AS 116 on Leases. Ind AS 116 would replace the existing leases standard Ind AS 17.

The standard sets out the principles for the recognition, measurement, presentation and disclosures for both parties to a contract, i.e. the lessee and the lessor. Ind AS 116 introduces a single lease accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. Currently for operating lease rentals are charged to the statement of profit and loss. The Company is currently evaluating the implications of Ind AS 116 on the financial statements.

The Companies (Indian Accounting Standards) Amendment Rules, 2019 also notified amendments to the following accounting standards. The amendments would be effective from April 1, 2019.

1. Ind AS 12, Income taxes – Appendix C on uncertainty over income tax treatments
2. Ind AS 12, Income Taxes - Accounting for Dividend Distribution Taxes
3. Ind AS 23, Borrowing costs
4. Ind AS 28 – Investment in associates and joint ventures
5. Ind AS 103 and Ind AS 111 – Business combinations and joint arrangements
6. Ind AS 109 – Financial instruments
7. Ind AS 19 – Employee benefits

The Company is in the process of evaluating the impact of such amendments.

Notes to the Financial Statements for the year ended 31st March, 2019

4 PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment as at 31st March 2019

Particulars	Gross Carrying Amount			Accumulated Depreciation		Net Carrying Amount	
	Balance As at 1st April, 2018	Balance As at 1st April, 2018	Balance As at 1st April, 2018	Balance As at 1st April, 2018	Balance As at 1st April, 2018	Balance As at 1st April, 2018	Balance As at 1st April, 2018
Land and land development	198.34	190.57	7.77	-	-	190.57	198.34
Factory building	2,187.58	2,246.15	58.58	89.04	748.87	1497.28	1,527.74
Machinery	5,711.37	5,934.18	222.81	361.85	2,325.41	3,608.77	3,747.81
Office equipments	60.70	64.20	3.50	6.54	41.50	22.70	25.74
Vehicles	248.13	266.61	47.55	29.08	129.17	136.33	118.97
Furniture and fixtures	112.22	121.49	9.27	8.40	60.68	60.81	59.93
Computer equipment	84.66	113.55	28.89	11.17	73.91	39.64	21.92
Office electrification	3.26	3.26	-	0.24	3.08	0.18	0.42
Pollution control equipment	53.14	53.14	-	3.86	29.26	23.87	27.73
Total Property, Plant and Equipment	8,659.39	8,993.15	370.60	509.82	27.62	5,580.16	5,728.60
Capital Work In Progress	-	-	-	-	-	15.81	-

Property, plant and equipment as at 31st March 2018

Particulars	Gross Carrying Amount			Accumulated Depreciation		Net Carrying Amount	
	Balance As at 1st April, 2017	Balance As at 1st April, 2017	Balance As at 1st April, 2017	Balance As at 1st April, 2017	Balance As at 1st April, 2017	Balance As at 1st April, 2017	Balance As at 1st April, 2017
Land and land development	198.34	198.34	-	-	-	198.34	198.34
Factory building	1,766.21	2,187.58	433.57	86.42	1.59	1527.74	1,191.21
Machinery	3,892.21	5,711.37	1,928.87	285.53	31.90	3,747.81	2,182.28
Office equipments	42.11	60.70	18.59	5.46	-	25.74	12.61
Vehicles	235.05	248.13	13.67	24.41	0.42	118.97	129.87
Furniture and fixtures	63.93	112.22	48.29	3.22	-	59.93	14.86
Computer equipment	69.31	84.66	15.34	5.57	-	21.92	12.14
Office electrification	3.26	3.26	-	0.25	-	2.84	0.67
Pollution control equipment	53.14	53.14	-	3.70	-	27.73	31.43
Total Property, Plant and Equipment	6,323.56	8,659.39	2,458.33	414.55	33.92	5,728.60	3,773.40
Capital Work In Progress	-	-	-	-	-	-	35.68

Notes to the Financial Statements for the year ended 31st March, 2019

5 INTANGIBLE ASSETS

Intangible Assets as at 31st March 2019

(₹ in Lakhs)

Particulars	Gross Carrying Amount			Accumulated Depreciation			Net Carrying Amount	
	Balance As at 1st April, 2018	Additions/ Adjustments during the year	Deduction during the year	Balance As at 31st March, 2019	Balance As at 1st April, 2018	Amortization during the year	Balance As at 31st March, 2019	Balance As at 31st March, 2018
Website	2.38	-	-	2.38	2.26	-	0.12	0.12
Computer Software	33.20	6.50	-	39.70	1.47	7.36	30.87	31.73
Trademark	1.95	-	-	1.95	0.07	0.33	1.54	1.87
Total Intangible Assets	37.53	6.50	-	44.03	3.81	7.69	32.53	33.72

Intangible Assets as at 31st March 2018

(₹ in Lakhs)

Particulars	Gross Carrying Amount			Accumulated Depreciation			Net Carrying Amount	
	Balance As at 1st April, 2017	Additions/ Adjustments during the year	Deduction during the year	Balance As at 31st March, 2018	Balance As at 1st April, 2017	Amortization during the year	Balance As at 31st March, 2018	Balance As at 31st March, 2017
Website	2.38	-	-	2.38	2.26	-	0.12	0.12
Computer Software	-	33.20	-	33.20	-	1.47	31.73	-
Trademark	-	1.95	-	1.95	-	0.07	1.87	-
Total Intangible Assets	2.38	35.15	-	37.53	2.26	1.55	33.72	0.12

Notes to the Financial Statements for the year ended 31st March, 2019

6 INVESTMENT*

(₹ in Lakhs)

PARTICULAR	As at 31st March, 2019	As at 31st March, 2018
Non-Current		
Investments in unquoted equity shares of other companies measured at fair value through profit and loss (FVTPL)		
Shree Laxminarayan Co-operative society limited. **		
Shree Laxminarayan Co-operative Society limited. ** [5 Nos.(P.Y. 5)] of ₹50 each	0.00	0.00
Total	0.00	0.00
Aggregate value of unquoted investments- at Cost	0.00	0.00
Aggregate amount of impairment in value of investments	-	-
Current		
Mutual Fund		
Investment in instruments carried at fair value through profit and loss (FVTPL)***		
Kotak Equity Arbitrage Fund- 9,25,358.441 (P.Y - Nil) of Rs 10.7084 each	99.09	-
ICICI Prudential Equity Arbitrage Fund- 36 63 778.934 (P.Y - Nil) of Rs 13.6207 each	499.03	-
Edelweiss Arbitrage Fund- 32,64,169.992 (P.Y - Nil) of Rs 12.2375 each	399.45	-
HDFC Equity savings fund - Nil (PY - 851,136.267 of ₹11.403 each)	-	97.06
Total	997.58	97.06
Aggregate value of unquoted investments at cost	999.35	100.00
Aggregate value of unquoted investments at Market Value	997.58	97.06
Aggregate amount of impairment in value of investments	-	-

* Refer note 33 - Financial instruments, fair values and risk measurement

** Numbers are below one thousand under the rounding off convention adopted by the company and accordingly not reported.

*** Investment in Mutual fund have been fair valued at closing NAV.

7 LOANS*

(₹ in Lakhs)

PARTICULAR	As at 31st March, 2019	As at 31st March, 2018
Non-Current		
Other loan and advances		
Secured, considered good	-	-
Unsecured, considered good	-	-
Total Loans	-	-
Current		
Other loan and advances		
Secured, considered good	-	-
Unsecured, considered good #	10.68	11.88
Total Loans	10.68	11.88

*Refer note 33 - Financial instruments, fair values and risk measurement

Other loan and advances include Rs Nil (31st March 2018 Rs 2.85 lakhs) to related parties (Refer Note 38)

Notes to the Financial Statements for the year ended 31st March, 2019

8 OTHER FINANCIAL ASSETS*

(₹ in Lakhs)

PARTICULAR	As at 31st March, 2019	As at 31st March, 2018
Non-Current		
Security and other deposits (unsecured, considered good)	46.80	42.01
Total Non-Current Other Financial Assets	46.80	42.01
Current		
Derivatives - foreign exchange forward contracts #	83.07	-
Total Current Other Financial Assets	83.07	-

* Refer note 33 - Financial instruments, fair values and risk measurement

The company has entered into forward contracts to hedge its exchange rate risk. The Company has also entered into cross currency interest rate swap to hedge against interest rate risk and exchange rate risk. Refer note - 33 Financial instruments, fair values and risk measurement for details

9 OTHER CURRENT ASSETS

(₹ in Lakhs)

PARTICULAR	As at 31st March, 2019	As at 31st March, 2018
Non-Current		
Capital advances	-	55.66
Balances with Government Authorities *	25.00	25.00
Total Non-Current Assets	25.00	80.66
Current		
Advance to supplier of goods and expense	93.25	25.16
Prepaid Expenses	52.53	41.48
Export incentive receivable	179.83	45.61
Packing Scheme Incentive Receivable	30.50	-
Other receivable **	7.39	11.49
Balances with Government Authorities*	731.00	549.04
Total Current Non-Financial Assets	1,094.50	672.78

* Balance government authorities include balances with GST, VAT Department etc.

** Other receivable include amount receivable of Rs Nil (31st March 2018 - Rs 5 Lakhs) to related parties (Refer note no. 38)

10 INCOME TAX ASSETS (NET)

(₹ in Lakhs)

PARTICULAR	As at 31st March, 2019	As at 31st March, 2018
Advance payment of tax (Net of provision and Tax deducted at source)	20.89	-
Total Income Tax Assets (Net)	20.89	-

Notes to the Financial Statements for the year ended 31st March, 2019

11 INVENTORIES

(₹ in Lakhs)

PARTICULAR	As at 31st March, 2019	As at 31st March, 2018
Raw Materials	101.33	123.28
Finished Goods	1,408.03	674.89
Finished Goods in transit	2,836.89	2,498.64
Packing Materials	513.17	307.43
Consumables	23.11	16.29
Coal, Spares etc.	3.45	4.40
Total Inventories	4,885.98	3,624.94

12 TRADE RECEIVABLES*

(₹ in Lakhs)

PARTICULAR	As at 31st March, 2019	As at 31st March, 2018
Current		
Secured, considered good	-	-
Unsecured, considered good	3,947.76	5,003.72
Unsecured, considered doubtful	-	-
	3,947.76	5,003.72
Less: Allowances for unsecured doubtful debts	-	-
Total Trade Receivables	3,947.76	5,003.72

* Refer note 33 - Financial instruments, fair values and risk measurement

13 CASH AND CASH EQUIVALENTS

(₹ in Lakhs)

PARTICULAR	As at 31st March, 2019	As at 31st March, 2018
Cash and Cash Equivalents		
Balances with banks		
In current accounts	388.55	437.66
Cash on hand	4.10	0.83
Total Cash and Cash Equivalents	392.65	438.50

14 OTHER BANK BALANCES*

(₹ in Lakhs)

PARTICULAR	As at 31st March, 2019	As at 31st March, 2018
Margin money deposit with bank with maturity of more than 3 months but less than 12 months#	8.71	8.42
Unclaimed dividend	15.98	18.59
Total Bank Balance other than Cash and Cash Equivalents	24.69	27.01

* Refer note 33 - Financial instruments, fair values and risk measurement

Held as lien by bank against bank guarantees.

Notes to the Financial Statements for the year ended 31st March, 2019

15 EQUITY SHARE CAPITAL

(₹ in Lakhs)

PARTICULAR	As at 31st March, 2019	As at 31st March, 2018
AUTHORISED SHARE CAPITAL		
1,50,00,000 Equity shares of ₹ 10/- each	1,500.00	1,500.00
	1,500.00	1,500.00
ISSUED, SUBSCRIBED AND PAID UP CAPITAL		
1,21,45,000 Equity shares of ₹ 10/- each fully paid up	1,214.50	1,214.50
	1,214.50	1,214.50

Reconciliation of shares outstanding at the beginning and at the end of the year

(₹ in Lakhs)

PARTICULAR	As at 31st March, 2019		As at 31st March, 2018	
	No of shares	Amount in ₹	No of shares	Amount in ₹
At the beginning of the year	121.45	1,214.50	121.45	1,214.50
Add: Issued during the year	-	-	-	-
At the end of the year	121.45	1,214.50	121.45	1,214.50

Terms/Rights attached to Equity Shares

The Company has only one class of equity shares having a par value of ₹ 10 per share. Each Shareholder is eligible for one vote per share. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company, after distribution of all preferential amounts, in proportion of their shareholding.

Details of shareholder(s) holding more than 5% equity shares

(In Lakhs)

PARTICULAR	As at 31st March, 2019		As at 31st March, 2018	
	No of shares held	% of holding	No of shares held	% of holding
Number of Equity Shares				
Freshcap Foodstuff LLP	23.68	19.50%	23.68	19.50%
Ashok Vishandas Motiani	17.42	14.35%	17.42	14.35%
Nanita Ashok Motiani	9.63	7.93%	9.63	7.93%
Dipti Ashok Motiani	8.25	6.79%	8.25	6.79%
Priyanka Tandon	6.54	5.38%	6.54	5.38%

Notes to the Financial Statements for the year ended 31st March, 2019

16 OTHER EQUITY

(₹ in Lakhs)

Particulars	Reserves & Surplus				Other reserves	Total Other Equity
	Securities Premium Reserve	General Reserve	Capital reserve	Retained Earnings	Cash flow hedging reserve	
Balance as at April 1, 2017 (A)	188.00	12.88	89.50	4,015.13	-	4,305.51
Addition during the year:						
Profit for the period	-	-	-	830.41	-	830.41
Items of OCI for the year, net of tax:						
Remeasurement benefit of defined benefit plans	-	-	-	1.48	-	1.48
Effective portion of gains and loss on designated portion of hedging instruments in a cash flow hedge (net of tax)	-	-	-	-	(176.69)	(176.69)
Total Comprehensive Income for the year 2017-18(B)	-	-	-	831.89	(176.69)	655.20
Reductions during the year:						
Dividends (Refer Note 36)	-	-	-	-	-	-
Income tax on dividend (Refer Note 36)	-	-	-	-	-	-
Total (C)	-	-	-	-	-	-
Balance as at 31st March, 2018 (D)=(A+B+C)	188.00	12.88	89.50	4,847.02	(176.69)	4,960.70
Addition during the year:						
Profit for the period	-	-	-	1,374.40	-	1,374.40
Items of OCI for the year, net of tax:						
Remeasurement benefit of defined benefit plans	-	-	-	6.21	-	6.21
Effective portion of gains and loss on designated portion of hedging instruments in a cash flow hedge (net of tax)	-	-	-	-	172.85	172.85
Total Comprehensive Income for the year 2018-19 (E)	-	-	-	1,380.61	172.85	1,553.47
Reductions during the year:						
Dividends (Refer Note 36)	-	-	-	-	-	-
Income tax on dividend (Refer Note 36)	-	-	-	-	-	-
Total (F)	-	-	-	-	-	-
Balance as at 31st March, 2019 (G)=(D+E+F)	188.00	12.88	89.50	6,227.63	(3.84)	6,514.17

Description of nature and purpose of each reserve

General Reserve - General reserve is created from time to time by way of transfer of profits from retained earnings for appropriation purposes. General reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income.

Capital Reserve - The company has created capital reserve out of capital subsidies received from state Governments. Capital reserve is utilised in accordance with provision of the Companies Act.

Securities premium Reserve - Securities premium reserve is used to record the premium on issue of shares. These reserve is utilised in accordance with the provisions of the Companies Act.

Cash flow hedging Reserve - The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in the other comprehensive income in cash flow hedging reserve.

Notes to the Financial Statements for the year ended 31st March, 2019

17 BORROWINGS*

(₹ in Lakhs)

PARTICULAR	As at 31st March, 2019	As at 31st March, 2018
Non-Current		
Secured		
Term loan from banks	1,019.75	1,471.64
Vehicle loan	-	9.27
Unsecured		
From directors	0.28	3.10
Total Non-Current Borrowings	1,020.03	1,484.01
Current maturities of long term borrowings (Refer note no. 18)	448.45	308.04
Current		
Secured		
Working capital loan from banks	2,403.86	2,356.02
Total Current Borrowings	2,403.86	2,356.02

* Refer note 33 - Financial instruments, fair values and risk measurement

Notes:

- a. Term loan of Rs 1458.93 lakhs (31st March 2018 Rs 1769.47) are secured by :
 - (i) First exclusive charge on present and future Plant and Machinery of the Borrower located at GAT No. 598/1 and 590/1 D, Village Janori, Tai. Dindori, Dist. Nashik (Maharashtra).
 - (ii) First exclusive charge by way of equitable mortgage on land and building located at GAT No. 598/1 and 590/1 D, Village Janori, Tai. Dindori, Dist. Nashik (Maharashtra).
 - (iii) Personal guarantee of Mr. Ashok Motiani
 - (iv) Demand promissory note and letter of continuity for ₹ 200 Million

Rate of interest is 3.95% p.a.

- b. Term Loan of ₹ 9.27 lakhs (31st March 2018 Rs 19.48 lakhs) is secured by Hypothecation on the Vehicle of the company repayable 36 Monthly Installments starting From February,2017. Last Installment due in January,2020. Rate of Interest 9.51% p.a.
- c. Working Capital Loans from Banks comprise of Cash Credit ,Pre Shipment and Post Shipment Credit are secured by way of hypothecation of Current Assets including Stocks and Book Debts and are collaterally secured by first charge by way of mortgage of factory land & bulding & plant & machinery located at Unit-I,Unit-II and Unit-IV & further secured by Extension of charge over Other fixed assets of the company & personal Guarantee of Chariman & Managing Director.

The Company has not defaulted in the repayment of loans & interest in current & previous year.

Notes to the Financial Statements for the year ended 31st March, 2019

18 OTHER FINANCIAL LIABILITIES*

(₹ in Lakhs)

PARTICULAR	As at 31st March, 2019	As at 31st March, 2018
Non-Current		
Derivatives (Refer note (i) below)	6.31	213.50
Total Non Current Other Financial Liabilities	6.31	213.50
Current		
Current maturities of non-current borrowings	448.45	308.04
Interest accrued and due on borrowings	1.67	2.03
Trade deposit	2.50	2.50
Creditors for capital goods	46.34	67.45
Provision for expense	204.47	215.41
Other current liabilities **	187.16	110.90
Unclaimed dividend***	15.98	16.45
Derivatives	-	153.01
Total Current Other Financial Liabilities	906.58	875.79

* Refer note 33 - Financial instruments, fair values and risk measurement

** Other current liabilities include expenses payable of Rs 65.71 lakhs (31st March 2018 - Rs 16.43 Lakhs) to related parties (Refer note no. 38)

*** There is no amount due for the payment to Investor Education and Protection Fund as on 31st March 2019 and 31st March 2018.

- (i) The company has entered into forward contracts to hedge its exchange rate risk. The Company has also entered into cross currency interest rate swap to hedge against interest rate risk and exchange rate risk . Refer note - 34 Financial instruments, fair values and risk measurement for details.

19 TRADE PAYABLES

(₹ in Lakhs)

PARTICULAR	As at 31st March, 2019	As at 31st March, 2018
Current		
Dues to Micro and Small Enterprises (Refer Note 41)	-	-
Due to Others(Refer note (i) below)	4,291.57	3,938.38
Total Trade Payables	4,291.57	3,938.38

* Refer note 33 - Financial instruments, fair values and risk measurement

- (i) Trade payables include Rs 2.05 Lakhs (31st March 2018 Rs 0.24 lakhs) to related parties . (Refer note no 38)

20 OTHER CURRENT LIABILITIES

(₹ in Lakhs)

PARTICULAR	As at 31st March, 2019	As at 31st March, 2018
Current		
Advance from customers	125.12	19.43
Statutory liabilities #	91.18	46.73
Total Current Non-Financial Liabilities	216.30	66.16

Statutory liabilities represent amount payable towards GST, TDS etc

Notes to the Financial Statements for the year ended 31st March, 2019

21 PROVISIONS

(₹ in Lakhs)

PARTICULAR	As at 31st March, 2019	As at 31st March, 2018
Non-Current		
Provision for gratuity	4.19	-
Total Non- Current Provisions	4.19	-
Current		
Provision for gratuity	20.86	29.20
Total Current Provisions	20.86	29.20

For movements in provisions for employee benefits, refer Note 35.

22 CURRENT TAX LIABILITY (NET)

(₹ in Lakhs)

PARTICULAR	As at 31st March, 2019	As at 31st March, 2018
Current		
Provision for taxes (Net of Advance tax and TDS)	-	206.60
Total Current Tax Liability (Net)	-	206.60

23 REVENUE FROM OPERATIONS

(₹ in Lakhs)

Particulars	2018-19	2017-18
Revenue from Products	16,016.97	17,044.06
Revenue from Sale of Services	-	17.15
Export Incentives	1,123.51	577.75
Total Revenue from Operations	17,140.47	17,638.96

A. Revenue from contracts with customers disaggregated based on nature of products and Services

(₹ in Lakhs)

Particulars	2018-19	2017-18
Revenue from sale of products		
Manufactured Goods		
Grapes	10,112.04	11,998.30
Pomegranates	25.25	55.16
Pomegranates Arils	2,646.14	1,593.62
Mango Pulp & Concentrate	1,779.41	1,782.78
Pomegranate Concentrate	1,255.90	818.80
Guava Pulp & Concentrate	40.32	44.32
Tomato Paste or Puree	8.61	124.38
Fruit Compound	-	553.45
Fruit Processed Juice	96.03	2.29
Coconut Chunks	44.71	-
Others	8.54	1.00
Add: Excise duty on Sales	-	69.96
Total	16,016.97	17,044.06
Revenue from Sale of Services		
Job Work Income	-	17.15
Total	-	17.15
Other Operating Revenues		
Export incentive income	1,123.51	577.75
Total	1,123.51	577.75
Total Revenue from Operations	17,140.47	17,638.96

Notes to the Financial Statements for the year ended 31st March, 2019

B. Revenue from contracts with customers disaggregated based on Geography

(₹ in Lakhs)

Particulars	2018-19	2017-18
Domestic	2,168.37	2,170.32
Exports	14,972.11	15,468.64
Revenue from operations	17,140.47	17,638.96

C. Revenue from contracts with customers disaggregated based on Business Segment

(₹ in Lakhs)

Particulars	2018-19	2017-18
Fresh Fruits	13,814.48	14,137.17
Processed Fruits & Vegetables	3,325.99	3,501.79
Revenue from operations	17,140.47	17,638.96

D. Reconciliation of Revenue from operations with contract priced price

(₹ in Lakhs)

Particulars	2018-19	2017-18
Contracted price	17,223.26	17,795.52
Less:-		
Sales Commission	72.33	156.57
Sales returns	7.33	-
Discounts	3.12	-
Net Revenue recognised from Contracts with Customers	17,140.47	17,638.96

E. Contract balances

(₹ in Lakhs)

Particulars	2018-19	2017-18
The following table provides information about receivables, contract assets and contract liabilities from contracts with customers		
Trade receivables	3,947.76	5,003.72
Advances from customers (Refer Note no 20)	125.12	19.43
Total	4,072.88	5,023.15

Footnotes:

- 1) Management expects that the entire transaction price allotted to the unsatisfied contract as at the end of the reporting period will be recognised as revenue during the next financial year.
- 2) Effective April 1, 2018, the Company has adopted Ind AS 115 - Revenue from Contracts with Customers, using the cumulative effect method and the comparative information is not restated. The adoption of the standard did not have any material impact on the financial statements of the Company.

24 OTHER INCOME

(₹ in Lakhs)

PARTICULAR	2018-19	2017-18
Interest Income on Deposits	3.01	3.07
Foreign Exchange Gain (Net)	326.07	122.30
Dividend Income	53.50	7.88
Profit on Sale of Investments (Mutual fund)	11.39	19.04
Profit on Sale of Property Plant and Equipment	38.47	0.39
Other Income	32.11	4.24
Total Other Income	464.55	156.92

Notes to the Financial Statements for the year ended 31st March, 2019

25 COST OF MATERIALS CONSUMED

(₹ in Lakhs)

Particulars	2018-19	2017-18
Raw Material Consumption		
Opening stock	123.28	113.59
Add: Purchases	9,077.73	9,061.92
Less: Closing stock	(101.33)	(123.28)
Total raw material consumed (a)	9,099.68	9,052.22
Packing Material Consumed		
Opening stock	307.43	379.06
Add: Purchases	1,873.39	1,523.71
Less: Closing stock	(513.17)	(307.43)
Total packing material consumed (b)	1,667.66	1,595.35
Consumables Consumed		
Opening stock	16.29	14.15
Add: Purchases	96.34	71.78
Less: Closing stock	(23.11)	(16.29)
Total consumable consumed (c)	89.52	69.64
Total Cost of Materials Consumed (a + b + c)	10,856.86	10,717.21

26 CHANGES IN INVENTORIES OF FINISHED GOODS

(₹ in Lakhs)

Particulars	2018-19	2017-18
Inventories at the end of the year:		
Finished goods - In Transit	2,836.89	2,498.64
Finished goods - At Factory	1,408.03	674.89
Total (A)	4,244.92	3,173.54
Inventories at the beginning of the year:		
Finished goods - In Transit	2,498.64	3,037.39
Finished goods - At Factory	674.89	959.47
Total (B)	3,173.54	3,996.86
Total (B)-(A)	(1,071.39)	823.32
Add/(Less) : Variation in Excise Duty on Closing & Opening stock of Finished Goods	-	(44.91)
Total changes in inventories of finished goods, stock in trade and work in progress	(1,071.39)	778.41

27 EMPLOYEE BENEFIT EXPENSES

(₹ in Lakhs)

Particulars	2018-19	2017-18
Salaries and Wages	1,678.29	1,209.78
Contribution to Provident and Other Funds(Refer Note 35)	88.70	95.30
Staff Welfare Expenses	19.13	17.23
Total Employee Benefit Expenses	1,786.12	1,322.32

Notes to the Financial Statements for the year ended 31st March, 2019

28 FINANCE COSTS

(₹ in Lakhs)

Particulars	2018-19	2017-18
Interest costs on borrowings	111.14	53.01
Other borrowing costs	20.51	27.48
Total Finance Costs	131.65	80.48

29 DEPRECIATION AND AMORTISATION EXPENSES

(₹ in Lakhs)

Particulars	2018-19	2017-18
Depreciation on property, plant and equipment (Refer note no. 4)	509.82	414.55
Amortisation on intangible assets (Refer note no. 5)	7.69	1.55
Total Depreciation and Amortisation Expenses	517.51	416.10

30 OTHER EXPENSES

(₹ in Lakhs)

Particulars	2018-19	2017-18
Power, Fuel & Water	333.36	245.47
Inward Transportation	131.51	153.38
Repairs & Maintenance on plant and machinery	110.81	58.49
Repairs & Maintenance on building	34.08	18.82
Testing Expenses	40.58	52.77
Procurement Expenses	18.66	28.01
Forwarding & Freight Charges	2,043.10	1,643.44
Rent Rates & Taxes	21.16	19.04
Insurance Expenses	16.41	15.85
Security Expenses	34.77	32.41
Travelling & Vehicle Expenses	136.14	119.12
Directors Sitting Fees	1.10	1.28
Corporate Social Responsibility(Refer Note 43)	4.30	3.65
Professional & Legal fees*	120.76	123.84
Bad Debts	10.17	-
Loss on investments measured at FVTPL	1.77	2.94
Others Expenses	535.91	504.95
Total Other Expenses	3,594.60	3,023.45
* Payment to Auditors		
For statutory audit	8.50	8.50
For other services	2.50	2.50
Total	11.00	11.00

31 EXCEPTIONAL ITEMS

(₹ in Lakhs)

Particulars	2018-19	2017-18
Loss on Sale of Property plant and equipment	-	57.68
Total Exceptional Items	-	57.68

Notes to the Financial Statements for the year ended 31st March, 2019

32 TAX EXPENSES

(i) Tax Expense recognised in the Statement of Profit & Loss

(₹ in Lakhs)

Particulars	2018-19	2017-18
Current Tax Expenses		
Current tax on profits for the year	385.00	506.00
Adjustments for the current tax of prior periods	(19.20)	-
Total Current Tax Expenses(A)	365.80	506.00
Deferred Tax Expenses		
(Decrease)/Increase in deferred tax liabilities (Refer note no.36)	49.48	(6.15)
Total Deferred Tax Expenses(B)	49.48	(6.15)
Income Tax Expenses(A-B)	415.27	499.85

Tax Items of Other Comprehensive Income

(₹ in Lakhs)

Particulars	2018-19	2017-18
Deferred tax related to items recognised in OCI during the year:		
Income tax related to items that will not be reclassified to profit or loss	(2.55)	(0.78)
Income tax related to items that will be reclassified to profit or loss	(91.67)	93.51
Income tax charged to OCI	(94.23)	92.73

(ii) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate

(₹ in Lakhs)

Particulars	2018-19	2017-18
Profit before income tax	1,789.68	1,330.26
Tax using the Company's domestic tax rate 29.12% (Previous Year 34.61%)	521.15	460.38
Tax effect of:		
Depreciation allowed as per Income Tax Act	(79.23)	(78.38)
Impact on sale of assets	(11.20)	19.83
Mark to Market (Gain)/Loss on forward contract	(52.23)	101.82
Tax- exempt Income	(15.58)	(2.73)
Effect of Income which is taxed at special rates	6.38	-
Other impact	15.71	5.08
Total	385.00	506.00
Adjustment in respect of current income tax of previous year	(19.20)	-
Total Current Tax Expenses	365.80	506.00
Deferred tax expense reported in the statement of P&L	49.48	(6.15)
Income Tax Expenses	415.27	499.85

Notes to the Financial Statements for the year ended 31st March, 2019

33 FINANCIAL INSTRUMENTS FAIR VALUE AND RISK MEASUREMENTS

A. Financial instruments by category and their fair value

(₹ in Lakhs)

As at 31st March 2019	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Level 3 - Significant unobservable inputs	Total
Financial assets								
Non current investment	0.00	-	-	0.00	-	-	0.00	0.00
Current Investment	997.58	-	-	997.58	997.58	-	-	997.58
Loans Non Current	-	-	-	-	-	-	-	-
Loans current	-	-	10.68	10.68	-	-	-	-
Security and other deposits (Non current)	-	-	46.80	46.80	-	-	-	-
Derivatives not designated as hedges								
- Current								
Derivatives - forward contract	83.07	-	-	83.07	-	83.07	-	83.07
Trade receivables	-	-	3,947.76	3,947.76	-	-	-	-
Cash and cash equivalents	-	-	392.65	392.65	-	-	-	-
Bank balances other than above	-	-	24.69	24.69	-	-	-	-
Total financial assets	1,080.65	-	4,422.58	5,503.22	997.58	83.07	0.00	1,080.65
Financial liabilities								
Borrowings	-	-	-	-	-	-	-	-
- Non current	-	-	1,020.03	1,020.03	-	-	-	-
- Current	-	-	2,852.32	2,852.32	-	-	-	-
Derivatives designated as hedges								
- Non current								
Derivatives - cross currency interest rate swap	-	6.31	-	6.31	-	6.31	-	6.31
Other current financial liabilities	-	-	458.12	458.12	-	-	-	-
Trade Payable	-	-	4,291.57	4,291.57	-	-	-	-
Total financial liabilities	-	6.31	8,622.04	8,628.36	-	6.31	-	6.31

Notes to the Financial Statements for the year ended 31st March, 2019

(₹ in Lakhs)

As at 31st March 2018	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Level 3 - Significant unobservable inputs	Total
Financial assets								
Non current investment	0.00	-	-	0.00	-	-	0.00	0.00
Current Investment	97.06	-	-	97.06	97.06	-	-	97.06
Loans current	-	-	11.88	11.88	-	-	-	-
Security and other deposits (Non current)	-	-	42.01	42.01	-	-	-	-
Other receivable	-	-	-	-	-	-	-	-
Trade receivables	-	-	5,003.72	5,003.72	-	-	-	-
Cash and cash equivalents	-	-	438.50	438.50	-	-	-	-
Bank balances other than above	-	-	27.01	27.01	-	-	-	-
Total financial assets	97.06	-	5,523.11	5,620.17	97.06	-	0.00	97.06
Financial liabilities								
Borrowings	-	-	-	-	-	-	-	-
- Non current	-	-	1,484.01	1,484.01	-	-	-	-
- Current	-	-	2,664.06	2,664.06	-	-	-	-
Derivatives designated as hedges	-	-	-	-	-	-	-	-
- Non current								
Derivatives - cross currency interest rate swap	-	213.50	-	213.50	-	213.50	-	213.50
- Current								
Derivatives - forward contract	-	56.70	-	56.70	-	56.70	-	56.70
Derivatives not designated as hedges	-	-	-	-	-	-	-	-
Derivatives - forward contract	96.31	-	-	96.31	-	96.31	-	96.31
Other current financial liabilities	-	-	414.73	414.73	-	-	-	-
Trade Payable	-	-	3,938.38	3,938.38	-	-	-	-
Total financial liabilities	96.31	270.20	8,501.18	8,867.70	-	366.51	-	366.51

Fair value of financial assets and liabilities measured at amortised cost is not materially different from the amortised cost. Further, impact of time value of money is not significant for the financial instruments classified as current. Accordingly, the fair value has not been disclosed separately.

Types of inputs for determining fair value are as under:

Level 1: This level of hierarchy includes financial assets that are measured by reference to quoted prices (unadjusted) in active markets for identical assets or liabilities. This category consists of investment in quoted equity shares, and mutual fund investments. The mutual funds are valued using the closing NAV.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the counter derivatives) 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.

Notes to the Financial Statements for the year ended 31st March, 2019

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

B. Measurement of fair values

i) Valuation techniques and significant unobservable inputs

The following tables show the valuation techniques used in measuring Level 2 and Level 3 fair values, as well as the significant unobservable inputs used.

Financial instruments measured at fair value

Cross Currency Interest Rate Swaps and Forward contracts	This instrument is valued using valuation techniques, which employs the use of market observable inputs. The most frequently applied valuation techniques include swap models, using present value calculations. The model incorporate various inputs including credit quality of counterparties, foreign exchange spot and forward rates, yield curves of the respective currencies, currency basis spreads, interest rate curve.
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ii) Transfers between Levels 1 and 2

There have been no transfers between Level 1 and Level 2 during the reporting periods

iii) Transfer out of Level 3

There were no movement in level 3 in either directions during the financial year ending on 31 March 2019 and 31 March 2018.

C. Financial risk management

The Company has a well-defined risk management framework. The Board of Directors of the Company has adopted a Risk Management Policy. The Company has exposure to the following risks arising from financial instruments:

- Credit risk ;
- Liquidity risk ; and
- Market risk

(i) Credit risk

Credit risk is the risk that a customer or counterparty to a financial instrument will fail to perform or fail to pay amounts due causing financial loss to the company. The potential activities where credit risks may arise include from cash and cash equivalents, derivative financial instruments and security deposits or other deposits and principally from credit exposures to customers relating to outstanding receivables. The maximum credit exposure associated with financial assets is equal to the carrying amount. Details of the credit risk specific to the company along with relevant mitigation procedures adopted have been enumerated below:

Trade receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base. Majority of the customers have been associated with the company for a considerable period of time. Company has established a credit policy under which each new customer is analysed individually for creditworthiness before the Company's standard payment and delivery terms and conditions are offered. Sale limits are established for each customer and reviewed regularly.

Notes to the Financial Statements for the year ended 31st March, 2019

An impairment analysis is performed at each reporting date based on the facts and circumstances existing on that date to identify expected losses on account of time value of money and credit risk. The company reviews the receivables in light of their historical payment patterns and adjusts the same to estimate the expected loss on account of credit worthiness of the customer or delay in payments leading to loss of time value of money.

Aging of Account Receivables

(₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
0-3 Months	3,947.76	5,003.72
3-12 Months	-	-
Total	3,947.76	5,003.72

The above receivables which are past due but not impaired are assessed on case-to-case basis. Management is of the view that these financial assets are not impaired as there has not been any adverse change in credit quality and are envisaged as recoverable based on the historical payment behaviour and extensive analysis of customer credit risk, including underlying customers' credit ratings, if they are available. Consequently, no additional provision has been created on account of expected credit loss on the receivables. There are no other classes of financial assets that are past due but not impaired.

Other financial assets

Other financial assets includes loan to employees, security deposits, investments, cash and cash equivalents, other bank balance, derivative asset, advances to employees etc.

- Cash and cash equivalents and Bank deposits are placed with banks having good reputation and past track record with adequate credit rating.
- Investments are made in credit worthy mutual funds.
- Derivative instrument comprises cross currency interest rate swaps and forward contracts where the counter parties are banks with good reputation, and past track record with adequate credit rating. Accordingly no default risk is perceived.
- Company has given security deposit to various government authorities (like Municipal corporation, Nagarpalika, Grampanchayat, etc.) . Being government authorities, the Company does not have exposure to any credit risk.
- Loan and advances to employees are majorly secured in nature and hence the Company does not have exposure to any credit risk.

(ii) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are proposed to be settled by delivering cash or other financial asset. The Company's financial planning has ensured, as far as possible, that there is sufficient liquidity to meet the liabilities whenever due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Management monitors the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company's liquidity management policy involves periodic reviews of cash flow projections and considering the level of liquid assets necessary, monitoring balance sheet, liquidity ratios against internal and external regulatory requirements.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.

Notes to the Financial Statements for the year ended 31st March, 2019

(₹ in Lakhs)

As at 31st March 2019	Carrying amount	Contractual maturities				
		Total	Less than 1 year	1 - 3 year	4 - 5 year	More than 5 year
Borrowings						
- Non current	1,020.03	1,020.03	0.28	1,019.75	-	-
- Current	2,852.32	2,852.32	2,852.32	-	-	-
Other current financial liabilities	458.12	458.12	458.12	-	-	-
Derivatives designated as hedges						
Derivatives - cross currency interest rate swap	6.31	6.31	-	-	6.31	-
Trade Payable	4,291.57	4,291.57	4,291.57	-	-	-
Total	8,628.36	8,628.36	7,602.29	1,019.75	6.31	-

(₹ in Lakhs)

As at 31st March 2018	Carrying amount	Contractual maturities				
		Total	Less than 1 year	1 - 3 year	4 - 5 year	More than 5 year
Borrowings						
- Non current	1,484.01	1,484.01	3.10	891.21	589.70	
- Current	2,664.06	2,664.06	2,664.06	-	-	-
Other current financial liabilities	414.73	414.73	414.73	-	-	-
Derivatives designated as hedges						
Derivatives - cross currency interest rate swap	213.50	213.50	-	-	213.50	-
Derivatives - forward contract	56.70	56.70	56.70	-	-	-
Derivatives not designated as hedges						
Derivatives - forward contract	96.31	96.31	96.31	-	-	-
Trade Payable	3,938.38	3,938.38	3,938.38	-	-	-
Total	8,867.70	8,867.70	7,173.29	891.21	803.20	-

(iii) Market risk

Market risk is the risk that changes in market prices – such as currency risk, other price risk and interest rate risk – will affect the Company's income or the value of its holdings of financial instruments.

a. Foreign Currency risk

The functional currency of the company is Indian Rupees and its revenue is generated from operations in India as well as outside India through its exports and is therefore exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the USD, EURO and GBP. Foreign exchange risk arises from highly probable forecast transactions and recognised assets and liabilities denominated in a currency that is not the Company's functional currency (₹). The risk is measured through sensitivity analysis. The primary objective for forex hedging against anticipated foreign currency risks will be to hedge the Company's highly probable foreign currency cash flows arising from such transactions (thus reducing cash flow and profit volatility). The Company does not enter into any derivative instruments for trading or speculative purposes.

Notes to the Financial Statements for the year ended 31st March, 2019

The Company uses forward exchange contracts, to hedge the effects of movements in exchange rates on foreign currency denominated assets. The sources of foreign exchange risk are outstanding amounts payable for capital goods denominated in foreign currency. The Company is also exposed to foreign exchange risk on its exports. These transactions are denominated in USD, EURO and GBP.

Derivative instruments and unhedged foreign currency exposure

(i) **Foreign Exchange Forward Contracts outstanding as at the reporting date are as follows:**

(₹ in Lakhs)

Particulars	Foreign Currency Denomination	As at March 31, 2019		As at March 31, 2018	
		Foreign Currency (in Lakhs)	MTM Gain/ (Loss) (₹ in Lakhs)	Foreign Currency (in Lakhs)	MTM Gain/ (Loss) (₹ in Lakhs)
Foreign Currency Forwards					
Not designated under Hedge Accounting					
Sell	EURO/₹	11.46	65.03	38.09	(60.75)
Sell	GBP/₹	3.50	12.10	12.84	(36.23)
Sell	USD/₹	3.50	5.94	7.24	0.67
Sell	EURO/USD	-	-	-	-
Designated under Hedge Accounting					
Sell	EURO/₹	-	-	14.41	(22.98)
Sell	GBP/₹	-	-	12.16	(34.31)
Sell	USD/₹	-	-	6.26	0.58
Foreign Currency Swap					
Cross Currency Principal Only and Interest rate Swap	EURO/USD	21.16	(6.31)	25.40	(213.50)

(ii) **Details of unhedged foreign currency exposure at the end of the reporting period expressed in ₹ in lakhs are as follows:**

(₹ in Lakhs)

Unhedged Exposures	Foreign Currency Denomination	As at March 31, 2019		As at March 31, 2018	
		Foreign Currency (in Lakhs)	(₹ in Lakhs)	Foreign Currency (in Lakhs)	(₹ in Lakhs)
Trade Receivable/ Goods in Transit	USD	9.22	637.58	9.16	595.99
Trade Payable	USD	2.44	169.09	2.23	145.06
EEFC account	USD	4.19	289.58	0.80	52.24
Trade Receivable/ Goods in Transit	Euro	47.94	3,725.30	10.50	846.58
Trade Payable	Euro	3.17	246.10	4.51	363.91
EEFC account	Euro	0.02	1.22	3.81	307.09
Trade Receivable/ Goods in Transit	GBP	4.38	396.50	-	-
Trade Payable	GBP	0.06	5.72	0.13	12.28
EEFC account	GBP	0.38	34.72	0.50	46.11

Notes to the Financial Statements for the year ended 31st March, 2019

Foreign Currency Risk Sensitivity

The Company is mainly exposed to changes in USD, EURO & GBP. The below table demonstrates the sensitivity to a 5% increase or decrease in the USD, EURO and GBP against INR, with all other variables held constant. The sensitivity analysis is prepared on the net unhedged exposure of the Company as at the reporting date. 5% represents management's assessment of reasonably possible change in foreign exchange rate.

A Change of 5% in foreign currency net of hedges would have following impact on profit before tax

(₹ in Lakhs)

	Profit / (Loss)	
	5% increase	5% decrease
As At 31st March 2019		
USD	37.90	(37.90)
EURO	174.02	(174.02)
GBP	21.28	(21.28)
As At 31st March 2018		
USD	25.16	(25.16)
EURO	39.49	(39.49)
GBP	1.69	(1.69)

Impact of Hedging Activities

(a) **Disclosure of effects of hedge accounting on financial position:**

Cash flow hedge Foreign exchange risk 31st March 2019

(₹ in Lakhs)

Particulars	Nominal Value	Carrying Amount of hedging Instrument	Hedge Ratio*	Changes in Fair value of hedging instrument	Change in the value of hedged item used as a basis for recognising hedge effectiveness
Cross Currency Principal Only and Interest rate Swap	1463.35	(6.31)	1:1	(6.31)	6.31

Cash flow hedge Foreign exchange risk 31st March 2018

(₹ in Lakhs)

Particulars	Nominal Value	Carrying Amount of hedging Instrument	Hedge Ratio*	Changes in Fair value of hedging instrument	Change in the value of hedged item used as a basis for recognising hedge effectiveness
Foreign exchange forward contracts*	2690.8	(56.70)	1:1	(56.70)	56.70
Cross Currency Principal Only and Interest rate Swap	1651.92	(213.50)	1:1	(213.50)	213.50

* The foreign exchange forward are denominated in the same currency as the highly probable future sales, therefore the hedge ratio is 1:1.

Notes to the Financial Statements for the year ended 31st March, 2019

(b) Disclosure of effects of hedge accounting on financial performance:

Cash flow hedge 31st March 2019

(₹ in Lakhs)

Particulars	Change in the Value of the hedging instrument recognised in other comprehensive income	Hedge Ineffectiveness recognised in profit or loss	Amount reclassified from cash flow hedging reserve to profit or loss	Line Item affected in the statement of profit and loss because of the reclassification
Foreign exchange risk- Forward contracts	-	-	(56.70)	Revenue
Cross Currency Principal Only and Interest rate Swap	264.53	-	(0.64)	Revenue

Cash flow hedge 31st March 2018

(₹ in Lakhs)

Particulars	Change in the Value of the hedging instrument recognised in other comprehensive income	Hedge Ineffectiveness recognised in profit or loss	Amount reclassified from cash flow hedging reserve to profit or loss	Line Item affected in the statement of profit and loss because of the reclassification
Foreign exchange risk- Forward contracts	(56.70)	-	-	Revenue
Cross Currency Principal Only and Interest rate Swap	(213.50)	-	-	Revenue

Movements in cash flow hedging reserve

(₹ in Lakhs)

Derivative Instruments	Foreign Currency Risk	Foreign Currency Risk
	As at March 31, 2019	As at March 31, 2018
Balance at the beginning of the period	(176.69)	-
Gain (Loss) recognised in Other Comprehensive Income during the year	264.53	(270.20)
Deferred tax relating to the above	(91.67)	93.51
Balance at the end of the period	(3.84)	(176.69)

Other Price Risk

Other price risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market traded price. Other price risk arises from financial assets such as investments in equity instruments. The Company is mainly exposed to the price risk due to its investments in equity mutual fund recognised at FVTPL. As at 31st March, 2019, the carrying value of the investments in equity mutual fund amounts to ₹ 997.58 Lakhs (₹ 97.06 Lakhs as at 31st March, 2018). The details of such investments in equity mutual fund is given in Note 6. The price risk arises due to uncertainties about the future market values of these investments.

Notes to the Financial Statements for the year ended 31st March, 2019

The Company is mainly exposed to change in market rates of its investments in equity mutual funds recognised at FVTPL. A sensitivity analysis demonstrating the impact of change in market prices of these instruments from the prices existing as at the reporting date is given below:

(₹ in Lakhs)

	effect on Profit / (Loss)		effect on Equity	
	1% increase	1% decrease	1% increase	1% decrease
As At 31st March 2019				
NAV value of mutual fund increases/decreases by 50 basis points	9.98	(9.98)	9.98	(9.98)
As At 31st March 2018				
NAV value of mutual fund increases/decreases by 50 basis points	0.97	(0.97)	0.97	(0.97)

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. 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.

As disclosed above, The interest rate exposure on floating rate Foreign Currency Loan has been fully hedged through a pay fixed – receive floating cross currency interest rate swap. Since there are no financial assets or financial liabilities which are at floating interest rate, there is no interest risk

(₹ in Lakhs)

Variable-rate instruments	As at March 31, 2019	As at March 31, 2018
Non current - Borrowings	1,019.75	1,471.64
Current portion of Long term borrowings	439.19	297.83
Total	1,458.94	1,769.47

(₹ in Lakhs)

Fixed-rate instruments	As at March 31, 2019	As at March 31, 2018
Non current - Borrowings	0.28	12.37
Current portion of Long term borrowings	9.27	10.21
Total	9.55	22.58

34 CAPITAL MANAGEMENT

The Company defines capital as total equity including issued equity capital, share premium and all other equity reserves attributable to equity holders of the Company (which is the Company's net asset value). The primary objective of the Company's financial framework is to support the pursuit of value growth for shareholders, while ensuring a secure financial base.

The capital structure is monitored on the basis of net debt to equity and maturity profile of overall debt portfolio of the Company.

Notes to the Financial Statements for the year ended 31st March, 2019

Net Debt and Equity is given in the table below :

(₹ in Lakhs)

Fixed-rate instruments	As at March 31, 2019	As at March 31, 2018
Total Shareholders' Equity as reported in Balance Sheet	7,728.67	6,175.20
Net Debt		
Short Term Borrowings	2,403.86	2,356.02
Long Term Borrowings (including current portion of long term debt)	1,468.49	1,792.05
Gross Debt	3,872.35	4,148.07
Less:		
Current Investments	997.58	97.06
Cash and Bank Balances	417.34	465.50
Net debt	(2,457.43)	(3,585.51)
Total Capital	5,271.24	2,589.69

35 EMPLOYEE BENEFITS

Post- employment benefits :

The Company has the following post-employment benefit plans:

1) Defined benefit gratuity plan

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The scheme is funded with LIC in the form of qualifying insurance policy.

As per Actuarial Valuation as on 31st March, 2019 and 31st March, 2018 and recognised in the financial statements in respect of Employee Benefit Schemes:

A. Amount recognised in the Balance Sheet

(₹ in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Gratuity:		
Present value of plan liabilities	126.91	112.48
Fair value of plan assets	101.85	83.28
Deficit/(Surplus) of funded plans	25.05	29.20
Unfunded plans	-	-
Net plan liability/ (Asset)	25.05	29.20

Notes to the Financial Statements for the year ended 31st March, 2019

B. Movements in plan assets and plan liabilities

(₹ in Lacs)

GRATUITY	Year ended 31st March, 2019			Year ended 31st March, 2018		
	Plan Assets	Plan Liabilities	Net	Plan Assets	Plan Liabilities	Net
As at 1st April	83.28	112.48	29.20	56.05	71.27	15.22
Current service cost	-	19.41	19.41	-	8.60	8.60
Interest Income	6.55	-	(6.55)	4.21	-	(4.21)
Interest cost	-	8.84	8.84	-	5.36	5.36
Past Service Cost	-	-	-	-	30.83	30.83
Liability transferred In / Acquisitions	-	-	-	-	-	-
Liability transferred Out / Divestments	-	-	-	-	-	-
Gains/Losses on Curtailment	-	-	-	-	-	-
Liabilities Extinguished on Settlement	-	-	-	-	-	-
Benefits Paid directly by the Employer	-	-	-	-	-	-
The Effect of Changes in Foreign Exchange Rates	-	-	-	-	-	-
Return on plan assets excluding Interest Income	(1.15)	-	1.15	(0.03)	-	0.03
Actuarial loss/(gain) due to change in financial assumptions	-	3.81	3.81	-	(3.14)	(3.14)
Actuarial loss/(gain) due to change in demographic assumption	-	-	-	-	-	-
Actuarial loss/ (gain) due to experience adjustments	-	(13.72)	(13.72)	-	0.85	0.85
Contribution by the Employer	17.08	-	(17.08)	24.34	-	(24.34)
Expected Contributions by the Employees	-	-	-	-	-	-
Benefits paid from the Fund	(3.91)	(3.91)	-	(1.29)	(1.29)	-
Assets distributed on Settlements	-	-	-	-	-	-
Effects of Asset Ceiling	-	-	-	-	-	-
As at 31st March	101.85	126.91	25.05	83.28	112.48	29.20

C. Amount recognised in the Statement of Profit and Loss as Employee Benefit Expenses

(₹ in Lakhs)

GRATUITY	As at March 31, 2019	As at March 31, 2018
Current service cost	19.41	8.60
Net interest cost	2.29	1.14
Past Service Cost	-	30.83
Net impact on the Profit / (Loss) before tax	21.70	40.57
Remeasurement of the net defined benefit liability:		
Return on plan assets excluding Interest Income	(1.15)	(0.03)
Actuarial gains/(losses) on obligation For the Period	-	2.29
Actuarial gains/(losses) arising from changes in financial assumption	(3.81)	-
Experience gains/(losses) arising on experience adjustments	13.72	-
Net Gain/(Loss) recognised in the Other Comprehensive Income	8.76	2.26

Notes to the Financial Statements for the year ended 31st March, 2019

D. Assets

(₹ in Lakhs)

PARTICULARS	As at March 31, 2019	As at March 31, 2018
GRATUITY:		
Policy of Insurance	101.85	83.28
TOTAL	101.85	83.28

E. Assumption

With the objective of presenting the plan assets and plan liabilities of the defined benefits plans at their fair value on the balance sheet, assumptions under Ind AS 19 are set by reference to market conditions at the valuation date.

The significant actuarial assumptions were as follows:

PARTICULARS	As at March 31, 2019	As at March 31, 2018
GRATUITY:		
Discount Rate	7.50%	7.86%
Salary Escalation Rate	7.00%	7.00%
Withdrawal Rate	2.00%	2.00%
Mortality rate	Indian assured lives mortality (2006-08) Ultimate	Indian assured lives mortality (2006-08) Ultimate
Expected rate of return on plan assets	7.50%	7.86%

F. Sensitivity

The sensitivity of the defined benefit obligation to changes in the weighted key assumptions are:

Particulars	Change in assumptions	
	Year ended 31st March, 2019	Year ended 31st March, 2018
GRATUITY:		
Discount Rate	0.50%	1.00%
Salary Escalation Rate	0.50%	1.00%
Withdrawal Rate	0.50%	1.00%

The above sensitivity analysis may not be representative of the actual change in the projected benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated. Furthermore in presenting the above sensitivity analysis, the present value of the projected benefit obligation has been calculated using the projected unit credit method at the end of reporting period, which is the same method as that applied in calculating the projected benefit obligation as recognized in the balance sheet.

Notes to the Financial Statements for the year ended 31st March, 2019

G Expected cashflows based on past service liability after year end 31st March, 2019 as follows:

(₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
2019	0	42.45
2020	42.02	2.14
2021	3.40	3.10
2022	2.81	3.20
2023	3.45	2.61
2024	5.46	-
Thereafter	40.54	224.06

2) Defined contribution plans

The Company also has certain defined contribution plans. Contributions are made to provident fund in India for employees at the rate of 12% of basic salary as per regulations. The contributions are made to registered provident fund administered by the government. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expense recognised during the period towards defined contribution plan is ₹ 50.49 Lakhs (31st March, 2018 ₹42.34 Lakhs).

36 DEFERRED TAX LIABILITIES (NET)

(₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Deferred Tax Liabilities		
Property, plant and equipment - difference between value of assets as per book base and tax base	545.05	551.84
Unrealised gain on outstanding on forward contract	24.19	-
Total Deferred Tax Liabilities (A)	569.23	551.84
Deferred Tax Assets		
Unrealised loss on outstanding on forward contract	-	52.96
Unrealised loss on outstanding on cross currency interest rate swap	1.84	73.89
Difference in carrying value and tax base of investments measured at FVTPL	0.39	-
Provision for employee benefits	7.30	8.98
Total Deferred Tax Assets (B)	9.52	135.82
Net Deferred Tax Liabilities (A-B)	559.71	416.01

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

Notes to the Financial Statements for the year ended 31st March, 2019

(i) Movements in Deferred Tax Liabilities (net)

(₹ in Lakhs)

Particulars	Property, plant and equipment - difference between value of assets as per book base and tax base	Unrealised Gain/ (Loss) on outstanding on forward contract	Unrealised loss on outstanding on cross currency interest rate swap	Expenditure covered by section 43B of Income Tax Act, 1961	Provision for employee benefits	Difference in carrying value and tax base of investments measured at FVTPL	Net Deferred Tax Liabilities
At 1st April 2017	479.30	49.06	-	(5.02)	(8.44)	-	514.89
Charged/(credited)							
- to profit or loss	72.54	(82.39)	-	5.02	(1.32)	-	(6.15)
- to other comprehensive income	-	(19.62)	(73.89)	-	0.78	-	(92.73)
At 31st March 2018	551.84	(52.96)	(73.89)	(0.00)	(8.98)	-	416.01
Charged/(credited)							
- to profit or loss	(6.79)	57.52	-	-	(0.87)	(0.39)	49.48
- to other comprehensive income	-	19.62	72.05	-	2.55	-	94.23
At 31st March 2019	545.04	24.19	(1.84)	(0.00)	(7.30)	(0.39)	559.71

37 SEGMENT INFORMATION

(a) Description of segment and principal activities

The Company's Board of Directors monitors the operating results of the below business segments separately for the purpose of making decisions about resource allocation and performance assessment and has identified two reportable segments of its business:

1. Fresh fruits: The Company's principal business which consist of Fresh Grapes, Pomegranates and Mangoes
2. Processed fruits and vegetables: It consist of Mango pulp, Guava Pulp, Pomegranates concentrate and Puree and cold processed juice.

(b) Segment revenue and expenses

Revenue and Expenses have been identified to a segment on the basis of operating activities of the segment. Revenue and Expenses which relate to common activities and are not allocable to segment on reasonable basis have been disclosed as "Unallocable".

(c) Segment assets and liabilities

Segment assets include all operating assets in respective segments comprising of net fixed assets, Capital Work in Progress, current assets, loans and advances. Segment liabilities include operating liabilities and provisions including borrowings and deferred tax liabilities.

(d) Information about geographical areas

The Company has identified its geographical segments as India and Outside India.

(e) Information about major customers

Revenue from two of the customers of the Company's Fresh Fruits business is ₹7186.58 Lakhs which is more than 10% each of the Company's total segment revenue, for the year ended 31 March 2019.

Revenue from two of the customers of the Company's Fresh Fruits business is ₹6045.47 Lakhs which is more than 10% each of the Company's total segment revenue, for the year ended 31 March 2018.

Notes to the Financial Statements for the year ended 31st March, 2019

(f) Information about product and services

The Company's revenue from external customers for each product is same as that disclosed below under "segment revenue".

(₹ in Lakhs)

Particulars	2018-19				2017-18			
	Fresh Fruits	Processed Fruits & Vegetables	Unallocated	Total	Fresh Fruits	Processed Fruits & Vegetables	Unallocated	Total
Segment Revenues								
External Revenue	13,814.48	3,325.99	-	17,140.47	14,137.17	3,501.79	-	17,638.96
Inter Segment Revenue	-	-	-	-	-	-	-	-
Total Segment Revenue	13,814.48	3,325.99	-	17,140.47	14,137.17	3,501.79	-	17,638.96
Segment Results								
Profit/(Loss)								
Segment result	3,261.93	(947.57)	-	2,314.36	2,399.70	(679.18)	-	1,720.52
Other income	-	-	65.77	65.77	-	-	27.40	27.40
Finance Cost	-	-	(131.65)	(131.65)	-	-	(80.48)	(80.48)
Unallocated expenses	-	-	(458.81)	(458.81)	-	-	(337.17)	(337.17)
Profit before tax	3,261.93	(947.57)	(524.69)	1,789.68	2,399.70	(679.18)	(390.26)	1,330.26
Current tax			(365.80)	(365.80)			(506.00)	(506.00)
Deferred tax			(49.48)	(49.48)			6.15	6.15
Profit after tax	3,261.93	(947.57)	(939.96)	1,374.40	2,399.70	(679.18)	(890.11)	830.41
Other information								
Depreciation and amortisation	140.62	366.38	10.51	517.51	132.10	272.44	11.56	416.10
Cost to acquire Fixed Assets (incl. CWIP)	170.57	222.17	0.18	392.91	55.35	2,434.85	3.28	2,493.48

(₹ in Lakhs)

Segments Assets**	As at 31st March, 2019	As at 31st March, 2018
Fresh Fruits	8,584.27	8,879.64
Processed Fruits & Vegetables	6,931.36	6,222.38
Unallocated	1,642.47	658.84
Total	17,158.09	15,760.86

(₹ in Lakhs)

Segments Liabilities**	As at 31st March, 2019	As at 31st March, 2018
Fresh Fruits	4,255.85	4,124.20
Processed Fruits & Vegetables	2,935.01	2,633.03
Unallocated	2,238.56	2,828.43
Total	9,429.42	9,585.66

** Segment assets and liabilities are measured in same way as in the financial statements. They are allocated based on the operations of the segment.

Notes to the Financial Statements for the year ended 31st March, 2019

Geographical segment

(₹ in Lakhs)

Revenue from External Customers	As at 31st March, 2019	As at 31st March, 2018
In India	1,044.86	1,592.56
Outside India	14,972.11	15,468.64
Total	16,016.97	17,061.20

(₹ in Lakhs)

Carrying Amount of Segment Assets	As at 31st March, 2019	As at 31st March, 2018
In India	13,213.87	10,609.65
Outside India	3,944.22	5,151.22
Total	17,158.09	15,760.87

(₹ in Lakhs)

Segment Capital Expenditure	As at 31st March, 2019	As at 31st March, 2018
In India	392.91	2,493.48
Outside India	-	-
Total	392.91	2,493.48

- (i) Revenue from outside india comprises of income from sale of products.
- (ii) Carrying amount of segment assets comprises of non-current assets and current assets identified to the respective segments. However Segments assets in India also includes certain common assets used to generate revenue in both segments but not feasible of allocation.
- (iii) Capital expenditure during the year represents net additions to Tangible and Intangible assets and movement in Capital work in progress

38 RELATED PARTY DISCLOSURES

As per the Indian Accounting Standard-24 on "Related Party Disclosures", list of related parties identified of the Company are as follows.

1) Names of related parties and nature of relationship.

a) Key Management Personnel

- Mr. Ashok V. Motiani - Chairman and Managing Director
- Mrs. Nanita A. Motiani - Executive Director
- Mr. Sanjay D. prajapati - Chief Financial officer
- Mr. Jignesh Gandhi - Company Secretary (Resignation w.e.f. 07.01.2019)
- Mr. Ronak Dhruve - Company Secretary (Appointment w.e.f 07.01.2019)
- Mr. Mayur Shah - Independent director
- Mr. Dinesh Oza - Independent director
- Mr. Anil Sharma - Independent director

b) Relatives of Key Management Personnel

- Mrs. Priyanka Tandon
- Mr. Mayank Tandon
- Ms. Dipti Motiani

c) Enterprise under significant influence of Key Management personnel

- Freshcap Foodstuff LLP
- Freshfal Pvt Ltd

Notes to the Financial Statements for the year ended 31st March, 2019

2) Transactions with related parties:

(₹ in Lakhs)

Particulars	Relationship	2018-19	2017-18
Remuneration			
Ashok Motiani	KMP	126.00	84.00
Nanita Motiani	KMP	57.00	42.00
Mayank Tandon	Relative of KMP	51.00	42.00
Priyanka Tandon	Relative of KMP	51.00	42.00
Dipti Motiani	Relative of KMP	51.00	42.00
Sanjay Prajapati	KMP	9.21	8.99
Jignesh Gandhi	KMP	5.23	6.32
Ronak Dhruve	KMP	1.25	-
Commission Paid			
Ashok Motiani	KMP	38.45	-
Interest Paid			
Ashok Motiani	KMP	1.74	0.72
Freshcap Foodstuff LLP	Enterprise	-	0.23
Loan Taken			
Ashok Motiani	KMP	85.00	22.49
Freshcap Foodstuff LLP	Enterprise	-	3.39
Loan Repaid			
Ashok Motiani	KMP	88.38	48.07
Freshcap Foodstuff LLP	Enterprise	-	12.73
Rent Paid			
Dipti Motiani	Relative of KMP	-	1.50
Reimbursement of Expenses			
Ashok Motiani	KMP	5.62	18.99
Mayank Tandon	Relative of KMP	18.20	10.88
Sanjay Prajapati	KMP	0.52	2.89
Jignesh Gandhi	KMP	-	0.02
Dipti Motiani	Relative of KMP	-	5.47
Director sitting fees			
Mayur Shah	Independent director	0.40	0.45
Dinesh Oza	Independent director	0.40	0.45
Anil Sharma	Independent director	0.30	0.38
Loan Given			
Jignesh Gandhi	KMP	-	2.40
Loan Received Back			
Jignesh Gandhi	KMP	2.85	1.60

Notes to the Financial Statements for the year ended 31st March, 2019

(₹ in Lakhs)

Particulars	Relationship	2018-19	2017-18
Amount Payable as Other Current Liabilities			
Ashok Motiani	KMP	45.13	1.71
Nanita Motiani	KMP	10.62	2.18
Mayank Tandon	Relative of KMP	3.06	4.28
Priyanka Tandon	Relative of KMP	3.04	3.40
Dipti Motiani	Relative of KMP	3.05	3.82
Sanjay Prajapati	KMP	0.50	0.66
Jignesh Gandhi	KMP	-	0.38
Ronak Dhruve	KMP	0.30	-
Amount Payable as Trade payable			
Ashok Motiani	KMP	2.05	-
Sanjay Prajapati	KMP	-	0.24
Amount Payable as Unsecured Loan			
Ashok Motiani	KMP	0.28	3.10
Amount Receivable as Unsecured Loan			
Jignesh Gandhi	KMP	-	2.85
Amount Receivable as Reimbursement Expenses			
Dipti Motiani	Relative of KMP	-	5.00

Executive Directors compensation

(₹ in Lakhs)

Particulars	2018-19	2017-18
Short term employee benefits	221.45	126.00
Post employment benefits	-	-
Total Compensation *	221.45	126.00

* This aforesaid amount does not includes amount in respect of gratuity and leave as the same is not determinable.

39 CONTINGENT LIABILITIES & COMMITMENTS

a) Contingent Liabilities

(₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Disputed matters in appeals/contested in respect of:		
- Service tax	432.44	432.44
- income tax	17.14	187.49
Estimated amount of Custom/Excise duty liability in respect of Capital Goods purchased without payment of duty under EPCG Scheme	130.08	67.48
Estimated amount of duty liability on stock of duty free materials	50.27	10.67
Bank Guarantees	20.00	20.00

Notes to the Financial Statements for the year ended 31st March, 2019

b) Capital Commitments

(₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Estimated amount of Contracts remaining to be executed on Capital Account and not provided for, Net off Advances.	-	-

40 BORROWING COSTS CAPITALISATION

As per Indian Accounting Standard -23 "Borrowing Costs", the Company has capitalised the borrowing costs amounting to:

(₹ in Lakhs)

Particulars	Year ended 31.03.2019	Year ended 31.03.2018
Borrowing costs capitalised*	-	36.62

* Borrowing cost includes interest on term loan and processing fees paid to bank

- 41 Information in respect Micro, Small and Medium Enterprises Development Act, 2006; Company had sought confirmation from the vendors whether they fall in the category of Micro/Small/Medium Enterprises. Based on the information available, the required disclosures are given below:

(₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
a. Principal and interest amount remaining unpaid	-	-
b. Interest due thereon remaining unpaid	-	-
c. Interest paid by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day	-	-
d. Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-
e. Interest accrued and remaining unpaid	-	-
f. Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises	-	-
	-	-

Disclosure of payable to vendors as defined under the "Micro, Small and Medium Enterprise Development Act, 2006" is based on the information available with the Company regarding the status of registration of such vendors under the said Act, as per the intimation received from them on requests made by the Company. There are no overdue principal amounts / interest payable amounts for delayed payments to such vendors at the Balance Sheet date. There are no delays in payment made to such suppliers during the year or for any earlier years and accordingly there is no interest paid or outstanding interest in this regard in respect of payment made during the year or on balance brought forward from previous year.

Notes to the Financial Statements for the year ended 31st March, 2019

42 EARNING PER SHARE

(₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Earning Per Share has been computed as under:		
Profit after tax as per Statement of Profit and Loss	1,374.40	830.41
Weighted average number of equity shares outstanding (In Lakhs)	121.45	121.45
Basic and diluted earnings per share in rupees (Face Value – 10 per share)	11.32	6.84

43 CORPORATE SOCIAL RESPONSIBILITY

- A.** Gross amount required to be spent by the Company during the year 2018-19: 25.28 Lakhs (Year 2017-18: ₹ 26.11 Lakhs)

B. Amount spent during the year on:

(₹ in Lakhs)

PARTICULARS	Year 2018-19			Year 2017-18		
	In Cash*	Yet to be paid in Cash	TOTAL	In Cash*	Yet to be paid in Cash	TOTAL
(i) Construction/Acquisition of any asset	-	-	-	-	-	-
(i) For purposes other than (i) above	4.30	20.98	25.28	3.65	22.46	26.11
	4.30	20.98	25.28	3.65	22.46	26.11
C. Related party transactions in relation to Corporate Social Responsibility			Nil			Nil

* Represents actual outflow during the year

As per our report of even date attached

For, F P & Associates
Chartered Accountants
FRN: 143262W

(F. S. Shah)
Partner
M.No. 133589
Place: Ahmedabad
Date: May 28, 2019

For and on behalf of the Board of Directors

(Ashok Motiani)
Managing Director
DIN 00124470

(Ronak Dhruve)
Company Secretary

Place: Ahmedabad
Date: May 28, 2019

(Nanita Motiani)
Executive Director
DIN 00787809

(Sanjay Prajapati)
Chief Financial officer

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FRESHTROP FRUITS LIMITED

Regd. Office: A-603, Shapath IV, Opp. Karnavati Club, S. G. Road, Ahmedabad - 380015

Email : secretarial@freshtrop.com • Website: www.freshtrop.com

CIN: L154000GJ1992PLC018365

ATTENDANCE SLIP

DP IP* : _____ Folio / Client ID: _____

Client ID* : _____ No of Shares held : _____

Name and address of Shareholder(s): _____

I hereby record my presence at the Annual General Meeting held at Rajpath Club, S. G. Highway Road, Ahmedabad - 380059 on Thursday, 26th September 2019 at 10.00 AM.

Signature of Attending Member / Proxy / Representative: _____

Notes:

- a) Please complete and sign this attendance slip and handover at the entrance of the Meeting Hall.
- b) Only Member(s) or their proxies with this attendance slip will be allowed entry to the meeting.

* Applicable for investors holding shares in electronic (demat) form.

**FRESHTROP FRUITS LIMITED**

Regd. Office: A-603, Shapath IV, Opp. Karnavati Club, S. G. Road, Ahmedabad - 380015

Email : Secretarial@freshdrop.com • Website: www.freshdrop.com

CIN: L154000GJ1992PLC018365**FORM OF PROXY****FORM NO. MGT-11**

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

Name of the member(s)	
Registered Address	
Email ID	
Folio No / Client ID	
DP ID	

I / We, begin the member(s) of shares of the above-named Company, hereby appoint:

- a) Name : _____ Address : _____
E-mail ID : _____ Signature : _____ or falling him
- b) Name : _____ Address : _____
E-mail ID : _____ Signature : _____ or falling him
- c) Name : _____ Address : _____
E-mail ID : _____ Signature : _____

As my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 27th Annual General meeting of the Company, to be held on Thursday, 26th day of September 2019 at 10.00 AM at Rajpath Club, S.G. Road, Ahmedabad - 380059 and at an adjournment thereof in respect of such resolution as are indicated below:

Resolution No.	Description of Resolution
Ordinary Business	
1.	Adoption of Annul Accounts of the Company as on March 31, 2019 (Ordinary Resolution)
2.	Re-appointment of Mr. Ashok Motiani (DIN: 00124470) who retires by rotation (Ordinary Resolution)
Special Business	
3.	Re-appointment of Mr. Dineshbhai Shankerlal Oza as an independent director of the Company for second term of 5 consecutive years w.e.f 20 th September 2019 (Special Resolution)
4.	Re-appointment of Mr. Mayur Jashvantlal Shah as an independent director of the Company for second term of 5 consecutive years w.e.f 20 th September 2019 (Special Resolution)
5.	Re-appointment of Mr. Anil Sharma as an independent director of the Company for second term of 5 consecutive years w.e.f 20 th September 2019 (Special Resolution)
6.	Approval of repricing of options in the "Freshdrop Employee Stock Option Plan 2018 (Special Resolution)
7.	Approval of Restructuring of the Processing Business of the Company (Special Resolution)
8.	Approval for Buyback of Equity Shares of the Company

Signed this _____ day of _____ 2019

Signature of Shareholder: _____

Signature of Proxy holder(s): _____

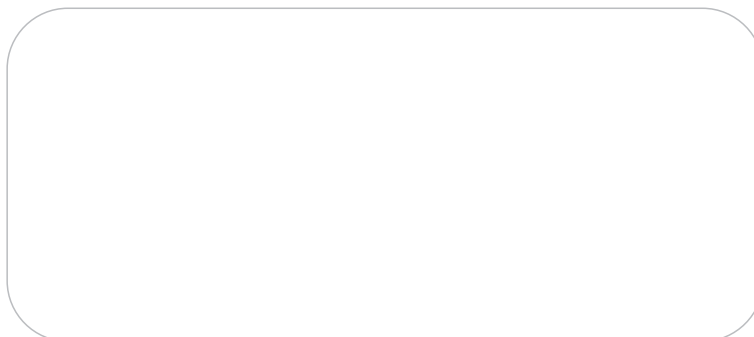


Note: This form of proxy in order to be effective should be duly completed and deposited at the registered office of the company not less than 48 hours before the commencement of the Meeting.





To,



If undelivered, please return to:

FRESHTROP FRUITS LIMITED

CIN: L15400GJ1992PLC018365

Regd. Office: A-603, Shapath IV,

Opp. Karnavati Club, S.G. Road,

Ahmedabad - 380 015, Gujarat, INDIA.

Tel: +91-79-40307050-57 (8 lines),

www.freshtrop.com, info@freshtrop.com