

# OCEANIC



## *OCEANIC FOODS LIMITED*

### *Annual Report*

*Financial Year :- 2017-18*



# **Contents**

<b>Sr No</b>	<b>Particulars</b>	<b>Page No</b>
<b>1</b>	<b>Oceanic – A Leading Dehydration Industry</b>	<b>4</b>
<b>2</b>	<b>Our Vision and Mission</b>	<b>9</b>
<b>3</b>	<b>Our Portfolio Products</b>	<b>10</b>
<b>4</b>	<b>Indian Government’s 2020-2025 Vision</b>	<b>13</b>
<b>5</b>	<b>Oceanic- Board of Directors and Management Team</b>	<b>16</b>
<b>6</b>	<b>Chairman’s Message- Letter to Members</b>	<b>19</b>
<b>7</b>	<b>Corporate information</b>	<b>22</b>
<b>8</b>	<b>Notice of AGM</b>	<b>25</b>
<b>9</b>	<b>Report of Board of Directors</b>	<b>35</b>
<b>10</b>	<b>Annexure-1 : Extract of Annual Return</b>	<b>50</b>
<b>11</b>	<b>Annexure –II : Form AOC-2</b>	<b>61</b>
<b>12</b>	<b>Annexure- III: Secretarial Audit Report</b>	<b>62</b>
<b>13</b>	<b>Annexure- IV: Particulars Pursuant to Section 197 (12)</b>	<b>68</b>
<b>14</b>	<b>Annexure – V : Management Discussion and Analysis Report</b>	<b>69</b>
<b>15</b>	<b>CEO &amp; CFO Certification</b>	<b>73</b>
<b>16</b>	<b>Independent Auditors Report</b>	<b>74</b>
<b>17</b>	<b>Annexure A &amp; B to Auditors report</b>	<b>76</b>
<b>18</b>	<b>Balance Sheet</b>	<b>81</b>
<b>19</b>	<b>Profit &amp; Loss Statement</b>	<b>83</b>
<b>20</b>	<b>Cash Flow Statement</b>	<b>84</b>

<b>21</b>	<b>Significant accounting policies</b>	<b>86</b>
<b>22</b>	<b>Notes forming Part of Balance Sheet and Profit &amp; Loss Statement</b>	<b>92</b>
<b>23</b>	<b>Proxy Form</b>	<b>109</b>
<b>24</b>	<b>Attendance Slip</b>	<b>111</b>

## **Oceanic – A Leading Dehydration Food Industry**

**Oceanic Foods Limited**, formerly known as “**Oceanic Dehydrates**” Established in 1972, as a pioneer in the field of Dehydration Industry in India. Oceanic is India’s leading manufacturer and exporter of Dehydrated spices and vegetables with National and International Awards for outstanding Export Performances. Oceanic Foods Limited is FSSC 22000 complied Company engaged in manufacturing of dehydrated food products. We export dehydrated vegetables to various countries around the globe. Our products are internationally certified by US FDA, Kosher and Halal and are domestically certified by FSSAI, and APEDA. Oceanic believes to maintain standard conforming to various international quality standards. Also dedicated towards safe supply and hygiene of our products by controlling the procurement of standard raw material, monitoring the process parameters, maintaining appropriate sanitation and personal hygiene and to comply with applicable statutory and regulatory requirements of our products. Farmers are encouraged to adopt and implement farm to fork approach to ensure safety & hygiene at all levels of production. Uncompromising quality control practices and constant supervision by qualified food technologists made us leader in our industry and allowed us to maintain quality conforming to GFSI standards. Our Commitment to Quality is Constant, Our Willingness for growth is deep – rooted and our product knowledge is amazing. Holding with the advanced technologies, Our goodwill and reputation in the market reflects the quality of products we deliver to our esteemed customers. Besides state of art processing and guaranteed food safety in terms of processing and systems; Oceanic Foods is also committed to take quality to field levels. As such, Oceanic Foods has a dedicated Agronomy team working with hundreds of farmers to ensure 100% sustainable sourced raw material for our processing Facility. This helps us ensure a 100% traceable farm to fork approach - thus taking quality standards to new highs. Oceanic also work on R&D at field level to continuously strive for excellence and closely works with farmers including providing them timely trainings.

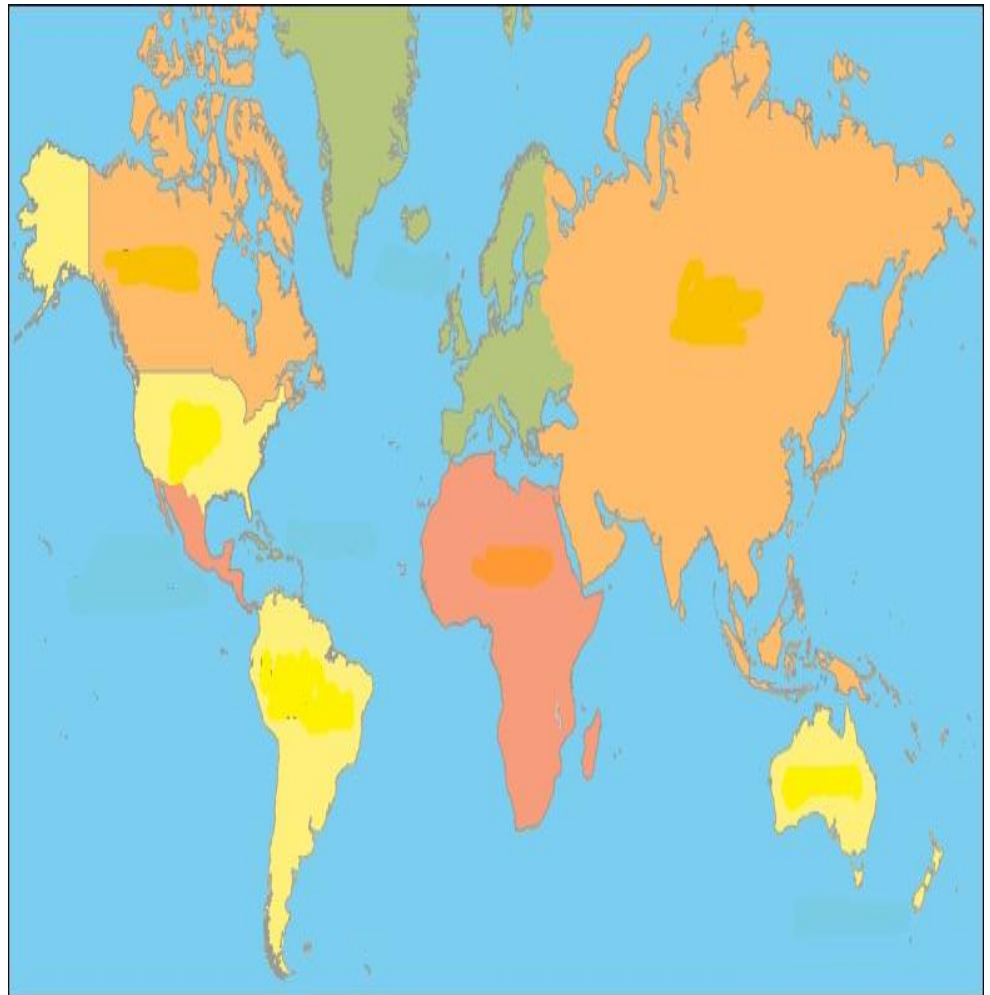
***“Our Commitment to Quality is Constant, Our Willingness for growth is deep – rooted and our product knowledge is amazing”***

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## Oceanic – Global Foot-prints

# Global Footprint

- Philippines
- Peru
- Japan
- Egypt
- West Africa
- Singapore
- South Africa
- Malaysia
- Germany
- Australia
- U.K



## Prospective Global Foot-prints

# Prospective Global Footprints

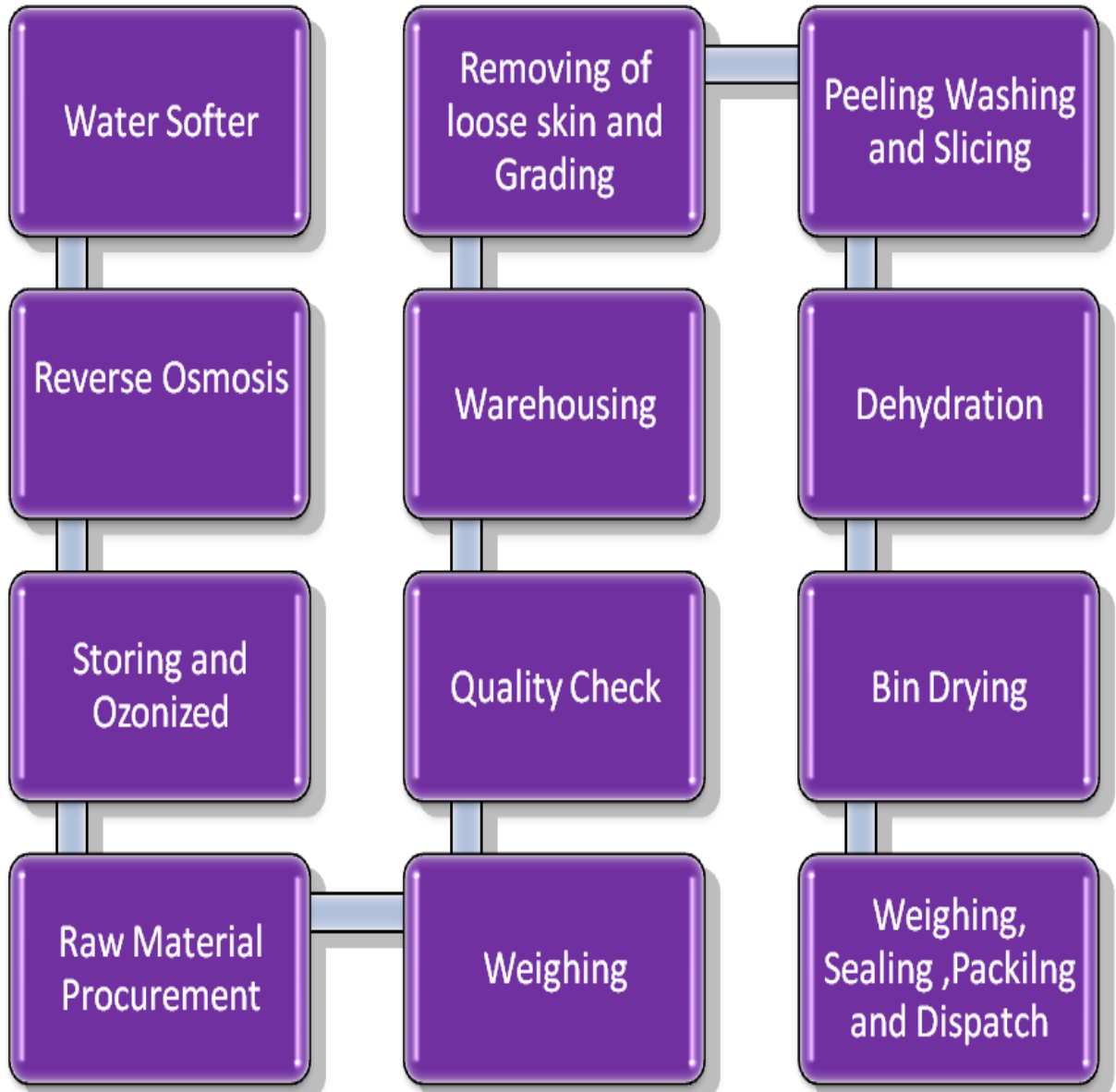
- US
- Latin America
- Central America
- Canada
- Russia
- East Europe
- West Europe



## Our Customers



## Dehydration Process in Oceanic





## Oceanic- Vision and Mission



*“To Continuously Strive for excellence and to achieve continuous growth in our industry segment. To Continue innovation and R & D to raise new standards thus ensuring 100% Customer Satisfaction across the Globe”*



*“Dedicated to supply the finest Quality of food products across the Globe for a Healthy Living.”*

## Oceanic – Portfolio Products

### Onion



- *Dehydrated Onion kibbled White/ Red/ Pink*
- *Dehydrated Onion Chopped White/ Red/ Pink*
- *Dehydrated Onion Minced White/ Red/ Pink*
- *Dehydrated Onion Granules White/ Red/ Pink*
- *Dehydrated Onion Powder White/ Red/ Pink*
- *Dehydrated Roasted onion (All forms)*
- *Dehydrated Fried Onion (All forms)*

## Garlic



- *Dehydrated Garlic Flakes*
- *Dehydrated Garlic Chopped*
- *Dehydrated Garlic Minced*
- *Dehydrated Garlic Granules*
- *Dehydrated Garlic Powder*
- *Dehydrated Toasted Garlic (All forms)*
- *Dehydrated Fried Garlic (All Forms)*

## **Other Vegetables**



Dehydrated Cabbage Powder

Dehydrated Tomato Powder



Dehydrated Raw Mango (Amchur) Powder

Dehydrated Mint Leaves/ Powder

Dehydrated Coriander Leaves/ Powder



Dehydrated Kasuri Methi Leaves/ Powder

Dehydrated Beet Root Powder

Dehydrated Potato Powder

Dehydrated Carrot Cubes

Dehydrated Carrot Powder

Dehydrated Green Chilli Flakes/ Powder

Dehydrated Ginger Powder

Dehydrated Spinach Powder

Dehydrated Sweet Neem (Curry) Leaves/ Powder



## Indian Government's 2020-2025 Vision

*'Food processing will be main industry in future.'* - Jaitley

Food Ingredients Industry to see good growth by 2020.

FSSAI plans *'one nation, one food safety law.'*

FSSAI launches Food Regulatory Portal.



Food Safety and Standards  
Authority of India

The country's apex food regulator, the Food Safety and Standards Authority of India-FSSAI- has launched a powerful new tool for food businesses, the Food Regulatory Portal. Planned as a single interface for food businesses to cater to both domestic operations and food imports, this portal is an important milestone for effective and transparent implementation of the laws on food in the country. One Nation One Food Law is the vision behind this portal. This comes in the wake of India's rank moving up from 130 to 100 in the Ease of Doing Business

## **Indian Government promoting Food Industry**

The Indian food industry is poised for huge growth, increasing its contribution to world food trade every year. In India, the food sector has emerged as a high-growth and high-profit sector due to its immense potential for value addition, particularly within the food processing industry.

Accounting for about 32 per cent of the country's total food market, The Government of India has been instrumental in the growth and development of the food processing industry. The government through the Ministry of Food Processing Industries (MoFPI) is making all efforts to encourage investments in the business. It has approved proposals for joint ventures (JV), foreign collaborations, industrial licenses, and 100 per cent export oriented units. The Government of India aims to boost growth in the food processing sector by leveraging reforms such as 100 per cent Foreign direct investment (FDI) in marketing of food products and various incentives at central and state government level along with a strong focus on supply chain infrastructure. The Food Safety and Standards Authority of India (FSSAI) plans to invest around Rs 482 crore (US\$ 72.3 million) to strengthen the food testing infrastructure in India, by upgrading 59 existing food testing laboratories and setting up 62 new mobile testing labs across the country.

Going forward, the adoption of food safety and quality assurance mechanisms such as Total Quality Management (TQM) including ISO 9000, ISO 22000, Hazard Analysis and Critical Control Points (HACCP), Good Manufacturing Practices (GMP) and Good Hygienic Practices (GHP) by the food processing industry offers several benefits. It would enable adherence to stringent quality and hygiene norms and thereby protect consumer health, prepare the industry to face global competition, enhance product acceptance by overseas buyers and keep the industry technologically abreast of international best practices.



## Recent Development

Ministry of Commerce & Industry is going to introduce an “Agriculture Export Policy” which will aim at doubling the agricultural exports from the country and integrating Indian farmers and agricultural products to the global value chain.

### **Agricultural And Processed Food Products Export Development Authority**

The Agricultural and Processed Food Products Export Development Authority (APEDA) plays a significant role in tapping India’s agricultural strengths and works towards expanding the export potential of Indian agricultural and food products.

## Oceanic- Board of Directors & Management Team



Mr Vinodrai D. Patel, Chairman & Managing Director

Mr Vinodrai Patel, is a Founder Promoter of Oceanic Foods Limited, having an experience of more than three and half decades in Food Processing Industry. He has been instrumental in planning and formulating the overall business strategy and developing business relations for our company. His ventures received several awards at State and National level.

Mr Ajesh Vinodrai Patel, Whole – time Director

Mr Ajesh V. Patel, is a Promoter director of the Company since inception, having an experience of more than two decades in the Food Processing Industry.

He oversees entire production and technical aspects in the Company. He has been handling all the projects undertaken for company's production, operations and plays a key role in Oceanic's export and domestic business development





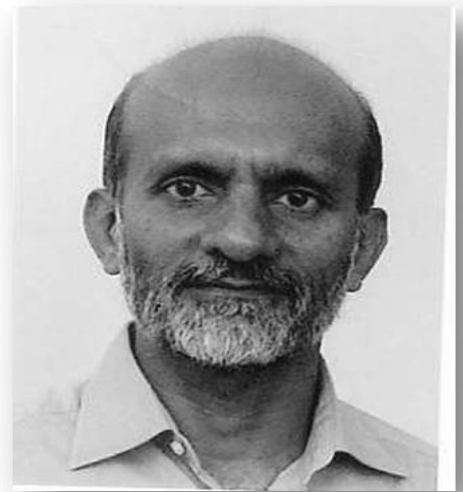


*Mr Nitesh C. Kotecha, Independent Director*

Mr Nitesh Kotecha, an Independent director of the company since August 2016. A dynamic businessman having a rich experience of more than two decades in Human Resources development, Strategic business planning, business development, finance and administration. Also a promoter director in Bardanwala Industries Pvt. Ltd established in 1994. A Panel member of Skill Development and affirmative action, Confederation of Indian Industry, Gujarat State Council.

*Mr Rashmikant D. Makwana, Independent Director*

Mr Rashmikant Makwana, is an Independent Director of the Company since August 2016 and is an academician highly qualified with Master of Education (M.ed) and Master of Science (M.Sc) from Pune University.



*Ms. Vaidehi J. Majithia, Independent Director*

Ms Vaidehi, an Independent Director of the Company since August 2016 and is an academician, highly qualified with Bachelor of Commerce (B. Com) from Pune University.



## **Management Team**



*Mr Tulan Vinodrai Patel, Chief Executive Officer (CEO)*

Mr. Tulan Patel is the Chief Executive Officer of our Company. He is responsible for Company's entire sales, operations and end to end management of product supply chain activities. He has plays a key role in product marketing and Oceanic's export and domestic business development. He possesses a sound academic background with Bachelor of Engineering in Computer Stream from University of Pune at Bharatiya Vidhya Peeth College, Pune. He also completed Masters in Computer Science at The University of Akron, State of Ohio. Having strong academic background and professional experience

of working in USA and India, both in technical as well as management positions have made him a great value addition to Oceanic Foods Limited.

*Mr Shrinivas A. Jani, Chief Financial Officer*

Mr Shrinivas Jani joined the Oceanic fraternity since 2005 and has been promoted as Sr. Accountant on 01/04/2010 and further promoted as Chief financial officer from September 2016, Having a vast experience of more than 15 years, He handles the day to day accounting and finance of Oceanic including Income Tax and Audit compliance leading and heading efficient flow of funds and management of finance for smooth administration of the company. He also plays an important role in major decision making of company growth, credibility and management of the organization as whole.



## **Chairman's Message- Letter to Shareholders**



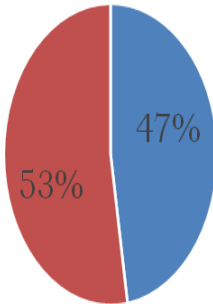
Dear Shareholders,

It gives me immense pleasure to write to you at the end of another year after our company's Initial Public Offer. The Financial Year 2017-18 demonstrated yet again the strength of our strategy of being the country's leading Dehydrated industry, which helped us deliver greater value to all our stakeholders.

The Year 2017-18 was marked by the implementation of Goods and Service Tax (GST) w.e.f 01<sup>st</sup> July 2017. This major reform in India’s taxation structure led to a temporary slowdown in the growth momentum as pre-GST gripped the trade leading to a significant pipeline of taxation based economy. Adverse macro-economic conditions and current volatility in some of our international markets also posed additional challenges during the year. From a macro perspective, we have seen massive transformations across India. With the advent of modernization and new avenues of trade, there is a growing demand for quality packaged products every day. However your company has managed these challenges well on account of elasticity and strength of its brands and continuing to invest strongly in sales and distribution and operations infrastructure. During the year 2017-18, the company achieved revenue from operations of Rs 81.50 Crores after adjusting for currency and GST Impact. Net profit of the company comes to Rs 1.29 Crores.

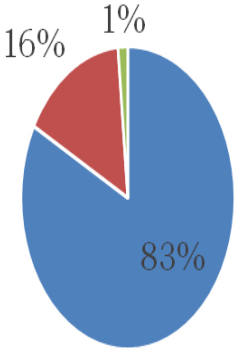
The glance with bifurcation of our turnover:

Geography wise Turnover



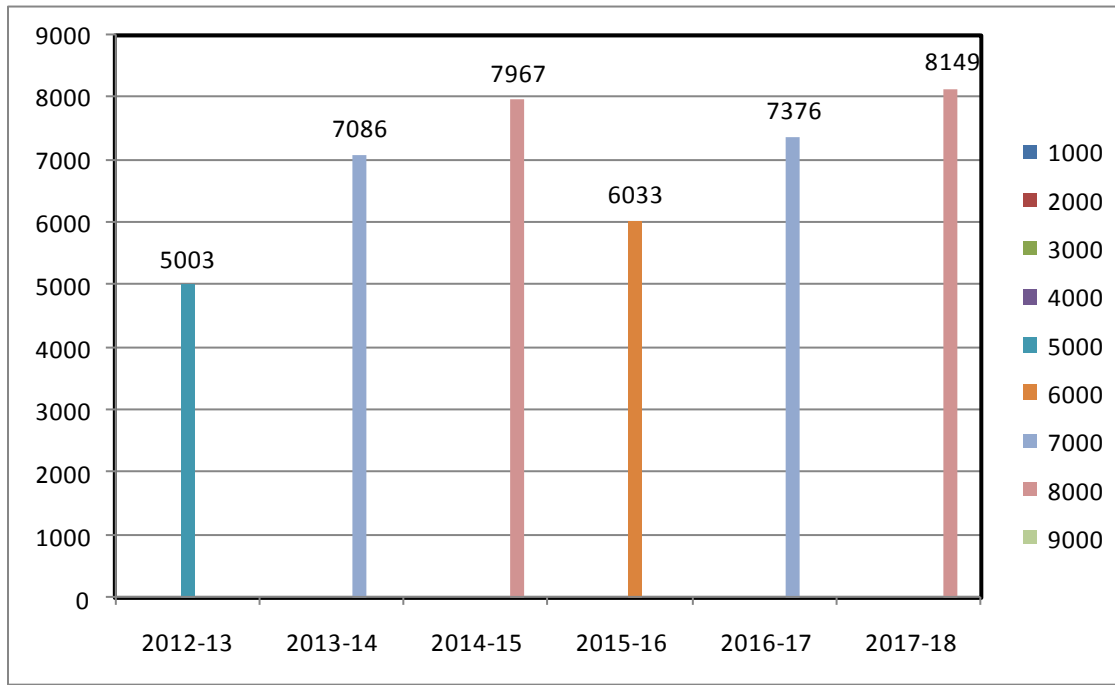
■ Export ■ Domestic

Product wise Turnover



■ Onion ■ Garlic ■ Others

Financials for the past six years in briefed below:



While growing a business may appear like a worthy exercise, at Oceanic our innate responsibility is to go beyond that. We have established a strong presence across the globe and stayed relevant to society at large. All thanks to the commitment, passion and encouragement of our associates. They are the reason for our success, especially since we have so much to look forward to as we strive to excel together. As an organization, Oceanic is committed to sustainable development. We are committed to our mission of generating sustainable value for all our stakeholders, through more innovation, greater efficiency and profitable growth. On behalf of the entire Board and the Management of Oceanic Foods Ltd, I would like to express my gratitude to all our employees, suppliers, consumers, distributors, partners and shareholders for their continuing faith and confidence in the company, our brands and products. We look forward to continuing this journey together in the current fiscal and beyond.

## **Corporate Information**

### **Board of Directors:-**

<b>Mr. Vinodrai D. Patel</b>	Chairman & Managing Director
<b>Mr. Ajesh V. Patel</b>	Whole Time Director
<b>Mr. Nitesh Kotecha</b>	Non-Executive Independent Director
<b>Mr. Rashmikant Makwana</b>	Non-Executive Independent Director
<b>Ms. Vaidehi M. Majithia</b>	Non-Executive Independent Director

### **Audit Committee:-**

<b>Ms. Vaidehi M. Majithia-</b>	Chairperson
<b>Mr. Nitesh Kotecha –</b>	Member
<b>Mr. Rashmikant Makwana –</b>	Member

### **Nomination and Remuneration Committee: -**

<b>Mr. Rashmikant Makwana -</b>	Chairman
<b>Mr. Nitesh Kotecha-</b>	Member
<b>Ms. Vaidehi Majithia –</b>	Member

### **Stakeholders Relationship Committee: -**

<b>Mr. Nitesh Kotecha –</b>	Chairman
<b>Mr. Rashmikant Makwana–</b>	Member
<b>Ms. Vaidehi Majithia –</b>	Member

**Registered Office Address: -**

Opp. Brooke Bond Factory,  
P.N. Marg,  
Jamnagar-361002  
Gujarat

**Bankers:**

HDFC Bank Limited

**Statutory Auditors:**

M/s. Maharishi & Co.,  
Chartered Accountants,  
“Aparna”, Behind  
Jeevandeep Hospital,  
Limda-Lane, Jamnagar-361001  
Gujarat

**Chief Executive Officer:**

Mr Tulan V. Patel

**Chief Financial Officer:**

Mr. Shrinivas A. Jani

**Secretarial Auditors:**

**MJP Associates,** Practising  
Company Secretaries  
110-112, Aalap -B,  
Nr. Hotel Sarovar Portico,  
Opp. Shastri Maidan,  
Rajkot-360 001

**Company Secretary and  
Compliance Officer:**

CS Krishna S. Adhyaru

**Registrar and Share Transfer Agent:**

Link Intime India Private Limited

C-101, 247 Park,

L.B.S. Marg, Vikhroli (West),

Mumbai – 400 083

Tel No : +91 22 49186270 Fax: +91 22 49186060

E-mail id : [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)

Website : [www.linkintime.co.in](http://www.linkintime.co.in)

**Stock Exchange:**

BSE Limited, (SME Platform),

Phiroze Jeejeebhoy Towers,

Dalal Street,

Mumbai-400001

Scrip code: 540405



# **Notice of AGM**

## **OCEANIC FOODS LIMITED**

**NOTICE** is hereby given that the 25<sup>th</sup> Annual General Meeting of the Members of the Company will be held on Friday, 28<sup>th</sup> September 2018 at 04:00 PM. at the Registered Office of the Company situated at **Opp. Brooke Bond Factory, P. N. Marg, Jamnagar-361002, Gujarat**, to transact the following business:

### ❖ **Ordinary Business:**

1. To receive, consider and adopt the Audited Financial Statements of the Company for the year ended March 31, 2018 and the reports of the Board of Directors and Auditors thereon.
2. To appoint Mr. Vinodrai D. Patel, [DIN: 00083526] as a director, who retires by rotation and being eligible, offers himself for re-appointment.
3. To declare final dividend @ 0.25 Per equity share.
4. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

**“RESOLVED THAT**, pursuant to the provisions of Section 139 of the Companies Act, 2013 and all other applicable provisions of the Companies Act, 2013 (the “Act”) read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), and pursuant to the recommendations of the Board of Directors, **M/s. Maharishi & Co, Chartered Accountants (ICAI Registration No. 124872W)**, be and are hereby appointed as statutory auditors of the Company for year 2018-19, to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General meeting of the Company to be held in year 2019, and that the Board of Directors be and are hereby authorized to fix such remuneration as agreed upon between the Auditors and the Board of Directors.”

❖ **Special Business:**

5. **Increase of Authorised Share capital of the Company from 7 Crores to 12 Crores:**

To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

**“RESOLVED THAT** pursuant to the provisions of Section 61(1)(a) and other applicable provisions, if any, of the Companies Act, 2013 and read Companies (Share Capital and Debentures) Rules, 2014 (including any statutory modifications or reenactments or amendments thereof) and the Memorandum and Articles of Association of the Company, as amended from time to time, the Authorised Share Capital of the Company be and is hereby increased FROM Rs. 7,00,00,000/- (Rupees Seven Crores only) divided into 70,00,000 (Seventy Lacs) Equity shares of Rs. 10/- (Rupees Ten Only) each TO Rs. 12,00,00,000/- (Rupees Twelve Crores Only) divided into 1,20,00,000 (One Crore Twenty Lacs) Equity shares of Rs. 10/- (Rupees Ten Only) each, ranking pari passu in all respect with the existing Equity Shares of the Company.”

**“RESOLVED FURTHER THAT** the Board of Directors of the Company, be and is hereby authorised to do all things, deeds, acts as may be necessary to give effect to this Resolution.”

6. **Alteration of Clause V of Memorandum of Association of the Company:**

To consider and if thought fit, to pass with or without modification(s), the following resolution as an Special Resolution:

**“RESOLVED THAT** pursuant to Section 13(6) and 64(1)(a) and other applicable provisions, if any, of the Companies Act, 2013, read Companies (Share Capital and Debentures) Rules, 2014 (including any statutory modifications or reenactments or amendments thereof) and the Memorandum and Articles of Association of the Company, Clause V i.e. Capital Clause of the Memorandum of Association of the Company, be substituted with the following new Clause:-

*“The Authorised Share Capital of the Company is Rs. 12,00,00,000/- [Rupees Twelve Crores Only] divided into 1,20,00,000 [One Crore Twenty Lacs] Equity Shares of Rs. 10/- [Rupees Ten only] each.”*

**“RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to do all things, deeds, acts as may be necessary to give effect to this Resolution.”

**7. Re-appointment of Mr Nitesh C. Kotecha as an Independent Director:**

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

**“RESOLVED THAT** pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Mr Nitesh C. Kotecha (DIN: 00590244), who was appointed as an Independent Director and who holds office of Independent Director upto 09<sup>th</sup> August 2018 and being eligible, and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for a further term of 3 (Three) consecutive years on the Board of the Company upto 8<sup>th</sup> August, 2021.”

**8. Re-appointment of Mr Rashmikant D. Makwana as an Independent Director:**

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

**“RESOLVED THAT** pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Mr Rashmikant D. Makwana (DIN: 07562889), who was appointed as an Independent Director and who holds office of Independent Director upto 09<sup>th</sup> August 2018 and being eligible, and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation and to hold

office for a further term of 3 (Three) consecutive years on the Board of the Company upto 8<sup>th</sup> August, 2021.”

9. **Re-appointment of Ms Vaidehi J. Majithia as an Independent Director:**

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

**“RESOLVED THAT** pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Ms Vaidehi J. Majithia (DIN: 07558547), who was appointed as an Independent Director and who holds office of Independent Director upto 09<sup>th</sup> August 2018 and being eligible, and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for a further term of 3 (Three) consecutive years on the Board of the Company upto 8<sup>th</sup> August, 2021.”

**Date:** 30/08/2018  
**Place:** Jamnagar

By Order of the Board of Directors,  
**For, Oceanic Foods Limited**

Sd/-

Mr Vinodrai D. Patel  
Chairman & Managing Director  
[DIN:00083526]

## **NOTES:**

1. A Member entitled to attend and vote at the Annual General Meeting (“the meeting”) is entitled to appoint a proxy to attend and vote on poll and the proxy need not be a member of the Company. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital may appoint a single person as proxy and such person shall not act as a proxy for any other person or member.
2. The instrument of Proxy, in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. Proxies submitted on behalf of limited companies, societies, etc., must be supported by appropriate resolutions/authority, as applicable.
3. Corporate Members intending to send their authorised representatives to attend the meeting, pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company, a certified copy of the relevant Board resolution together with respective Specimen signatures of those representative(s) authorized under the said resolution to attend and vote on their behalf at the meeting.
4. The Statement pursuant to Section 102(1) of the Companies Act 2013(“The Act”), relating to Special business to be transacted at the meeting is annexed thereto.
5. The Register of Members and Share Transfer Books of the Company will remain closed from, Saturday, 22<sup>nd</sup> September, 2018 to Friday, 28<sup>th</sup> September, 2018, (both days inclusive) for the purpose of Annual General Meeting and determining the shareholders who are entitled to receive dividend whose names appear in the Register of Members.
6. The dividend as recommended by the Board of Directors, if declared at the Annual General Meeting will be paid on or after 29<sup>th</sup> September, 2018 but before 28<sup>th</sup> October, 2018 to all those beneficial owners holding shares in electronic form as per the beneficial ownership data available to the Company by National Securities Depository Limited (“NSDL”) and the Central Depository Services Limited (“CDSL”).
7. Members holding shares in electronic form are hereby requested to intimate their folio numbers, the changes if any, of their registered addresses and respective bank account details to their respective Depository Participant(s). The Particulars recorded with DP(s) will be considered for making payment of dividend through Electronic Clearing System (“ECS”). The Members are therefore, requested to take appropriate action in the matter, in their own interest, to avoid delay in receiving the payment of dividend.

8. To promote green initiatives, Members are also requested to update their email address with their Depository Participants to enable the company to send future communications electronically.
9. Electronic Copy of Annual Report is being sent to all the members whose email addresses are registered with the Company/Depository Participant(s) unless any member has requested for a Hard copy of the same. For Members who have not registered their email address, physical copies of the Annual Report is being sent through permitted mode. Members may also note that the Annual Report for the Financial Year 2017-18 will also be available on the Company's Website [www.oceanicfoods.com](http://www.oceanicfoods.com) for download.
10. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every Participant in the Securities Market. Members holding shares in the electronic Form are, therefore, requested to submit their PAN to their Depository Participant(s).
11. Members desirous of asking any questions at the Annual General Meeting are requested to send their questions so as to reach the Company's registered office atleast 7 days before the Annual General Meeting so that the same can be suitably replied to.
12. Members/Proxies are requested to bring their Attendance Slip, sent herewith, duly filled in, for attending the meeting.
13. As per the Notification issued by Ministry of Corporate Affairs dated 19<sup>th</sup> March 2015 with reference to the Companies (Management and Administration) Rules 2014, Companies covered under Chapter XB and XC as per SEBI (ICDR) Regulations 2009 will be exempted from providing E-Voting Provisions. The Company is covered in Chapter XB and listed on SME Platform of BSE Limited. Hence, the Company is not required to provide E-Voting Facility, However, Facility of voting through Ballot Paper shall be made available at the Annual General meeting. The persons whose name is recorded in the Register of Members or in the register of beneficial owners maintained by the Depositories as on Friday, 21<sup>st</sup> September, 2018 i. e cut off date only shall be entitled to avail the facility of voting in the Annual General Meeting.
14. The Company has appointed CS Purvi G. Dave, Partner, MJP Associates, Practising Company Secretary to act as a Scrutinizer, to scrutinize the entire e-voting process as well as voting in the Annual General meeting in a fair and transparent manner. The Scrutinizer shall immediately, after the conclusion of e-voting period, unblock the votes in the presence of atleast two witnesses not in the employment of the company and not later than 3 days from the conclusion of meeting, make a Scrutinizer's report of the votes cast in favour or against, if any, to the Chairman of the Company, who shall Counter sign the same.

15. The results shall be declared at or after the Annual General Meeting of the Company. The results declared along with the Scrutinizer's Report shall be placed on the Website of the Company [www.oceanicfoods.com](http://www.oceanicfoods.com) and also on the website of RTA, Link Intime India Private Limited immediately after the result is declared by the Chairman and communicated to BSE Limited.
16. All documents referred to in the accompanying Notice shall be open for inspection at the Registered Office of the Company during normal business hours (9 A.M. to 5 P.M.) on all working days except Saturdays and Sundays, up to and including the date of the Annual General Meeting of the Company.

Date: 30/08/2018  
Place: Jamnagar

By Order of the Board of Directors,  
For, Oceanic Foods Limited

Mr Vinodrai D. Patel  
Chairman & Managing Director  
[DIN: 00083526]

**“Annexure to Notice”**

**BRIEF PROFILE OF DIRECTORS RETIRING BY ROTATION/ SEEKING APPOINTMENT/REAPPOINTMENT AT THE ENSUING ANNUAL GENERAL MEETING**

<b>Name of Director</b>	Mr Vinodrai D. Patel	Mr Nitesh C. Kotecha	Mr Rashmikant D. Makwana	Ms Vaidehi J. Majithia
<b>DIN</b>	00083526	00590244	07562889	07558547
<b>Date of Birth</b>	25/10/1941	18/06/1970	30/05/1958	03/05/1984
<b>Expertise in Specific Functional areas and experience</b>	Expertise in the Administration and Management of Different functional areas and having a rich knowledge and experience of more than four decades in food dehydration industry	Mr Kotecha is a dynamic business man with rich experience of over 22 years in Human Resource Development, strategic planning, Business Development, Finance and Administration	Mr Makwana is an academician highly qualified with Master of Education (M.ed) and Master of Science (M.Sc) from Pune University	Ms Vaidehi is an academician and highly qualified with Bachelor of Commerce (B. Com) from Pune University.
Directorship held in other companies	1) Rising Sun Foods Private Limited  2) Sun Foods Private Limited  3) Meridian geo-informatics Private Limited	1) Bardanwala Industries Private Limited	NIL	NIL
Shareholding in the Company	742500	NIL	NIL	NIL
Membership/Committee positions held in other companies	NIL	NIL	NIL	NIL



## **Explanatory Statement pursuant to Section 102 of the Companies Act 2013**

### **Item No 5, & 6:**

The Equity Shares of the Company is listed on BSE Stock Exchange (SME Platform). With a view to broaden the investor base by encouraging the participation of investors and also to increase the liquidity of equity shares of the company, The Board of Directors recommended to increase the authorized share capital of the company. Also Members are aware that the Clause V of the Memorandum of Association contains the information about the Authorised Share Capital of the Company. However, consequent upon increase in the Authorised Share Capital, the Company is also required to amend the **Clause V** of the Memorandum of Association. Hence, the Resolution no. 6 is proposed to be passed as a Special Resolution to amend **Clause V** of the Memorandum of Association of the Company.

### **Item No. 7, 8 & 9:**

Shri Nitesh C. Kotecha, (DIN: 00590244), Shri Rashmikant D. Makwana, (DIN: 07562889) and Ms Vaidehi J. Majithia, (DIN: 07558547) were appointed as an Independent Directors on the Board of the company pursuant to the provisions of Section 149 of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014. The term of holding their office as Independent directors ends on 09<sup>th</sup> August 2018, (“First term” in line with the explanations to Section 149(10) and 149(11) of the Act). Now, the Board, on the basis of basis of performance evaluation of Independent directors and the experience and contributions made by them during their tenure, recommended their continued association would be beneficial to the company and it is desirable to continue to avail their services as Independent Directors.

Accordingly, it is proposed to re-appoint Mr Nitesh Kotecha, Mr Rashmikant Makwana and Ms Vaidehi Majithia as Independent Directors of the company, not liable to retire by rotation and to hold office for the further period of Three (3) years on the Board of the Company. Section 149 of the Act and provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) *inter alia* prescribe that an independent director of a company shall meet the criteria of independence as provided in Section 149(6) of the Act. Mr Nitesh Kotecha, Mr Rashmikant Makwana and Ms Vaidehi Majithia are not disqualified from being appointed as Directors in terms of Section 164 of the Act and have given their consent to act as Directors. The Company has also received declarations Mr Nitesh Kotecha, Mr Rashmikant Makwana and Ms Vaidehi Majithia that they meet with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under the Listing Regulations. Details of Directors whose re-appointment as Independent Directors is proposed at Item Nos. 8, 9 & 10, are provided in the “Annexure” to the Notice. Hence Resolution Nos. 8, 9 & 10 is proposed to be pass as Special Resolution.

None of the Directors, any other Key Managerial Personnel(s) of the Company and their relatives, in any way, concerned or interested in the said resolution.

Date: 30/08/2018  
Place: Jamnagar

By Order of the Board of Directors,  
For, Oceanic Foods Limited

Mr Vinodrai D. Patel  
Chairman & Managing Director  
[DIN: 00083526]

## **Report of Board of Directors**

**To,  
The Members,  
OCEANIC FOODS LIMITED,**

Your Directors are pleased to present their 25<sup>th</sup> Annual Report along with the Audited financial statements for the Financial Year ended 31<sup>st</sup>, March, 2018.

### **FINANCIAL HIGHLIGHTS:**

**(Amount in Rs)**

<b>Sr No</b>	<b>PARTICULARS</b>	<b>2017-18</b>	<b>2016-17</b>
1.	Revenue from Operation	81,49,56,088	78,25,62,670
2.	Other Income	12,56,406	21,35,264
3.	Total Revenue (1+2)	81,62,12,495	78,46,97,934
4.	Cost of Material Consumed	53,33,73,708	53,48,30,149
5.	Purchases of Stock in trade	-	3,33,05,115
6.	Changes in inventories		
	Work in Process	3,78,51,305	49,00,551
	Finished goods	-16,56,963	-20,40,941
7.	Employees Benefits Expense	3,21,35,152	2,82,57,918
8.	Finance Cost	2,27,64,155	3,14,52,266
9.	Depreciation & Amortization Exp.	71,32,174	65,90,979
10.	Other Expenses	16,52,16,049	11,65,97,359
11.	Profit/ (Loss) Before Tax	1,93,96,915	3,08,04,538
12.	Current Tax	54,30,173	97,16,975

13.	Deferred Tax	10,82,414	10,13,076
14.	Profit/ (Loss) After Tax (PAT)	1,28,84,328	2,00,74,487

### **STATEMENT OF COMPANY'S AFFAIRS AND FUTURE OUTLOOK:**

During the Financial year 2017-18, the Company has earned Net revenue from the operations of Rs **81.50 Crores** as compared to previous year revenue i.e Rs **78.26 crores**. However, the Company has earned net profit (after tax) of Rs. 1.29 Crores compared to previous year net profit of Rs 2.00 crores. Your Company's business cycle faced new economic and industry related challenges confronted with all and came out with the above results.

India is the world's second largest producer of food next to China, and has the potential of being the biggest with the food and agricultural sector. The food processing industry is one of the largest industries in India-it is ranked fifth in terms of production, consumption, export and expected growth. The food industry is on a high as Indians continue to have a feast. Fuelled by what can be termed as a perfect ingredient for any industry -large disposable incomes - the food sector has been witnessing a marked change in consumption patterns, especially in terms of food. Increasing incomes are always accompanied by a change in the food basket. The food processing industry forms an important segment of the Indian economy in terms of contribution to GDP, employment and investment, and is a major driver in the country's growth in the near future. Your Company with its brands, infrastructure, capabilities and Management Depth is well placed to leverage this opportunity. The Company has a Strong products pipeline and has also been aggressively investing in various communication and distribution initiatives to create and efficiently service demand for our products.

### **Financial Statement:**

In accordance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as `Listing Regulations`) and Section 136 of the Companies Act, 2013 read with Rule 10 of the Companies (Accounts) Rules, 2014, the Annual Report containing salient features of the financial statements, including for the financial year 2017-18, along with statement containing salient features of the Directors' Report (including Management Discussion & Analysis) is being sent to all shareholders, who have not registered their email address(es) for the purpose of receiving documents/communication from the Company in electronic mode. Please note that you will be entitled to be furnished, free of cost, the full Annual Report 2017-18, upon receipt of written request from you, as a member of the Company.

Full version of the Annual Report 2017-18 containing complete Balance Sheet, Statement of Profit & Loss, other statements and notes thereto, including financial statements, prepared as per the requirements of Schedule III to the Companies

Act, 2013, Directors' Report (including Management Discussion & Analysis and Corporate Governance Certificate) is being sent via email to all shareholders who have provided their email address (es).

Full version of Annual Report 2017-18 is also available for inspection at the registered office of the Company during working hours up to the date of ensuing Annual general meeting (AGM). It is also available at the Company's website.

#### **DECLARATION OF DIVIDEND AND TRANSFER OF AMOUNT TO RESERVES:**

The Board of Directors of the Company has proposed dividend of Rs 0.25/- per equity share, for the financial year 2017-18 which is subject to approval of members in Annual General Meeting. If approved as stated, final dividend will be paid to the shareholders whose names appear as members in the Register of Members of the Company as on 28<sup>th</sup> September, 2018. The total dividend appropriation (excluding dividend distribution tax) for the financial year 2017-18 is Rs. 9,37,500/-

The Register of Members and Share transfer books will remain closed from Saturday 22<sup>nd</sup> September, 2018 to Friday, 28<sup>th</sup> September, 2018 (both days inclusive) for the purpose of payment of final dividend for the financial year ended 31<sup>st</sup> March, 2018 and the Annual general meeting.

Moreover, no amount is being transferred to reserves during the financial year 2017-18

#### **CHANGE IN NATURE OF BUSINESS:**

There are no changes in the nature of business of the Company during the year under Report. The Company is engaged in the business of processing and sales of dehydrated vegetables.

#### **SHARE CAPITAL:**

The Paid up Equity share Capital of the Company as on 31<sup>st</sup> March, 2018 was Rs. 3,75,00,000/- (Rupees Three Crores Seventy Five lacs only) divided into 37,50,000 (Thirty Seven Lacs Fifty Thousand) Equity Shares of Rs 10/- (Rupees Ten only) each. During the year, the Company has not issued any share with differential voting rights nor granted stock options or sweat equity or any convertible instrument. The Company's Equity Shares are listed on BSE SME Platform and the shares are actively traded and have not been suspended from trading.

## **EXTRACT OF ANNUAL RETURN:**

Pursuant to Section 134(3)(a) of Companies Act, 2013, Form MGT 9[as specified in Section 92(3) read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014] the extract of Annual Return for the Financial Year 2017-18 is enclosed with this report as “**Annexure-I**”.

## **BOARD MEETINGS AND INDEPENDENT DIRECTORS MEETING:**

During the year under review, 6 (Six) number of Board meetings were held on 10/05/2017, 24/05/2017, 21/08/2017, 14/11/2017, 22/12/2017, and 22/03/2018 and requisite quorum were present at the said meetings.

Further Independent Directors meeting was held on 14<sup>th</sup> November 2017 to review the performance of Non Independent Directors and the Board as a whole; review the performance of the Chairperson of the Company, taking into account the views of executive directors and non-executive directors and access 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 reasonable perform their duties. Non- Executive including Independent Directors plays a crucial role in balancing the functioning of the Board by providing independent judgements on various issues raised in the Board meetings like formulation in business strategies, monitoring of performances etc. Their role, *inter alia*, includes:

- Impart balance to the Board by providing Independent Judgements
- Provide feedback on company’s Strategy and Performances
- Provide effective recommendations for further improvements

The Company has no pecuniary relationships with the Independent directors except sitting fees for attending meetings of the Board/committees thereof.

## **BOARD’S RESPONSIBILITY STATEMENT:**

Pursuant to the provisions of Section 134 (5) of the Companies Act, 2013, with respect to the Directors’ Responsibility Statement, the Directors confirm that:

- a) in the preparation of the annual accounts, the applicable accounting standards had been followed and there are no material departures from the same;
- b) the directors had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that year;
- c) the directors have taken proper and sufficient care to the best of their knowledge and ability for the maintenance of adequate accounting records

in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

- d) the directors had prepared annual accounts on a going concern basis;
- e) the directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and are operating effectively;
- f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and such systems were adequate and operating effectively;

### **RELATED PARTY TRANSACTIONS:**

During the year under report, the Company has entered into transactions with related party and all such transactions were carried on at arm's length price in the ordinary course of business. Information on transactions with related parties pursuant to section 134(3)(h) of the act read with Rule 8(2) of Companies (Accounts) Rules, 2014 are given in "**Annexure-II**" in Form AOC-2 and the same forms part of this report. Your directors draw attention of members to Note. 36 to the financial statement which sets out related party disclosures for the year under review.

### **STATUTORY AUDITOR AND AUDITOR'S REPORT:**

"RESOLVED THAT, pursuant to the provisions of Section 139 of the Companies Act, 2013 and all other applicable provisions of the Companies Act, 2013 (the "Act") read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), and pursuant to the recommendations of the Audit Committee of Board of Directors, M/s. Maharishi & Co, Chartered Accountants (ICAI Registration No. 124872W), be and are hereby appointed as statutory auditors of the Company for year 2018-19, to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General meeting of the Company to be held in year 2019, on such remuneration as may be decided by the Board and Audit Committee of the Board.

The Auditors' Report does not contain any qualification, reservation or adverse remark AND the Notes on financial statements referred to in the Auditors' Report are self-explanatory and do not require any further comment thereon.

## **SECRETARIAL AUDITOR AND SECRETARIAL AUDIT REPORT:**

The Board has appointed M/s. **MJP** Associates, Practising Company Secretaries, pursuant to Section 204 of the Companies Act, 2013, to conduct Secretarial Audit for the F Y 2017-18. The Secretarial Audit Report for the Financial Year ended on March, 31 2018 is Annexed herewith marked as “**Annexure III**” to this Report. The Secretarial Audit Report submitted by them in the prescribed form MR-3

## **PARTICULARS OF LOAN, GUARANTEES AND INVESTMENTS MADE:**

During the year under report, the Company has not granted any loan or provided any guarantee or made any investment as specified in Section 186 (2) of the Companies Act, 2013. Hence no approval from the shareholders in this regard was required.

## **DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT THE WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013 :**

At Oceanic Foods Limited, all employees are of equal value. There is no discrimination between individuals at any point on the basis of race, colour, gender, religion, political opinion, national extraction, social origin, sexual orientation or age.

At Oceanic, every individual is expected to treat his/her colleagues with respect and dignity. This is enshrined in values and in the Code of Ethics & Conduct of Oceanic Foods Limited. The Direct Touch (Whistle-Blower & Protection Policy) Policy provides a platform to all employees for reporting unethical business practices at workplace without the fear of reprisal and help in eliminating any kind of misconduct in the system. The Policy also includes misconduct with respect to discrimination or sexual harassment.

The Company also has in place `Prevention of Sexual Harassment Policy`. This Anti-Sexual Harassment Policy of the Company is in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. All employees (permanent, contractual, temporary and trainees) are covered under this policy.

An Internal Complaints Committee (ICC) is in place to redress complaints received regarding sexual harassment.

The following is a summary of sexual harassment complaints received and disposed off during the year:

- No. of complaints received: Nil
- No. of complaints disposed off : NA



## **CORPORATE SOCIAL RESPONSIBILITY (CSR):**

Pursuant to provisions of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, every company with a net worth of Rs. 500 Crores or more OR an annual turnover of Rs.1000 Crores or more OR with a net profit of Rs. 5 Crores or more is required to constitute a CSR Committee.

At present, Oceanic Foods Limited is not required to constitute a CSR Committee in this regards as none of the above referred limits have been triggered.

## **INDUSTRIAL RELATIONS**

The Company maintained healthy, cordial and harmonious industrial relations at all levels. The enthusiasm and unstinting efforts of employees have enabled the Company to remain at the leadership position in the industry. It has taken various steps to improve productivity across organization.

## **DETAILS OF BOARD OF DIRECTORS:**

Pursuant to Section 149, 152 and other applicable provisions of the Companies Act, 2013, one-third of such of the Directors as are liable to retire by rotation, shall retire every year and, if eligible, offer themselves for re-appointment at every AGM. Consequently Mr. Vinodrai D. Patel, Chairman & Managing Director [DIN 00083526] will retire by rotation at the ensuing AGM, and being eligible, offer himself for re-appointment in accordance with provisions of the Companies Act, 2013.

A brief resume of the Directors proposed to be re-appointed, the nature of their expertise in specific functional areas, names of companies in which they have held Directorships, committee memberships/ chairmanships, their shareholding etc., are furnished in the explanatory statement to the notice of the ensuing AGM.

The Directors recommend their re-appointment at the ensuing AGM. There is no change in the composition of Board of directors of the company. None of the Directors of the Company have resigned as Director of the Company.

The Company has received necessary declaration from all the Independent Directors under Section 149(7) of the Companies Act, 2013 confirming that they meet the criteria of independence as laid down in Section 149(6) of the Companies Act, 2013 and the Listing Regulations.

As on 31<sup>st</sup> March, 2018, the composition of Board of directors was as follows:

<b>Sr No</b>	<b>Name</b>	<b>Designation</b>	<b>Director Identification Number (DIN)</b>	<b>Date of Appointment</b>
.				

<b>1</b>	Vinodrai Devraj Patel	Managing Director	00083526	03/05/1993
<b>2</b>	Ajesh Vinodrai Patel	Wholetime Director	00083536	03/05/1993
<b>3</b>	Nitesh Chandrakant Kotecha	Non – Executive Independent Director	00590244	10/08/2016
<b>4</b>	Vaidehi Jagdishbhai Majithia	Non-executive Independent Director	07558547	10/08/2016
<b>5</b>	Rashmikant Dhirajlal Makwana	Non-executive Independent Director	07562889	10/08/2016

#### **COMMITTEES OF BOARD OF DIRECTORS:**

**1) AUDIT COMMITTEE:** The Audit Committee comprises of 3 Non-Executive Independent Directors. The Composition of committee is in conformity with the listing regulations. During the year, the Committee met four times i.e 24/05/2017, 21/08/2017, 14/11/2017 and 22/12/2017 and the attendance of the members of the meetings were as below. The Chief financial officer and Statutory Auditor are the regular invitees to the Committee meetings. All the recommendations of Audit committee were accepted by the Board of Directors.

<b>Sr No.</b>	<b>Name</b>	<b>Status</b>	<b>Category</b>	<b>Director Identification Number (DIN)</b>	<b>No. of Meetings held/attended</b>
<b>1</b>	Vaidehi Majithia	Chairperson	Non Executive & Independent	07558547	4/3
<b>2</b>	Nitesh Kotecha	Member	Non Executive & Independent	00590244	4/4
<b>3</b>	Rashmikant Makwana	Member	Non Executive & Independent	07562889	4/2

**2) NOMINATION AND REMUNERATION COMMITTEE:** The Nomination and Remuneration Committee comprises of 3 Non-Executive Independent Directors. The Composition of committee is in conformity with the listing regulations. During the year, the Committee met four times i.e 24/05/2017, 21/08/2017, 14/11/2017 and 22/12/2017 and the attendance of the members of the meetings were as below.

<b>Sr No.</b>	<b>Name</b>	<b>Status</b>	<b>Category</b>	<b>Director Identification Number (DIN)</b>	<b>No. of Meetings held/attended</b>
<b>1</b>	Rashmikant Makwana	Chairman	Non Executive & Independent	07562889	4/2
<b>2</b>	Nitesh Kotecha	Member	Non Executive & Independent	00590244	4/4
<b>3</b>	Vaidehi Majithia	Member	Non Executive & Independent	07558547	4/3

**3) STAKEHOLDERS RELATIONSHIP COMMITTEE:** The Stakeholders Relationship Committee comprises of 3 Non-Executive Independent Directors. The Composition of committee is in conformity with the listing regulations. During the year, the Committee met four times i.e 24/05/2017, 21/08/2017, 14/11/2017 and 22/12/2017 and the attendance of the members of the meetings were as below.

<b>Sr No.</b>	<b>Name</b>	<b>Status</b>	<b>Category</b>	<b>Director Identification Number (DIN)</b>	<b>No. of meetings held/attended</b>
<b>1</b>	Nitesh Kotecha	Chairman	Non Executive& Independent	07562889	4/4
<b>2</b>	Rashmikant Makwana	Member	Non Executive& Independent	00590244	4/2
<b>3</b>	Vaidehi Majithia	Member	Non Executive& Independent	07558547	4/3

The Committee constituted to hear the complaint and grievances of various securities holders so as ensure that timely relief is extended to securities holders including members in respect of their complaint. Additionally, the Committee also looks into the members' complaints, if any, related to non-receipt of balance sheet, non-receipt of declared dividend etc. and redress the same expeditiously.

Details pertaining to the number of complaints received and responded and the status thereof during the financial year 2017-18 are given below:

No. of Complaints pending as on 31 <sup>st</sup> March 2017	NIL
No of Complaints received during the year	NIL
No of Complaints resolved during the year	NIL
No. of Complaints pending at the end of the 31 <sup>st</sup> March 2018	NIL

**KEY MANAGERIAL PERSONNEL:**

The Key Managerial Personnel (KMP) in the Company as per Section 2(51) and 203 of the Companies Act, 2013 are as follows:

- Mr. Ajesh V. Patel, Whole Time Director
- Mr. Tulan V. Patel Chief Executive officer
- Mr. Shrinivas A. Jani, Chief Financial Officer
- Ms Krishna S. Adhyaru Company Secretary & Compliance Officer

During the year, there was no change (appointment or cessation) in the office of KMP.

**RATIO OF REMUNERATION OF EACH DIRECTOR TO THE MEDIAN REMUNERATION OF THE EMPLOYEES OF THE COMPANY FOR THE FINANCIAL YEAR 2017-18:**

The information required pursuant to section 197 (12) read with Rule 5 (1) (i) of the Companies (Appointment and Remuneration) Rules 2014 in respect of ratio of remuneration of each director to the median remuneration of the employee of the Company for the financial year 2017-18 forms part of this report as “***Annexure-IV***”.

**COMPANY’S POLICY ON DIRECTORS APPOINTMENT, NOMINATION, REMUNERATION AND FORMAL EVALUATION:**

Pursuant to provisions of Section 178 (1) of the Companies Act, 2013, the Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection, nomination, appointment and remuneration of Directors suitably containing the criteria determining qualifications, positive attributes and independence of a Director.

## **FORMAL EVALUATION OF BOARD, ITS COMMITTEES AND INDIVIDUAL DIRECTORS:**

Pursuant to applicable provisions of the Companies Act, 2013 and the Listing Regulations, the Board, in consultation with its Nomination & Remuneration Committee, has formulated a framework containing, *inter-alia*, the criteria for performance evaluation of the entire Board of the Company, its Committees and individual Directors, including Independent Directors. The framework is monitored, reviewed and updated by the Board, in consultation with the Nomination and Remuneration Committee, based on need and new compliance requirements. The annual performance evaluation of the Board, its Committees and each Director has been carried out for the financial year 2017-18 in accordance with the framework

## **DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS OTHER THAN THOSE WHICH ARE REPORTABLE TO THE CENTRAL GOVERNMENT**

The Statutory Auditors, or Secretarial Auditors of the Company have not reported any frauds to the Audit Committee or to the Board of Directors under Section 143(12) of the Companies Act, 2013, including rules made there under

## **MANAGEMENT DISCUSSION AND ANALYSIS REPORT:**

In Terms of the Regulation 34 read with Schedule V of the SEBI (LODR) Regulations 2015, Management Discussion and Analysis report forms part of this Annual Report as “**Annexure V**”

## **CORPORATE GOVERNANCE:**

As per Regulation 15 (2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Para C of Schedule V relating to Corporate Governance Report, shall not apply to company listed on SME Exchange. The Company being a company listed on BSE SME Platform, preparation of corporate governance is not applicable. Although relevant information is provided in the Board's Report.

## **RISK MANAGEMENT:**

The company has been following the principle of risk minimization as it is the norm in every industry. The Board has adopted steps for framing, implementing and monitoring the risk management plan for the company. The main objective of this policy is to ensure sustainable business growth with stability and to promote a pro-active approach in reporting, evaluating and resolving risks associated with the business.

In order to achieve the key objective, the policy establishes a structured and disciplined approach to risk management, in order to guide for decisions on risk related issues.

In today's Challenging and competitive environment, strategies for mitigating inherent risk in accomplishing the growth plans of the company are imperative. The Common risks inherent are: Regulations, Competition, business risk, technology obsolescence, long term investments and expansion of facilities. Business risk, inter alia, includes financial risk, political risk, legal risk etc., As a matter of policy, these risk are assessed and steps as appropriate are taken to mitigate the same.

#### **INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:**

According to Section 134(5)(e) of the Companies Act, 2013 the term Internal Financial Control (IFC) means the policies and procedures adopted by the Company for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information. The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. Assurance on the effectiveness of internal financial controls is obtained through management reviews, control self-assessment, continuous monitoring by functional experts as well as testing of the internal financial control systems. We believe that these systems provide reasonable assurance that our internal financial controls are designed effectively and are operating as intended.

#### **DISCLOSURE ON VIGIL MECHANISM:**

Pursuant to Section 177(9) & (10) of the Companies Act, 2013, a Vigil Mechanism for directors and employees to report genuine concerns has been established, in order to ensure that the activities of the company and its employees are conducted in a fair and transparent manner by adoption of highest standards of professionalism, honesty and integrity and ethical behavior.

The Company has established a vigil mechanism through which Directors, employees and business associates may report unethical behaviour, malpractices, wrongful conduct, fraud, violation of Company's code of conduct without fear of reprisal. The Company has set up a Direct Touch initiative, under which all Directors, employees, business associates have direct access to the Chairman of the Audit committee, and also to a three-member direct touch team established for this purpose. The direct touch team comprises one senior woman member so that women employees of the Company feel free and secure while lodging their complaints under the policy. The vigil mechanism policy has also been uploaded in the website of the company at [www.oceanicfoods.com](http://www.oceanicfoods.com)

## **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:**

The Company has not taken any significant steps for conservation of Energy during the year under report. There are no significant expenses on technology absorption during the year. However, your company is increasingly using information technology in its operations and promotes conservation of resources. Moreover, the Company has reported Foreign Exchange Earnings and Expenses made as under:

<b><u>Particulars</u></b>	<b><u>2017-18</u></b>	<b><u>2016-17</u></b>
Foreign Exchange Earnings	30,16,37,194	34,97,71,448
Foreign Exchange Outgo	5,29,711	18,01,426

## **PARTICULARS OF EMPLOYEES:**

There are no employees in the Company drawing remuneration of more than Rs. 8,50,000/- rupees per month or 1,02,00,000/- rupees per annum, as prescribed in Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016.

## **SUBSIDIARIES, JOINT VENTURE OR ASSOCIATE COMPANIES:**

As on 31<sup>st</sup> March, 2018, the Company does not have any Subsidiary or Joint Venture. The Company is having an Associate Company namely, Meridian Geoinformatics Private Limited. Since the operations of this company is not significant and hence immaterial for consolidation. Accordingly, the accounts have not been consolidated.

## **OTHER DISCLOSURES AS REQUIRED UNDER THE PROVISIONS OF THE COMPANIES ACT, 2013 AND RULES MADE THEREUNDER:**

1. There have been no material changes/commitments affecting the financial position of the company which have occurred between the end of the financial year to which the financial statements relate and the date on report;
2. During the year under review your company has not accepted the deposit from the public under section 73 to 76 of the Companies Act, 2013 and the rules made thereunder;
3. No significant or material orders were passed by the Regulators or courts or tribunals which impact the going concern status and company's operations in future
4. There have been no instances of any revision in the Board's Report or the financial statement, hence disclosure under Section 131(1) of the Act is not required.

5. The Company has not paid any commission to any of its Directors and hence, provision of disclosure of commission paid to any Director as mentioned in Section 197(14) is not applicable.
6. The Company has not issued (a) any shares with differential voting rights (b) Sweat Equity shares (c) shares under any Employee stock option scheme, hence no disclosures are required to be made as per the Companies (Share Capital and Debentures) Rules, 2014.
7. The Central Government has not prescribed the maintenance of cost records by the company under Section 148(1) of the Companies Act, 2013 for any of its products.

**ACKNOWLEDGEMENT:**

Your Directors place on record their gratitude to the Central Government, State Governments and Company's Bankers for the assistance co-operation and encouragement they extended to the Company. Your Directors also wish to place on record their sincere thanks and appreciation for the continuing support and unstinting efforts of investors, vendors, dealers, business associates and employees in ensuing and excellent all around operational performance.

Date : 30/08/2018  
Place : Jamnagar

For and on behalf of the Board  
For, **OCEANIC FOODS LIMITED**,

(Vinodrai D. Patel)	(Ajesh V. Patel)
Chairman & Managing Director	Wholetime Director
(DIN: 00083526)	(DIN: 00083536)



**Annexure-I**  
**Extract of Annual Return**

**“ANNEXURE - A” TO DIRECTORS’ REPORT OF OCEANIC FOODS LIMITED**

(Pursuant to Section 92 (3) of the Companies Act, 2013 and Rule 12(1) of the Company (Management & Administration) Rules, 2014)

**Financial Year ended on 31/03/2018**

**(I) REGISTRATION AND OTHER DETAILS:**

<b>(i)</b>	<b>CIN</b>	L15495GJ1993PLC019383
<b>(ii)</b>	<b>Registration date</b>	03 <sup>rd</sup> May, 1993
<b>(iii)</b>	<b>Name of the Company</b>	Oceanic Foods Limited
<b>(iv)</b>	<b>Category</b> <b>Sub-category of the Company</b>	Company having share capital Indian Non-Government Company
<b>(v)</b>	<b>Address of the Registered Office and Contact Details</b>	<b><u>Address of Registered Office:</u></b>  Opp. Brooke bond factory, P. N. Marg, Jamnagar-361002 Gujarat  <b><u>Contact Details:</u></b>  Phone: 0288-2757355/66/77,  E-Mail Id: <a href="mailto:finance@oceanicfoods.com">finance@oceanicfoods.com</a> Website: <a href="http://www.oceanicfoods.com">www.oceanicfoods.com</a>
<b>(vi)</b>	<b>Whether Listed Company?</b> <b>Yes / No</b>	Yes, BSE SME Platform

<b>(vii)</b>	<b>Name, address and contact details of Registrar and Share Transfer Agent.</b>	Link Intime India Private Limited, C- 101, 247 Park, L.B. S Marg, Vikhroli (West), Mumbai – 400 083 Tel: 022 4918 6000 Fax: 022 4918 6060  Email: <a href="mailto:Mumbai@linkintime.co.in">Mumbai@linkintime.co.in</a> Website: <a href="http://www.linkintime.co.in">www.linkintime.co.in</a>
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**(II) PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:**

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

Sr. No.	Name & Description of main products/services	NIC Code of the Product /service	% to total turnover of the company
1	Manufacturing and Processing of Dehydrated Vegetables	103	99.84%

**(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
1	Meridian Geo-informatics Private Limited	U74200GJ2010PTC061740	Associate	40%	2(6)

**(IV) SHAREHOLDING PATTERN: (Equity Share capital Break up as % to total Equity)****(i) Category – wise share holding:**

Sr. No.	Category of Shareholders	No of Shares held at the beginning of the year 01.04.2017				No of Shares held at the end of the year 31.03.2018				% Change during the year
		Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
<b>A</b>	<b>PROMOTERS</b>									
(1)	<b>Indian</b>	---	---	---	---	---	---	---	---	---
(a)	Individual/HUF	26,67,500	---	26,67,500	71.13%	26,67,500	---	26,67,500	71.13%	---
(b)	Central Govt.	---	---	---	---	---	---	---	---	---
(c)	State Govt.(s)	---	---	---	---	---	---	---	---	---
(d)	Bodies Corp.	---	---	---	---	---	---	---	---	---
(e)	Banks/FIs	---	---	---	---	---	---	---	---	---
(f)	Any Other	---	---	---	---	---	---	---	---	---
	<b>Sub – Total (A) (1)</b>	26,67,500	---	<b>26,67,500</b>	<b>71.13%</b>	<b>26,67,500</b>	---	<b>26,67,500</b>	<b>71.13%</b>	---
(2)	<b>Foreign</b>	---	---	---	---	---	---	---	---	---
(a)	NRI – Individuals	---	---	---	---	---	---	---	---	---
(b)	Other – Individuals	---	---	---	---	---	---	---	---	---
(c)	Bodies Corp.	---	---	---	---	---	---	---	---	---
(d)	Banks/FI	---	---	---	---	---	---	---	---	---
(e)	Any Other	---	---	---	---	---	---	---	---	---
	<b>Sub – Total (A) (2)</b>	---	---	---	---	---	---	---	---	---
	<b>TOTAL Shareholding of Promoter (A) = (A) (1) + (A) (2)</b>	<b>26,67,500</b>	---	<b>26,67,500</b>	<b>71.13%</b>	<b>26,67,500</b>	---	<b>26,67,500</b>	<b>71.13%</b>	---
<b>B</b>	<b>PUBLIC SHAREHOLDING</b>									
<b>1</b>	<b>Institutions</b>									
(a)	Mutual Funds	---	---	---	---	---	---	---	---	---
(b)	Banks/FI	---	---	---	---	---	---	---	---	---
(c)	Central Govt.	---	---	---	---	---	---	---	---	---
(d)	State Govt.	---	---	---	---	---	---	---	---	---
(e)	Venture Capital Funds	---	---	---	---	---	---	---	---	---
(f)	Insurance Companies	---	---	---	---	---	---	---	---	---
(g)	FII's	---	---	---	---	---	---	---	---	---
(h)	Foreign Venture Capital Funds	---	---	---	---	---	---	---	---	---
(i)	Others (Specify)	---	---	---	---	---	---	---	---	---
	<b>(j) Sub – Total (B)</b>									
<b>2</b>	<b>Non-Institutions</b>									
(a)	Bodies Corporate	52,000	---	<b>52,000</b>	<b>1.39%</b>	32000	---	<b>32000</b>	<b>0.8533%</b>	<b>(0.5367%)</b>
(i)	Indian	---	---	---	---	---	---	---	---	---
(ii)	Overseas	---	---	---	---	---	---	---	---	---

Continue from previous page....

Sr. No.	Category of Shareholders	No of Shares held at the beginning of the year 01.04.2017				No of Shares held at the end of the year 31.03.2018				% Change during the year
		Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
(b)	Individuals									
(i)	Individual shareholders holding nominal share capital upto Rs.1 Lakh	4,28,000	---	<b>4,28,000</b>	<b>11.41%</b>	1,71,000	---	1,71,000	4.56%	(6.85%)
(ii)	Individual shareholders holding nominal share capital in excess of Rs. 1 Lakh.	3,14,500	---	<b>3,14,500</b>	<b>8.39%</b>	8,08,500	---	<b>8,08,500</b>	21.56%	13.17%
(c)	Others (specify)	---	---	---	---					
	Hindu Undivided Family	44,000	---	<b>44,000</b>	<b>1.17%</b>	67,000	---	<b>67,000</b>	1.7867%	0.6167%
	Non- Resident Indian (Non Repatriable)	2,000	---	<b>2,000</b>	<b>0.053%</b>	---	---	---	---	(0.053%)
	Clearing Members	2,42,000	---	<b>2,42,000</b>	<b>6.45%</b>	4000	---	<b>4000</b>	<b>0.1067%</b>	(6.34%)
	<b>Sub-total(B) (2)</b>									
	<b>Total Public shareholding (B)=B(1)+B(2)</b>	10,82,500	---	<b>10,82,500</b>	<b>28.87%</b>	<b>10,82,500</b>	---	<b>10,82,500</b>	<b>28.87%</b>	---
<b>C</b>	<b>Shares held by Custodian for ADRs and GDRs.</b>	---	---	---	---	---	---	---	---	---
	<b>GRAND TOTAL</b>	<b>37,50,000</b>	---	<b>37,50,000</b>	<b>100%</b>	<b>37,50,000</b>	---	<b>37,50,000</b>	<b>100%</b>	---

(ii) Shareholding of Promoters:

Sr. No.	Shareholder's name	Shareholding at the beginning of the year 01.04.2017			Shareholding at the end of the year 31.03.2018			% Change
		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	Tulan Vinodrai Patel	3,36,600	8.97%	---	3,36,600	8.97%	---	---
2	Ajesh Vinodrai Patel	3,52,495	9.39%	---	3,52,495	9.39%	---	---
3	Nirmalaben Vinodrai Patel	4,57,468	12.19%	---	4,57,468	12.19%	---	---
4	Vinodrai Devrajbhai Patel	7,42,500	19.80%	---	7,42,500	19.80%	---	---
5	Patel Vinodrai Devrajbhai (HUF) Karta of HUF	6,29,937	16.79%	---	6,29,937	16.79%	---	---
6	Patel Ajesh Vinodrai (HUF) Karta of HUF	1,48,500	3.96%	---	1,48,500	3.96%	---	---
<b>GRAND TOTAL</b>		<b>26,67,500</b>	<b>71.13%</b>	<b>---</b>	<b>26,67,500</b>	<b>71.13%</b>	<b>---</b>	<b>---</b>

(iii) Change in Promoter's Shareholding: (There is no change in shareholding of promoters as mentioned in Clause IV (ii))

Sr. No	Particulars	Shareholding at the beginning of the year 01.04.2017			Increasing Decreasing in Share holding	Reason	Cumulative Shareholding during the year 31.03.2018	
		No. of Shares	% of total shares of Company	Date			No. of Shares	% of total shares of the Company
--	---	---	---	---	---	--	---	---

**(iv) Shareholding Pattern of top ten shareholders: (Other than Directors, Promoters & Holders of GDRs & ADRs):**

Sr. No	Particulars	Shareholding at the beginning of the year 01.04.2017			Increasing Decreasing in Share holding	Reason	Cumulative Shareholding during the year 31.03.2018	
		No. of Shares	% of total shares of Company	Date			No. of Shares	% of total shares of the Company
1	Bansal Finstock Pvt Ltd	1,06,000	2.82%	---	---	Sale	1,06,000	---
2	Neha Bimal Mehta	74,000	1.97%	---	No Change	---	74,000	1.97%
3.	Seth Krishnakumar Sitaram	55,000	1.46%	---	No Change	---	55,000	1.46%
4.	Pantomath Stock Brokers Pvt Ltd	52,000	1.38%	---	Decrease	Sale	20,000	0.53%
5.	Harichhaben M Joshi	48,000	1.28%	---	Increase	Purchase	1,00,000	2.66%
6.	Prudent Broking Services Pvt Ltd	30,000	0.80%	---	---	Sale	30,000	---
7.	Anju Hitendra Patel	27,500	0.73%	---	No Change	---	27,500	0.73%
8.	Marwadi Shares & Finance Limited	22,000	0.58%	---	---	Sale	22,000	---
9.	Kalpeshkumar Prataprai Barai	22,000	0.58%	---	Increase	Purchase	46,000	1.22%
10.	Edelweiss Broking Ltd	20,000	0.53%	---	---	Sale	20,000	---

**(v) SHAREHOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

Sr. No.	Name	Shareholding at the beginning of the year i. e. 01/04/2017		Shareholding at the end of the year i. e. 31/03/2018	
		No. of shares	% of total shares of company	No. of shares	% of total shares of the company
<b>A.</b>	<b>Managing Director/ Whole-time Director</b>				
1	Vinodrai D. Patel- Managing Director	7,42,500	27%	7,42,500	19.80%
2	Ajesh V. Patel- Wholetime Director	3,52,495	12.81%	3,52,495	9.39%
<b>B.</b>	<b>Key Managerial Personnel</b>				
1.	Mr Tulan V. Patel- CEO	3,36,600	8.97%	3,36,600	8.97%

(vi) **INDEBTEDNESS:**

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

	<b>Secured Loans Excluding Deposited</b>	<b>Unsecured Loans</b>	<b>Deposits</b>	<b>Total Indebtedness</b>
<b>Indebtedness at the beginning of the financial year</b>				
(i)Principal Amount	88,06,685	15,86,29,294	Nil	16,74,35,979
(ii)Interest due but not paid	Nil	Nil	Nil	Nil
(iii)Interest accrued but not due	Nil	Nil	Nil	Nil
<b>Total (i+ii+iii)</b>	<b>88,06,685</b>	<b>15,86,29,294</b>	<b>Nil</b>	<b>16,74,35,979</b>
<b>Change in Indebtedness During the financial year</b>				
• Addition	45,13,466	8,07,65,887	Nil	8,52,79,353
• Reduction	45,55,065	6,04,57,829	Nil	6,50,12,894
<b>Net Change</b>	<b>-41,599</b>	<b>2,03,08,058</b>	<b>Nil</b>	<b>2,02,66,459</b>
<b>Indebtedness at the end of the financial year</b>				
(i)Principal Amount	87,65,086	17,89,37,352	Nil	18,77,02,438
(ii)Interest due but not paid	NIL	Nil	Nil	Nil
(iii)Interest accrued but not due	NIL	Nil	Nil	Nil
<b>Total (i+ii+iii)</b>	<b>87,65,086</b>	<b>17,89,37,352</b>	<b>Nil</b>	<b>18,77,02,438</b>

(vii) **REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

A. **Remuneration to Managing Director, Whole-time Directors and/or Manager:**

<b>Sr. No</b>	<b>Particulars of Remuneration</b>	<b>Vinodrai D Patel MD</b>	<b>Ajesh V Patel WTD</b>	<b>Total Amount</b>
1.	Gross Salary:  (a) Salary as per provision contained in section 17(1) of the Income tax Act, 1961  (b) Value of perquisites under section 17(2) Income-tax Act, 1961  © Profits in lieu of salary under section 17(3) Income-tax Act, 1961	60,79,860	45,23,904	1,06,03,764
2.	Stock option	---	---	---
3.	Sweat equity	---	---	---
4.	Commission:  - As % of profit - Other, specify...	---	---	---
5.	Others, please specify	---	---	---
<b>Total (A)</b>				<b>1,06,03,764</b>



B. **Remuneration to other Directors:**

<b>Sr No</b>	<b>Particulars of Remuneration</b>	<b>Mr Nitesh Kotecha</b>	<b>Mr Rashmikant Makwana</b>	<b>Ms Vaidehi Majithia</b>	<b>Total Amount</b>
1	<b>Independent Director</b>				
-	Fees for attending Board/ Committee Meeting	40,000	20,000	30,000	90,000
-	Commission				
-	Other, please specify				
--	TOTAL (B) (1)				
2	<b>Other Non – Executive Director</b>				
-	Fees for attending Board/ committee meeting	---	---	---	---
-	Commission				
-	Other, please specify				
--	TOTAL (B) (2)				
	TOTAL (B) (2)	---	---	---	---
	Total (B) = (1+2)	---	---	---	---
	<b>Total Managerial Remuneration</b>	40,000	20,000	30,000	90,000

C. **Remuneration to Key Managerial Personnel other than as Managing Director/Manager/Whole-time Director:**

Sr No	Particulars of Remuneration	Key Managerial Personnel			
		Mr Tulan V. Patel (CEO)	Ms Krishna S. Adhyaru (Company Secretary)	Mr Shrinivas Jani (CFO)	Total
1.	Gross Salary <ul style="list-style-type: none"> <li>• Salary as per provisions contained in section 17 (1) of the Income tax Act, 1961</li> <li>• Value of perquisites under section 17(2) Income tax Act, 1961</li> <li>• Profit in lieu of salary under section 17(3) Income tax, 1961</li> </ul>	37,71,912	1,80,300	1,69,629	41,21,841
2.	Stock Option	---	---	---	---
3.	Sweat Equity	---	---	---	---
4.	Commission <ul style="list-style-type: none"> <li>• As % of profit</li> <li>• Other, specify</li> </ul>	---	---	---	---
5.	Other, please, specify	---	---	---	---
	Total	37,71,912	1,80,300	1,69,629	41,21,841

(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)
<b>A. COMPANY</b>					
Penalty	---	---	---	---	---
Punishment	---	---	---	---	---
Compounding	---	---	---	---	---
<b>B. DIRECTORS</b>					
Penalty	---	---	---	---	---
Punishment	---	---	---	---	---
Compounding	---	---	---	---	---
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	---	---	---	---	---
Punishment	---	---	---	---	---
Compounding	---	---	---	---	---

Date : 30/08/2018  
Place : Jamnagar

**By Order of the Board of Directors**  
For, Oceanic Foods Limited,

**Vinodrai D. Patel**  
Chairman & Managing Director  
[DIN: 00083526]

**Ajesh V. Patel**  
Wholetime Director  
[DIN: 00083536]

## **“Annexure – II” Form AOC 2**

**(Pursuant to Section 134 (3) (h) of the Act read with Rule 8 (2) of the Companies (Accounts) Rules, 2014)**

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arms length transaction under third proviso thereto.

**1. Details of contracts or arrangements or transactions at not Arm’s length basis.**

*Not applicable*

**2. Details of material contracts or arrangements or transactions at Arm’s length basis.**

<b>SL. No.</b>	<b>Name (s) of the related party &amp; nature of relationship</b>	<b>Nature of contracts/arrangements/ transaction</b>	<b>Duration of the contracts/arrangements/ transaction</b>	<b>Salient Features &amp; value</b>	<b>Date of approval by the Board</b>	<b>Amount paid as advances, if any</b>
1)	Rising Sun foods Private Limited  Firm of relatives of director	Lease Rent Expenses	Annual	Total Rent Expenses paid Rs. 7,86,000/-	NA	NIL
2)	A & T infraprojects  Firm of relatives of director	Lease Rent Expenses	Annual	Total Rent Expenses paid Rs. 7,80,000/-	NA	NIL
3)	Ajesh V. Patel  Wholetime Director	Special allowances	Annual	12,00,000/-	NA	NIL
4)	Vinodrai D Patel  Managing Director	Special Allowances	Annual	12,00,000/-	NA	NIL
5)	Tulan V. Patel	Special allowances	Annual	7,20,000/-	NA	NIL

	Relative of Director and KMP					
6)	Tulan V. Patel Relative of Director and KMP	Salary	Annual	26,40,000/-	NA	NIL
7)	Nirmalaben V. Patel Relative of Director	Salary	Annual	14,40,000/-	NA	NIL
8)	Darshita Patel Relative of Director	Salary	Annual	6,00,000/-	NA	NIL

**Note:** The transactions were on an arm's length basis and in ordinary course of business.

**Date** : 30/08/2018

**Place** : Jamnagar

By Order of the Board of Directors  
**For, Oceanic Foods Limited,**

**Vinodrai D. Patel**  
**Chairman & Managing Director**  
[DIN: 00083526]

**Ajesh V. Patel**  
**Wholetime Director**  
[DIN: 00083536]

**MJP** ASSOCIATES

PRACTISING COMPANY SECRETARIES

CS Bhavin A. Mehta, B.Com., FCS  
CS Samir M. Pathak, BBA., LL.B, FCS  
CS Purvi G. Dave, B.Com, Sp. LLB, ACS



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

For the Financial Year Ended 31<sup>st</sup> March, 2018

[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,**

Oceanic Foods Limited

Opp. Brooke Bond Factory,

Pandit Nehru Marg,

**JAMNAGAR**

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **OCEANIC FOODS LIMITED (CIN: L15495GJ1993PLC019383)** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of **Oceanic Foods Limited** books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its Officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has during the audit period covering the financial year ended March 31, 2018, 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, minutes books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2018 according to the provisions of:

- I. The Companies Act, 2013 (the Act) and the Rules made there under and Companies Amendments Act 2017.
- II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- III. The Depositories Act, 1996 and the Regulations and bye-laws framed there under;
- IV. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extend of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings ;

Continue at page no. 2

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Continue from page no. 1

V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

- a) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
- b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.
- c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.
- d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009
- e) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; **(Not applicable to the Company during the Audit Period);**
- f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 **(Not applicable to the Company during the Audit Period)**
- g) 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 **(Not applicable to the Company during the Audit Period);**
- h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not applicable to the Company during the Audit Period);** and
- i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **(Not applicable to the Company during the Audit Period);**

Continue at page no. 3



Continue from page no. 2

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

- i. Secretarial Standards with respect to Meetings of Board of Directors and Committees (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India and made effective 1st July, 2015) and revised (SS-1) & (SS-2) were effective from 1<sup>st</sup> October, 2017.
- ii. The Listing Agreement entered into by the Company with BSE Limited as per SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above, subject to the following observations:

- (a) The Company had purchased a Car in name of Director, against hypothecation of same with the Bank, and as explained to us, the Car is asset of the Company, and installments of the loan are being paid by the Company. However the Company had not filed necessary Form with the Registrar, for registration of Creation of Charge.
- (b) The Company had filed Form MGT 14, for filing of Resolution for approval of financial results for year 2016-17, after period of 30 days from date of Resolution, with payment of additional fees

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

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

Decisions at the meetings of the Board of Directors/ Committees of the Company were carried unanimously. We were informed that there were no dissenting views of the members on any of the matters during the year that were required to be captured and recorded as part of the minutes.

Continue at page no. 4



**MJP** ASSOCIATES

PRACTISING COMPANY SECRETARIES

CS Bhavin A. Mehta, B.Com., FCS  
CS Samir M. Pathak, BBA., LL.B., FCS  
CS Purvi G. Dave, B.Com, Sp. LLB, ACS



Continue from page no. 3

- I. **We further report that** based on the review of compliance mechanism established by the information provided by the company, its officers and authorised representatives during the conduct of the audit and compliance certificate (s) placed before the board meeting, there are adequate systems and processes in the company commensurate with the size and its operations to monitor and ensure compliance with applicable laws, rules, regulations and guidelines such as Environment Protection Act, 1986 and other environmental laws; Factories Act, 1948; Trade Marks Act, 1999 and rules, notification issued under Employees Provident Fund and Miscellaneous Provisions Act, 1952; and other applicable labour laws and Indian Stamp Act, 1999;

**We further report that** during the audit period, there were no instances of:

- (i) Rights / Preferential issue of shares / debentures / sweat equity.  
(ii) Redemption / buy-back of securities.

- (iii) Major decisions taken by the Members in pursuance to Section 180 of the Companies Act, 2013.  
(iv) Merger/ amalgamation/reconstruction etc.  
(v) Foreign technical collaborations.

We further report that :

The Compliance by the Company of the applicable financial laws, like Direct and Indirect tax Laws has not been reviewed in this Audit Since the same have been subject to the review by the Statutory Auditors and other designated professionals.

For, **MJP Associates**

**Practising Company Secretaries**

**Place: Jamnagar**

**Date : 28<sup>th</sup> May, 2018**

**(CS Purvi Dave)**

**Partner**

ACS No. 27373 CP 10462

**Please note that the Secretarial Audit report is to be read with my letter of even date attached as Annexure A to the report and letter also forms the integral part of report.**

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**MJP** ASSOCIATES

PRACTISING COMPANY SECRETARIES

CS Bhavin A. Mehta, B.Com.,FCS  
CS Samir M. Pathak, BBA.,LL.B,FCS  
CS Purvi G. Dave, B.Com, Sp. LLB, ACS



## ANNEXURE A

To,  
**The Members,**  
Oceanic Foods Limited  
Opp. Brooke Bond Factory,  
Pandit Nehru Marg,  
**JAMNAGAR**

Our Secretarial Audit Report of even date for the Financial Year ended on 31<sup>st</sup>March, 2018 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. I believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We, have relied on the representations made by the Company and its officers for systems and mechanisms formed by the Company for compliances under other laws and regulations applicable to the Company and verification of documents and records procedures on test check basis.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management.
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, **MJP Associates**  
**Practising Company Secretaries**

**Place: Jamnagar**

**Date : 28<sup>th</sup> May, 2018**

**(CS Purvi Dave)**  
**Partner**

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PRACTISING COMPANY SECRETARIES

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## ***“Annexure - IV”***

Particulars pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

The ratio of remuneration of each director to the median remuneration of the employees of the company for the financial year;	Name	Ratio
	Mr Vinodrai D Patel	38.02
	Mr Ajesh V. Patel	28.29
The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, in any, in the financial year;	There is no increase in the remuneration of director, CEO, CFO, CS or Manager in the financial year 2017-18	
The percentage increase in the median remuneration of employees in the financial year;	There is no increase in the median remuneration of employees in the financial year	
The number of permanent employees on the rolls of the company	100	
Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;	NA	
The Key parameters for any variable component of remuneration availed by the directors;	There is no variable component in the remuneration of director	
We affirm that the remuneration is as per the remuneration policy of the company		

## ***“Annexure – IV”***

### ***Management Discussion and Analysis Report***

#### **Industry Structure and Developments:**

Incorporated in 1993, our Company, “Oceanic Foods Limited” is engaged in manufacturing and processing of Dehydrated Food Products. We currently have two manufacturing units situated at Lalpur and Jamnagar. Our Company was incorporated on May 03, 1993 and has completed more than twenty four years since incorporation.

Our Promoter, Vinodrai Patel has more than four decades of experience in dehydration food industry. He has been President of Indian Dehydrated Foods Industry Association since its inception more than 25 years till recently. Our Company is also promoted by Ajesh Patel, elder son of Vinodrai Patel. He joined our Company in the year 1993 and since then is involved in all day to day activities of our Company. Later on Tulan Patel, younger son of Vinodrai Patel joined our Company and currently leads the marketing function of our Company. With exposure in overseas market, Tulan Patel has been instrumental in grabbing overseas opportunities for our products.

We believe in manufacturing and delivering quality products and our manufacturing process is under constant supervision by qualified food technologists. We maintain quality standard conforming to ISI, FPO and international quality standards like ISO and ADOGA. As a part of continual quality upgradation, we have adopted ISO 22000 system certification, Halal Certification, Kosher Certification as well US FDA registration. We are dedicated towards safe supply and hygiene of our products by controlling the procurement of standard raw material, monitoring the process parameters, maintaining appropriate sanitation and personal hygiene and to comply with applicable statutory and regulatory requirements of our products. Farmers are encouraged to adopt and implement farm to fork approach to ensure safety & hygiene at all levels of production.

At Oceanic, we desire to demonstrate its capability to provide various products conforming to needs of its customers. We aim satisfy the needs of customers including product requirements, the regulatory authorities and accreditation bodies and to achieve customer satisfaction by maintaining the best standards at all level from procurement to dispatch. Going forward, the adoption of food safety and quality assurance mechanisms such as Total Quality Management (TQM) including ISO 9000, ISO 22000, Hazard Analysis and Critical Control Points (HACCP), Good Manufacturing Practices (GMP) and Good Hygienic Practices (GHP) by the food processing industry offers several benefits. It would enable

adherence to stringent quality and hygiene norms and thereby protect consumer health, prepare the industry to face global competition, enhance product acceptance by overseas buyers and keep the industry technologically abreast of international best practices.

### **Opportunities and Strength:**

#### **1. Experienced Promoters and Management**

We are led by a dedicated senior management team with decades of experience in food dehydration industry. We believe our senior management team is able to leverage our market position and their collective experience and knowledge in the industry, to execute our business strategies and drive our future growth. In addition, we believe the strength and entrepreneurial vision of our Promoters and senior management has been instrumental in driving our growth and implementing our strategies. We believe our position as a vegetable dehydrating Company represents a significant competitive advantage in attracting and retaining high-quality talent.

#### **2. Strong Relationship with reputed institutional customers**

We are one of the key suppliers of dehydrated onion and garlic to MNCs operating in India and overseas. We believe that our operations and quality control processes have enabled us to develop strong relationships with our customers over the years.

#### **3. Experienced Marketing Team**

Our Company's marketing is headed by Tulan Patel, CEO. Our Company has a blend of youth and experienced personnel who serve the Company with their skills. Our Company's marketing team develops and maintains cordial relations with our customers by continuously following-up with the existing customers and approaching new customers.

#### **4. Operational Excellence**

We believe our business model, together with our quality control measures, and efficient management systems optimize our cost structure and ensure quality products.

*Procurement of vegetables:* We procure a significant proportion of vegetables directly from farmers and from market through our designated personnel. We believe that our continued engagement with farmers, transparency in raw material pricing and other activities undertaken by us have enabled us to develop a strong relationship with such farmers over the years, ensuring continued association and procurement of vegetables at competitive prices.

## 5. Quality Control

We believe that we are a quality focused company. We are committed to maintain quality and food safety at all steps of the dehydration from procurement of vegetables to dispatch of finished products. We have established a quality control team which has the responsibility to ensure compliance with manufacturing practices.

### **Threats and risk:**

- i. Significant Economic changes
- ii. Seasonal factors
- iii. Technological advancement and changes
- iv. Real or perceived Product Contamination
- v. Significant changes in Government or regulatory policies
- vi. Competitive prices and desired Quality

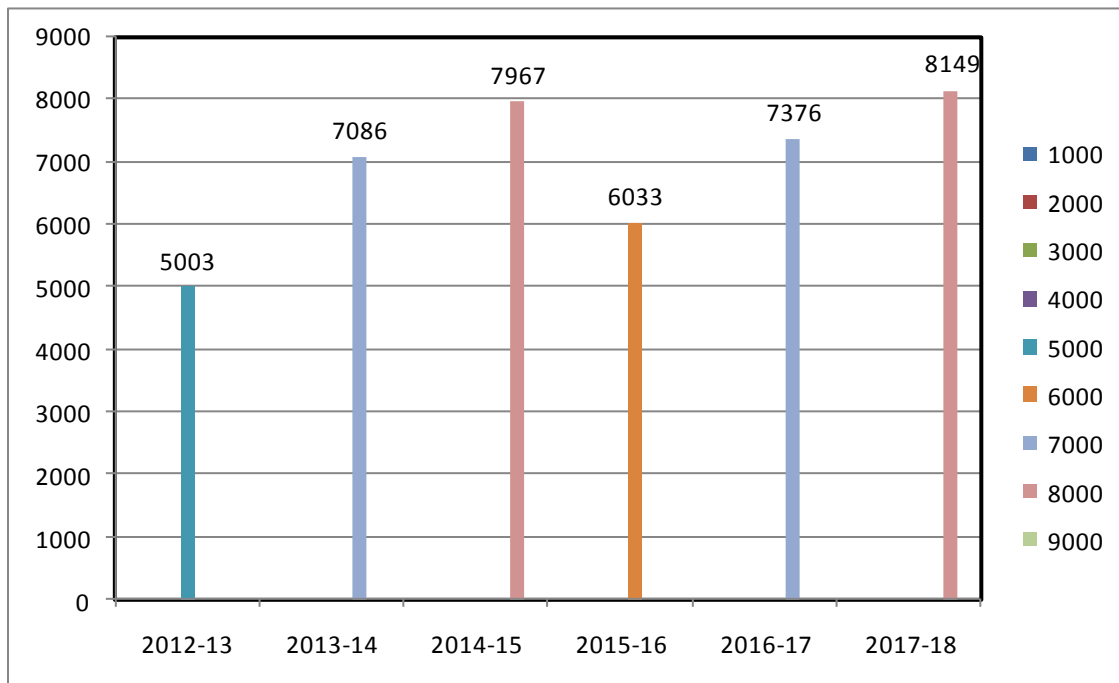
### **Internal Control Systems and their adequacy:**

There is an adequate internal control procedures commensurate with the size of the company and nature of the business for inventory, fixed assets and for the sale of goods or services. The Company has implemented proper and adequate systems of internal control to ensure that all assets are safeguarded and protected against loss from any unauthorized use or disposition and all transactions are authorized, recorded and reported correctly. The system ensures appropriate information flow to facilitate effective monitoring. The internal audit system also ensures formation and implementation of corporate policies for financial, reporting, accounting and information security.

The Company has constituted Audit committee to overlook the internal control systems and their adequacy. Audit committee regularly reviews and gives recommendations on proper and adequate internal control systems.

### **Financial performance:**

During the Financial year 2017-18, the Company has earned Net revenue from the operations of Rs **81.50 Crores** as compared to previous year revenue i.e Rs **78.26 crores**. However, the Company has earned net profit (after tax) of Rs. 1.29 Crores compared to previous year net profit of Rs 2.00 crores. Your Company's business cycle faced new economic and industry related challenges confronted with all and came out with the above results. Financial performance in terms of revenue generated from the operations of the company is figured below:



**Segments:**

Oceanic Foods Limited does not have multiple segments. Hence, comments on segments are not required.

**Human Resources:**

We believe that our employees are key contributors to our business success. We focus on attracting and retaining the best possible talent. Our Company looks for specific skill-sets, interests and background that would be an asset for our business. We have at around 100 employees. Our manpower is the prudent mix of experienced and youth which gives us the dual advantage of ability and growth. Our work progress and skilled/semi skilled/unskilled resources together with our strong management team have enabled us to successfully implement our growth plans. The Core of our success is our people. We do not view our employees as “resources”, we consider them our most valuable asset, and have been working towards keeping them engaged and inspired.

**Cautionary statements:**

All statements made in Management and Discussion Analysis have been made in good faith. Many unforeseen factors may come into play and affect the actual results, which may be different from what the management envisages in terms of performance and outlook. Factors such as economic conditions affecting demand/supply and priced conditions in domestic & international markets in which the Company operates, and changes in Government regulations, tax laws, other statues and other incidental factors, may affect the final results and performance of the Company.



# ***CEO & CFO Certification***

## **CERTIFICATE**

### **(Pursuant to Regulation 17(8) and Part B of Schedule II of SEBI (Listing Obligations and Disclosure Requirement) Regulations 2015)**

- A. We have reviewed financial statements and the cash flow statement for the year and that to the best of their knowledge and belief:
- these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - 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.
- B. There are, 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.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the listed entity pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the auditors and the Audit committee:
- significant changes, if any, in internal control over financial reporting during the year;
  - significant changes, if any, in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - 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.

For, Oceanic Foods Limited

For, Oceanic Foods Limited

Tulan V. Patel  
Chief Executive Officer  
28<sup>th</sup> May 2018

Shrinivas Jani  
Chief Financial Officer

# ***INDEPENDENT AUDITORS' REPORT***

**To the Members of  
Oceanic Foods Limited**

## **Report on the Financial Statements**

We have audited the accompanying financial statements of Oceanic Foods Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss and Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

## **Management's Responsibility for the Financial Statements**

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

## **Auditors' Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the company has in place an adequate internal financial controls system over financial reporting and operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by company's directors, as well as evaluating the overall presentation of the financial statements.

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

## Opinion

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

- a. in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2018;
- b. in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- c. In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
  - a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b. in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books
  - c. the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account
  - d. in our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
  - e. On the basis of written representations received from the directors as on March 31, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018, 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", and
  - 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, in our opinion and to the best of our information and according to the explanation given to us;
    - i. The company has disclosed the impact of pending litigations on its financial position in its financial statements refer note 40 to the financial statements.
    - ii. The company does not have any long-term contracts including derivative contracts, hence the question of any material foreseeable losses does not arise;
    - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the company.

For Maharishi & Co.  
Chartered Accountants  
Firm Registration No. 124872W

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Kapil Sanghvi  
Partner  
Membership No. 141168

Signed at Jamnagar on \_\_\_\_\_

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

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report of even date to the members of Oceanic Foods Ltd on the financial statements for the year ended 31<sup>st</sup> March, 2018]

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) All the fixed assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. As informed, no material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the company, the title deeds of immovable properties are in the name of the company.
- (ii) The inventory (excluding stocks with third parties and work in progress) has been physically verified by the management during the year. In respect of inventory lying with third parties, these have substantially been confirmed by them. In our opinion, the frequency of verification is reasonable. Discrepancies noticed during physical verification were not material and the same has been dealt with in the books of account.
- (iii) As informed, the company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Act, accordingly, the provisions stated in paragraph 3 (iii)(a) and 3(iii)(b) of the Order are not applicable.
- (iv) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and section 186 of the act, with respect to guarantee and investments made.
- (v) In our opinion and according to the information and explanations given to us, the company has not accepted any deposits from the public within the provisions of section 73 to 76 of the Act and rules framed there under.
- (vi) The Central Government of India has not prescribed the maintenance of cost records for any of the products of the company under sub-section (1) of section 148 of the Act and rules framed there under.

- (vii) (a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education and protection fund, income-tax, sales-tax, service tax, customs duty, GST, cess and other material statutory dues applicable to it.
- (b) According to the information and explanation given to us, the following dues have not been deposited as at March 31, 2018 on account of any dispute are as follows:

<b>Name of the Statute</b>	<b>Nature of Dues</b>	<b>Forum where dispute is pending</b>	<b>Related to F.Y.</b>	<b>Amount(Rs.)</b>
Central Sales Tax Act	Tax + Interest	Assistant Commissioner of Appeals	2002-03	84,553.00
Central Sales Tax Act	Tax + Interest	Assistant Commissioner of Appeals	2002-03	2,440.00

- (viii) Company has not defaulted in repayment of loans or borrowing to a financial institution bank.
- (ix) The company had raised Rs.6,50,00,000/- by way of initial Public Offer in F.Y. 2016-17, out of which Rs.54,41,291/- were utilized for share issue expenses, Rs. 1,15,00,000/- were utilized for General Corporate Purpose and balance amount is lying in fixed deposits as at 31<sup>st</sup> March, 2018.
- (x) During the course of our examination of the books and records of the company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the company, noticed or reported during the year, nor have we been informed of such case by the management.
- (xi) According to the information and explanations given to us and based on our examination of the records of the company, the company has paid / provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197.
- (xii) In our opinion, the Company is not a nidhi company. Accordingly, the provisions of clause (xii) of paragraph 4 of the Companies (Auditor's Report) Order, 2016 are not applicable to the Company.

- (xiii) According to information and explanation given to us and on the basis of books of accounts and other relevant records of the company, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Note 36 of the Financial Statements as required by the applicable accounting standards.
- (xiv) Company has not made any private placement or preferential allotment during the year.
- (xv) According to information and explanation given to us and on the basis of books of accounts of the company no non cash transaction is entered into by the company during the year.
- (xvi) The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For Maharishi & Co.  
Chartered Accountants  
Firm Registration No.124872W

\_\_\_\_\_  
Kapil Sanghvi  
Partner  
Membership No. 146811

Signed at Jamnagar on \_\_\_\_\_

## ***Annexure B to the Auditors' report***

### **Report on the Internal Financial Controls under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ('the act')**

We have audited the internal financial control over financial reporting of OCEANIC FOODS LIMITED ('the company') as of 31<sup>st</sup> March, 2018 in conjunction with our audit of the standalone financial statement of the company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

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

#### **Auditors' Responsibility**

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

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

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

### **Meaning of Internal Financial Control 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 purpose 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 authorization of the 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 misstatement due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

In our opinion, the company has, in all material respects, an adequate internal financial control system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March, 2018 based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Maharishi & Co.  
Chartered Accountants  
Firm Registration No.124872W

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Kapil Sanghvi  
Partner  
Membership No.141168

Signed at Jamnagar on \_\_\_\_\_



## **Balance Sheet as on 31<sup>st</sup> March 2018**

<b>Balance Sheet for the year ended as at 31st March, 2018</b>				
				<b>(Amount in Rs.)</b>
<b>Particulars</b>	<b>Note</b>	<b>31-Mar-18</b>	<b>31-Mar-17</b>	
<b>I EQUITY AND LIABILITIES</b>				
<b>1</b> Shareholders' fund				
(a) Share Capital	3	3,75,00,000	3,75,00,000	
(b) Reserves & Surplus	4	14,67,06,978	13,49,51,002	
Total Shareholder's Fund		18,42,06,978	17,24,51,002	
<b>2</b> Non - Current liabilities				
(a) Long-term borrowings	5	73,83,551	28,70,085	
(b) Deferred Tax Liabilities (net)	6	81,95,214	71,12,800	
(c) Other Long Term Liabilities	7	1,30,000	---	
(d) Long term provisions	8	10,87,048	14,22,792	
Total Non - Current Liabilities		1,67,95,813	1,14,05,677	
<b>3</b> Current Liabilities				
(a) Short term Borrowings	9	17,89,37,352	16,21,71,458	
(b) Trade payables	10			
(i) total outstanding dues of micro enterprises and small enterprise		-	-	
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		4,06,43,562	7,31,88,535	
(c) Other current liabilities	11	68,73,197	48,43,575	
(d) Short Term Provisions	12	43,67,603	1,08,51,406	
Total Current Liabilities		23,08,21,714	25,10,54,974	
<b>TOTAL EQUITY &amp; LIABILITIES</b>		<b>43,18,24,505</b>	<b>43,49,11,653</b>	
<b>II ASSETS</b>				
<b>1</b> Non-Current Assets				
(a) Fixed Assets				
(i) Tangible assets	13	12,74,80,934	11,68,00,790	
(b) Non Current Investment	14	25,62,375	25,62,375	
(c) Loans and advances	15	23,19,832	23,19,832	
Total - Non Current Assets		13,23,63,141	12,16,82,997	
<b>2</b> Current Assets				
(a) Inventories	16	4,61,97,596	8,43,24,763	
(b) Trade receivables	17	12,68,34,398	15,52,04,573	
(c) Cash and Cash equivalents	18	7,36,78,242	3,05,66,836	
(d) Short term Loans and advances	19	4,78,66,551	4,27,02,858	
(e) Other Current Assets	20	49,02,576	4,29,626	

	Total - Current Assets		29,94,61,364	31,32,28,656
	<b>TOTAL ASSETS</b>		<b>43,18,24,505</b>	<b>43,49,11,653</b>
	<b>Significant Accounting Policies</b>	<b>2</b>		
	<b>The notes referred to above forms an integral part of the Balance Sheet.</b>			
	<b>As per our report of even date</b>			
	<b>For Maharishi &amp; Co</b>			For and on behalf of Board
	<b>Chartered Accountants</b>			Oceanic Foods Limited
	<b>Firm Reg. No. 124872W</b>			
			Vinodrai D. Patel	Ajesh V. Patel
	<b>Kapil Sanghvi</b>		Managing Director	Wholetime Director
	<b>Partner</b>		DIN 00083526	DIN 00083536
	<b>Membership No. : 141168</b>			
			Shrinivas A Jani	Tulan V. Patel
			Chief Financial Officer	Chief Executive Officer
			Krishna S. Adhyaru	
			Company Secretary & Compliance Officer	
	<b>Signed at Jamnagar on 28<sup>th</sup> May 2018</b>			

## **Statement of Profit & Loss as on 31<sup>st</sup> March 2018**

Statement of Profit & Loss for the year ended 31st March, 2018				
				(Amount in Rs.)
Particulars		Note	31-Mar-18	31-Mar-17
<b>I</b>	<b>INCOME</b>			
	Revenue from operations	21	81,49,56,088	78,25,62,670
	Other income	22	12,56,406	21,35,264
	<b>TOTAL REVENUE</b>		<b>81,62,95,495</b>	<b>78,46,97,934</b>
<b>II</b>	<b>EXPENSES</b>			
	Cost of materials consumed	23	53,33,73,708	53,48,30,149
	Purchase of Stock in trade	24	---	3,33,05,115
	Changes in inventories			
	Work in Process	25	3,78,51,305	49,00,551
	Finished goods	25	-16,56,963	-20,40,941
	Employee benefits expense	26	3,21,35,152	2,82,57,918
	Finance costs	27	2,27,64,155	3,14,52,266
	Depreciation and amortization expense	13	71,32,174	65,90,979
	Other expenses	28	16,52,16,049	11,65,97,359
	<b>TOTAL EXPENSES</b>		<b>79,68,15,580</b>	<b>75,38,93,396</b>
<b>III</b>	Profit before exceptional and extraordinary items and tax		<b>1,93,96,915</b>	<b>3,08,04,538</b>
<b>IV</b>	Tax Expenses	29		
	Current Tax		54,30,173	97,16,975
	Deferred Tax		10,82,414	10,13,076
	Total Tax Expenses		<b>65,12,587</b>	<b>1,07,30,051</b>
<b>V</b>	<b>PROFIT/(LOSS) FOR THE YEAR (III-IV)</b>		<b>1,28,84,328</b>	<b>2,00,74,487</b>
<b>VI</b>	Earnings per equity share	30	<b>3.44</b>	<b>7.26</b>
	Basic & Diluted			
	<b>Significant Accounting Policies</b>	2		
<b>The notes referred to above forms an integral part of the Statement of Profit &amp; Loss</b>				
<b>As per our report of even date</b>			For and on behalf of Board	
<b>For Maharishi &amp; Co</b>			Oceanic Foods Limited	
<b>Chartered Accountants</b>				
<b>Firm Reg. No. 124872W</b>			Vinodrai D. Patel	Ajesh V. Patel
			Managing Director	Wholetime Director
			DIN:00083526	DIN: 00083536
<b>Kapil Sanghvi</b>				
<b>Partner</b>			Shrinivas A Jani	Tulan V. Patel
<b>Membership No. : 141168</b>			Chief Financial Officer	Chief Executive Officer
			Krishna S. Adhyaru	
<b>Signed at Jamnagar on 28<sup>th</sup> May 2018</b>			Company Secretary & Compliance Officer	

## **Cash Flow Statement as on 31<sup>st</sup> March 2018**

Cash Flow Statement for the year ended 31 March, 2018		
		(Amount in Rs.)
Particulars	31-Mar-18	31-Mar-17
<b>A. Cash flow from operating activities</b>		
<b>Net profit before taxation</b>	<b>1,93,96,915</b>	<b>3,08,04,538</b>
<u>Adjustment for:</u>		
Depreciation & Impairment	71,32,174	65,90,979
Finance Cost	2,27,64,155	3,14,52,266
Interest Income	-3,12,060	-15,18,946
Lease Rent Income	-6,98,100	-6,16,228
Dividend Income	--	-90
Unrealised Foreign Exchange Gain	-6,24,077	-3,62,148
<b>Operating Profit before working capital changes</b>	<b>4,76,59,008</b>	<b>6,63,50,371</b>
<u>Movements in working capital:</u>		
Decrease/-Increase in Inventories	3,81,45,167	14,38,555
Decrease/-Increase in Trade Receivable	2,89,94,251	-4,12,81,281
Decrease/-Increase in Loans and Advances	-87,68,389	-25,57,520
Decrease/-Increase in Other Current Assets	-44,72,950	-4,29,626
Increase/-Decrease in Trade Payables	-3,25,44,972	5,13,34,972
Increase/-Decrease in Other Long Term Liabilities	1,30,000	-100,000
Increase/-Decrease in Other Current Liabilities	30,42,523	4,99,380
Increase/-Decrease in Provisions	-1,69,347	15,05,298
Sub-Total Movement in Working Capital	2,43,56,283	1,04,09,778
Cash generated from operations	7,20,15,291	7,67,60,149
Direct taxes paid (net of refunds)	-69,99,825	-91,27,691
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>6,50,15,465</b>	<b>6,76,32,458</b>
<b>B. Cash flow from investing activities</b>		
Purchase of fixed assets	-1,81,87,317	-2,29,68,198
Sale proceeds from sale of fixed assets	3,75,000	--
Interest Income	3,12,060	27,75,613
Lease Rent Income	6,98,100	6,16,228
Dividend Income	--	90
Sale of Investments	---	50,00,000
<b>NET CASH FLOW FROM INVESTING ACTIVITIES</b>	<b>-1,68,02,157</b>	<b>-1,45,76,267</b>
<b>C. Cash flow form financing activities</b>		
Share issue expenses	---	8,69,483
Proceeds / - Repayment of long-term borrowings	45,13,466	16,65,983
Proceeds /-Repayment from Short-term borrowings	1,42,77,140	-8,55,40,777
Finance Cost	-2,27,64,155	-3,14,52,266

	Dividend Paid	-11,28,353	-8,27,459
	Net Proceeds from Issue of Shares	---	5,95,58,781
	<b>NET CASH CLOW FROM FINANCING ACTIVITIES</b>	<b>-51,01,902</b>	<b>-5,57,26,255</b>
	<b>NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)</b>	<b>4,31,11,406</b>	<b>-26,70,064</b>
	<b>Cash and cash equivalents at the beginning of the year</b>	3,05,66,837	3,32,36,899
	<b>Cash and cash equivalents at the end of the year</b>	7,36,78,243	3,05,66,837
	<b>Components of cash and cash equivalents as at the end of the year</b>		
	Cash and cheques on hand	43,024	93,041
	With bank		
	- In current account	7,36,35,219	3,04,73,796
	<b>TOTAL</b>	7,36,78,243	3,05,66,837
	<b>Significant Accounting Policies</b>	2	
	<b>The notes referred to above forms an integral part of the Cash Flow Statement</b>		
	<b>As per our report of even date</b>		
	<b>For Maharishi &amp; Co</b>	For and on behalf of Board	
	<b>Chartered Accountants</b>	Vinodrai D Patel	Ajesh V Patel
	<b>Firm Reg. No. 124872W</b>		
		Managing Director	Wholetime Director
	<b>Kapil Sanghvi</b>		
	<b>Partner</b>	DIN 00083526	DIN 00083536
	<b>Membership No. : 141168</b>	Shrinivas A Jani	Tulan V. Patel
		Chief Financial Officer	Chief Executive Officer
		Krishna S. Adhyaru	
		Company Secretary & Compliance Officer	

## ***Notes on accounts and Significant accounting policies***

<b>Notes on Accounts &amp; Significant Accounting Policies :</b>	
	<b>Corporate Information :</b>
	Oceanic Foods Limited was incorporated in 1993. The Company is situated at Jamnagar. The Company is engaged in processing and sales of dehydrated vegetables.
<b>1</b>	<b><u>Significant Accounting Policies :</u></b>
<b>a</b>	<b><u>Accounting Charges:</u></b>
	The financial statements have been prepared to comply in all material respects with the standards specified under Section 133 of the Companies Act, 2013 ("Act"), read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Act. The financial statements have been prepared under historical cost convention on an accrual basis except in case of assets for which provision for impairment is made. The accounting policies have been consistently applied by the Company and except for the changes in accounting policy discussed below, are consistent with those used in the previous year.
<b>b</b>	The Company has considered its operating cycle as 12 months for the purpose of Current or Non - Current classification of Assets and Liabilities.
<b>2</b>	<b><u>Use of Estimates:</u></b>
	The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumption that effect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as at the financial statements and the results of operations during the reporting period. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future result could differ from those estimates. The effects of change in accounting estimates are reflected in the financial statements in the period in which the results are known and if material, are disclosed in the financial statements.
<b>3</b>	<b><u>Inventories:</u></b>
<b>a</b>	Raw Materials and stores and spares are valued at lower of cost and net realizable value. However , materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost of raw materials and stores and spares is determined on a weighted average basis.
<b>b</b>	Semi finished goods and finished goods are valued as lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost is determined on a weighted average basis.

<b>C</b>	Traded goods are valued at lower of cost and net realizable value. Cost include cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on a weighted average basis.	
<b>4</b>	<b><u>Cash Flow Statement:</u></b>	
<b>a</b>	Cash Flows are presented using indirect method, whereby profit/(loss) before extra ordinary items and tax is adjusted for the effects of transactions of non -cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flow from operating, investing and financing activities of the company is segregated based on the available information.	
<b>b</b>	Cash comprises of cash on hand and demand deposits with banks. Cash equivalents are short term balances, highly liquid investment with maturity of 3 months or less that are readily convertible into cash.	
<b>5</b>	<b><u>Depreciation &amp; Amortisation:</u></b>	
<b>a</b>	Depreciation on tangible assets is provided on the straight-line method over the useful lives of assets as prescribed under Part C of Schedule II of the Companies Act 2013.	
<b>b</b>	The company believes that the useful lives as given below best represent the useful lives of these assets based on internal assessment and supported by technical advice where necessary which may be different from the useful lives as prescribed under Part C of Schedule II of the Companies Act 2013.	
<b>Sr No</b>	Assets Category	Useful Life (Years)
<b>1</b>	Building	30 Years
<b>2</b>	Computers	3 Years
<b>3</b>	Furniture & Fixtures	10 Years
<b>4</b>	Plant & Machinery	15 Years
<b>5</b>	Vehicle	8 Years
<b>6</b>	<b><u>Revenue Recognition:</u></b>	
<b>a</b>	Revenue from sale of goods is recognized when all the significant risks and rewards of ownership of the goods have been passed to the buyer, usually on delivery of the goods. The Company collects value added tax and GST on behalf of the government and therefore, there are not economic benefits followings to the company. Hence, they are excluded from revenue.	

<b>b</b>	Interest Income and Rental Income are recognised on a time proportion basis taking into account the amount outstanding and the interest rate applicable.
<b>c</b>	Revenue in respect of other income is recognised when no significant uncertainty as to its determination or realisation exists.
<b>7</b>	<b><u>Fixed Assets:</u></b>
<b>a</b>	Tangible Fixed Assets are stated at cost less accumulated depreciation / amortisation and impairment loss, if any, except freehold land which is carried at cost. The cost of Tangible Fixed Assets comprises its purchases price, borrowing cost and any cost directly attributable to the bringing the assets to its working condition for its intended use, net charges on foreign exchange contracts and adjustment arising from exchange rate variations attributable to the assets. Subsequent expenditures related to an item of Fixed Assets are added to its book value only if they increases the future benefits from the existing asset beyond its previously assessed standard of performance.
<b>b</b>	All other expenses on fixed assets, including repair and maintenance expenditure and replacement expenditure of parts, are charged to Statement of Profit and Loss for the period during the which such expenses are incurred
<b>c</b>	Gains or losses that arise on disposal or retirement of an asset are measured as the difference between net disposal proceeds and the carrying value of an asset and are recognised in the statement of profit and loss when the asset is derecognised.
<b>8</b>	<b><u>Foreign Currency Transactions:</u></b>
<b>a</b>	Initial Recognition: Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting current and the foreign currency at the date of the transactions.
<b>b</b>	Conversion: Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non- monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transactions. Non-monetary items, which are measured at fair value or others similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.
<b>c</b>	Exchange Differences: The company accounts for exchange differences arising on translation/ settlement of foreign currency monetary are recognized as income or as expenses in the period in which they arise.
<b>9</b>	<b><u>Government Grants:</u></b>
<b>a</b>	Revenue related grants are recognised on accrual basis wherever there is reasonable certainty and are disclosed under other operating income. Receivables of such grants are shown under Other Current Assets.



<b>b</b>	Export benefits are accounted in the year of exports based on eligibility and when there is no uncertainty in receiving the same. Receivables of such export benefits are shown under Other Current Assets.
<b>c</b>	Capital grants are accounted as Capital Subsidy and adjusted against the cost of Fixed Assets in the year so receipt.
<b>10</b>	<b><u>Investment:</u></b>
<b>a</b>	Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.  On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties. If an investment is acquired, or partly acquired, by the issue of shares or other securities, the acquisition cost is the fair value of the securities issued. If an investment is acquired in exchange for another asset, the acquisition is determined by reference to the fair value of the asset given up or by reference to the fair value of the investment acquired, whichever is more clearly evident.
<b>b</b>	On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.
<b>11</b>	<b><u>Employee Benefits:</u></b>
<b>a</b>	Retirement benefit in the form of provident fund is a defined contribution scheme. The company has no obligation, other than the contribution payable to the provident fund. The company recognizes contributions payable to the provident fund scheme as an expenditure, when an employee renders the related services.
	-
<b>b</b>	The Company has defined benefit plans for its employees, viz., gratuity. The cost of providing benefits under this plans are determined on the basis of actuarial valuation at each year end. Actuarial valuation is carried out for the plan using the projected unit credit method. Actuarial gains and losses for defined benefit plans are recognised in full in the period in which they occurs in the statement of profit and loss.
	-
<b>c</b>	The Company provides for the encashment of leave or leave with pay subject to certain rules. The employee are entitled to accumulate leave subject to certain limits, for future encashment. The liability is provided based on the number of days of unutilised leave at each balance sheet date.
	-

<b>12</b>	<b><u>Borrowing Costs:</u></b>
<b>a</b>	Borrowing cost includes interest and ancillary costs incurred in connection with the arrangement of borrowings and foreign exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest costs
<b>b</b>	Borrowing costs directly attributable to the construction of an asset that necessarily take a substantial period of time to get ready for its intended use are capitalized as part of the cost of the respective asset. All of these borrowing costs are expensed in the period they are incurred.
<b>13</b>	<b><u>Lease:</u></b>
<b>a</b>	Assets taken on lease by the Company in its capacity as lessee, where the company has substantially all the risks and rewards of ownership are classified as finance lease. Such a lease is capitalised at the inception of the lease at lower of the fair value or the present value of the minimum lease payments and a liability and the interest cost so as to obtain a constant periodic rate of interest on the outstanding liability of each year.
<b>b</b>	Lease arrangement where the risks and rewards incidental to ownership of an asset substantially vest with the lesser, are recognised as operating leases. Lease rentals under operating leases are recognised in the statement of profit and loss on a straight line basis over the lease term
<b>14</b>	<b><u>Earning Per Share:</u></b>
	Basic earnings per share is calculated by dividing the net profit/ loss for the year attributable to equity shareholders by weighted average number of equity shares outstanding during the year.
<b>15</b>	<b><u>Taxation:</u></b>
	-
	Provision for tax comprises of current and deferred tax Provision is made on the basis of reliefs and deductions available under relevant tax laws. Deferred tax resulting from "timing differences" between taxable and accounting income is accounted for using the tax rates and laws that are enacted or substantively enacted as on the balance sheet date. The deferred tax asset is recognised and carried forward for timing differences of items other than unabsorbed depreciation and accumulated losses only to the extent that there is a reasonable certainty that the assets can be realised in future.
	However, if there is unabsorbed depreciation or carry forward of losses, deferred tax assets are recognized only if there is virtual certainty that there will be sufficient future taxable income available to realise the assets. Deferred tax assets are reviewed as at each balance sheet date for their reliability.

<b>16</b>	<b><u>Impairment of Assets:</u></b>
	An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged to Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.
<b>17</b>	<b><u>Provision, Contingent Liabilities and Contingent Assets:</u></b>
<b>a</b>	Provision is recognised in the accounts when there is a present obligation as a result of past event(s) and it is probable that an outflow of resources will be required to settle the obligation and reliable estimate can be made. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates reviewed at each reporting date and adjusted to reflect the current best estimate
<b>b</b>	Contingent liabilities are disclosed unless the possibility of outflow of resources is remote. Contingent assets are not recognised in the financial statements.

## **Notes forming part of Balance sheet and Profit & loss statement**

### **Notes forming part of the balance sheet & Profit & loss account**

<b>Note No.</b>	<b>Particulars</b>			<b>31-Mar-18</b>	<b>31-Mar-17</b>
<b>3</b>	<u>SHARE CAPITAL</u>	-	-	-	-
<b>(a)</b>	<u>Authorized Share Capital</u>				
	Equity Shares of Rs. 10 each		No. of Equity Shares	70,00,000	70,00,000
			Amount	7,00,00,000	7,00,00,000
	Issued, Subscribed & Paid up Share Capital		No. of Equity Shares	37,50,000	37,50,000
	Equity Shares of Rs. 10 each		Amount	3,75,00,000	3,75,00,000
	<b>TOTAL SHARE CAPITAL</b>			<b>7,00,00,000</b>	<b>7,00,00,000</b>
<b>(b)</b>	<u>Reconciliation of the shares outstanding at the beginning and at the end of the reporting period - Equity Shares</u>				
	At the beginning of the period		No. of Equity Shares	37,50,000	27,50,000
			Amount	3,75,00,000	2,75,00,000
	Issued during the period		No. of Equity Shares	---	10,00,000
			Amount	---	1,00,00,000
	Outstanding at the end of the period		No. of Equity Shares	37,50,000	37,50,000
			Amount	3,75,00,000	3,75,00,000
<b>(c)</b>	<u>Terms/Rights attached to Equity Shares</u>				
	The company has only one class of equity shares having a per share value of Rs. 10/- per share. Each holder of equity shares is entitled to one vote per share.				
	In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.				
<b>(d)</b>	<u>Details of shareholders holding more than 5% shares in the company</u>				
		<u>No.</u>	<u>% of total holding</u>	<u>No.</u>	<u>% of total holding</u>

	Ajesh V Patel	3,52,495	9.40%	3,52,495	9.40%
	Ajesh V Patel (HUF)	1,48,500	3.96%	1,48,500	3.96%
	Nirmalaben V Patel	4,57,468	12.20%	4,57,468	12.20%
	Tulan V Patel	3,36,600	8.98%	3,36,600	8.98%
	Vinodrai D Patel	7,42,500	19.80%	7,42,500	19.80%
	Vinodrai D Patel (HUF)	6,29,937	16.80%	6,29,937	16.80%
	As per records of the company, including its register of shareholders/members and other declaration received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.				
<b>4</b>	<b><u>RESERVES &amp; SURPLUS</u></b>				
<b>(a)</b>	<b><u>Security Premium</u></b>				
	Opening Balance			4,95,58,781	
	Add: premium received on issue of equity shares			---	5,50,00,000
	Less; Share Issue Expenses			---	(5,441,219)
	<b>Sub-Total</b>			<b>4,95,58,781</b>	<b>4,95,58,781</b>
<b>(b)</b>	<b><u>General Reserve</u></b>				
	Opening Balance			75,71,046	75,71,046
	<b>Sub-Total</b>			<b>75,71,046</b>	<b>75,71,046</b>
<b>(c)</b>	<b><u>Surplus / (Deficit) in Statement of Profit and Loss</u></b>				
	Opening Balance			7,78,21,175	58,875,041
	Add: Profit during the year			1,28,84,328	2,00,74,487
	Less: Provision for Proposed Dividend [ Dividend per Share Rs. 2.5/- (Previous Year Rs. 2.5/-)]			(9,37,500)	(9,37,500)
	Less: Provision for Tax on Dividend			(1,90,853)	(1,90,853)
	<b>Sub-Total</b>			<b>8,95,77,151</b>	<b>7,78,21,175</b>
	<b>TOTAL RESERVE &amp; SURPLUS</b>			<b>14,67,06,978</b>	<b>13,49,51,002</b>
<b>5</b>	<b><u>LONG TERM BORROWINGS</u></b>				
	<b><u>Term Loan from Bank</u></b>	Non Current		---	---
		Current Maturity		---	17,28,960
	<b><u>Car Loan from Bank</u></b>	Non Current		52,53,570	---
		Current Maturity		6,41,430	---

	<b>Term Loan from NBFC</b>	Non Current	21,29,981	28,70,085
		Current Maturity	7,40,105	6,65,476
			<b>73,83,551</b>	<b>28,70,085</b>
	The above amount includes			
	Secured borrowings		73,83,551	28,70,085
	Unsecured borrowings		-	-
	<b>Total Borrowings</b>		<b>73,83,551</b>	<b>28,70,085</b>
	<b>Term Loan from Bank (HDFC)</b>			
<b>(a)</b>	Loan is secured against hypothecation of stock, book debt and fixed assets. It is also secured by equitable mortgage of Industrial Land and Building situated at Jamnagar-Porbandar Highway at Lalpur, District Jamnagar and personal guarantee of directors.			
<b>(b)</b>	Rate of Interest is MCLR + 1.35%			
<b>(c)</b>	Term Loan was repayable in 60 monthly instalment of Rs. 1,87,339/- commencing from 07/02/2013.			
	<b>Car Loan from Bank (SBI):</b>			
<b>(a)</b>	Term Loan is Secured against vehicle finance			
<b>(b)</b>	Rate of Interest is MCLR + 0.45%.			
<b>(c)</b>	Term Loan is repayable in 84 monthly instalment of Rs. 93,700/- commencing from 01/04/2018.			
	<b>Term Loan from NBFC</b>			
<b>(a)</b>	Term loan is secured against vehicle finance.			
<b>(b)</b>	Interest rate of loan is 10.82%.			
<b>(c)</b>	Term Loan is repayable in 36 monthly instalment of Rs. 84,250/- commencing from 02/06/2016 and last instalment of Rs. 20,83,050/-.			
<b>6</b>	<b>DEFERRED TAX LIABILITY (NET)</b>	-		
	<u>Deferred Tax Liability</u>			
	Difference of Written Down Value of Assets		86,45,356	76,62,300
	<u>Deferred Tax Assets</u>			
	Gratuity Provision		-4,50,142	-5,49,500
	<b>TOTAL</b>		<b>81,95,214</b>	<b>71,12,800</b>
<b>7</b>	<u>Long Term Liabilities</u>	-		
	Lease Rent Deposit		1,30,000	-
	<b>TOTAL</b>		<b>1,30,000</b>	<b>-</b>
<b>8</b>	<u>Long Term Provisions</u>	-		

	Gratuity			10,87,048	14,22,792
	<b>TOTAL</b>			<b>10,87,048</b>	<b>14,22,792</b>
<b>9</b>	<u>SHORT TERM BORROWINGS</u>	-			
					-
	<u>Secured borrowing from Bank</u>				-
	Cash Credit			-	35,42,164
					-
	<u>Unsecured Loans</u>				-
	Loans from Directors			1,70,43,596	38,75,900
	Loans from Director's Relatives & Shareholders			16,18,93,756	15,47,53,394
	<b>TOTAL</b>			<b>17,89,37,352</b>	<b>16,21,71,458</b>
	The above amount includes				
	Secured borrowings			-	35,42,164
	Unsecured borrowings			17,89,37,352	15,86,29,294
	<b>Total Borrowings</b>			<b>17,89,37,352</b>	<b>16,21,71,458</b>
	<b>Cash Credit</b>				
<b>(a)</b>	Loan is secured against hypothecation of stock, book debt and fixed assets. It is also secured by equitable mortgage of Industrial Land and Building situated at Jamnagar-Porbandar Highway at Lalpur, District Jamnagar and personal guarantee of directors.				
<b>(b)</b>	Rate of interest is MCLR + 1.35 % .				
<b>(c)</b>	It is repayable on demand.				
	<b>Loan from Directors, Shareholders and relatives of Directors</b>				
<b>(a)</b>	Loans and advances from directors, shareholders and relatives of directors are unsecured.				
<b>(b)</b>	Rate of interest is 12 % p.a.				
<b>(c)</b>	It is repayable on demand				
<b>10</b>	<u>TRADE PAYABLES</u>	-			
	Dues to parties registered under MSMED Act, 2006			-	-
	Others			4,06,43,562	7,31,88,535
	<b>TOTAL</b>			<b>4,06,43,562</b>	<b>7,31,88,535</b>
	The information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the company. The amount of principal and interest outstanding as at 31.03.18 is given below:				

	(i) Amounts unpaid as at end of period		Principal	-	-
			Interest	-	-
	(ii) Amounts paid after appointed date during the period			-	-
	(iii) Amount of interest accrued and unpaid as at period end			-	-
	(iv) Amount of interest paid during the period as per section 16			-	-
<b>11</b>	<u>OTHER CURRENT LIABILITIES</u>	-			
	Statutory dues			20,97,224	23,67,978
	Advances from Customers			33,94,438	81,161
	Current Maturities of long term borrowings			13,81,535	23,94,436
	<b>TOTAL</b>			<b>68,73,197</b>	<b>48,43,575</b>
<b>12</b>	<u>SHORT TERM PROVISIONS</u>	-			
					-
	<u>Provision for Employee Benefits</u>				-
	Bonus			4,10,122	3,49,898
	Gratuity			2,74,418	2,39,146
	Provision for leave benefits			2,41,743	2,15,715
	Salary & Wages			17,80,754	17,35,881
	Sub-Total			<b>27,07,037</b>	<b>2,540,640</b>
	<u>Other Provisions</u>				
	Dividend			11,28,353	11,28,353
	Income Tax			---	51,74,348
	Expenses			5,32,213	20,08,065
	Sub-Total			<b>16,60,566</b>	<b>83,10,766</b>
	<b>TOTAL PROVISION</b>			<b>43,67,603</b>	<b>1,08,51,406</b>
<b>14</b>	<u>NON CURRENT INVESTMENT</u>	-			
	Investment in Property			24,93,375	24,93,375
	Investment in Partnership Firms			9,000	9,000
	[Oceanic Exports]				
	<u>Non-Trade Investment (valued at cost unless stated otherwise)</u>				



	<u>Investment in Associate Companies</u>				
	Meridian Geoinformatics Pvt Ltd			40,000	40,000
	(4,000 Equity Shares of 10/- each fully paid - up)				
	<u>Investment in Other Companies</u>				
	Empire Spices & Food Pvt Ltd			15,000	15,000
	(1,500 Equity Shares of 10/- each fully paid -up)				
	<u>Other Investments</u>				
	National Savings Certificate			5,000	5,000
	<b>TOTAL</b>			<b>25,62,375</b>	<b>25,62,375</b>
	Aggregate amount of unquoted investments			55,000	55,000
	Value of Investment Property			24,93,375	24,93,375
	Value of Other Investment			14,000	14,000
<b>15</b>	<u>LONG TERM LOANS &amp; ADVANCES</u>	-			
	(Unsecured, Considered Good)				
	Security Deposit			23,19,832	23,19,832
	<b>TOTAL</b>			<b>23,19,832</b>	<b>2,149,155</b>
<b>16</b>	<u>INVENTORIES</u>	-	-	-	-
	<b>(Cost or NRV whichever is lower)</b>				-
	Raw Material			4,47,025	21,45,000
	Work In Progress			4,06,84,874	7,85,36,179
	Finished Goods			42,50,547	25,93,584
	Stores & Fuel			7,97,150	10,50,000
	<b>TOTAL</b>			<b>4,61,79,596</b>	<b>8,43,24,763</b>
<b>17</b>	<u>TRADE RECEIVABLES</u>	-			
	(Unsecured, Considered Good)				
	Outstanding for more than 6 months from the date they are due for payment			38,72,580	13,10,183
	Others			12,29,61,818	15,38,94,390
	<b>TOTAL</b>			<b>12,68,34,398</b>	<b>15,52,04,573</b>
<b>18</b>	<u>CASH &amp; CASH EQUIVELENT</u>	-			
	<b>Balances with Bank</b>				
	Cash on Hand			43,024	93,041

	On Current Account			7,36,35,219	3,04,73,796
	<b>TOTAL</b>			<b>7,36,78,243</b>	<b>3,05,66,837</b>
<b>19</b>	<u>SHORT TERM LOANS &amp; ADVANCES</u>				
	(Unsecured, Considered Good)				-
	Advances to be received in cash or in kind			6,37,709	65,61,037
	Balances with Govt Authority			4,72,28,842	3,61,41,821
	<b>TOTAL</b>			<b>4,78,66,551</b>	<b>4,27,02,858</b>
<b>20</b>	<u>OTHER CURRENT ASSETS</u>	-			
	(Unsecured, Considered Good)				-
	Other assets			49,02,576	4,29,626
	<b>TOTAL</b>			<b>49,02,576</b>	<b>4,29,626</b>
<b>21</b>	<u>REVENUE FROM OPERATIONS</u>	-	-	-	-
<b>(a)</b>	<b>Sale of Products</b>				
	Manufactured & Traded goods			74,77,59,074	73,76,01,960
	<b>TOTAL</b>			<b>74,77,59,074</b>	<b>73,76,01,960</b>
	<u>Bifurcation of sale of products under broad heads</u>				
	Onion			58,55,96,831	61,07,74,260
	Garlic			14,27,85,231	11,55,45,062
	Others			1,88,56,599	1,09,74,281
	<u>By Products:</u>				
	Onion			---	1,89,300
	Garlic			5,20,413	1,19,050
	<b>Total</b>			<b>74,77,59,074</b>	<b>73,76,01,960</b>
<b>(b)</b>	<b>Other Operating Income</b>				
	Export Income			1,47,18,888	1,41,91,437
	Exchange rate fluctuation			45,69,745	23,39,285
	Recovery of Charges			4,63,31,055	2,80,97,717
	Other Income			15,77,327	3,32,271
	<b>TOTAL</b>			<b>6,71,97,014</b>	<b>4,49,60,710</b>
	<b>TOTAL REVENUE FROM OPERATION</b>			<b>81,49,56,088</b>	<b>78,25,62,670</b>

<b>22</b>	<u>OTHER INCOME</u>	-	-	-	-
					-
	Dividend Income			-	90
	Interest			3,12,060	15,18,946
	Lease Income			6,98,100	6,16,228
	Salary/Wages Reversal			37,509	---
	Short/Excess A/c			2,08,738	---
	<b>TOTAL</b>			<b>12,56,406</b>	<b>21,35,264</b>
<b>23</b>	<u>COST OF MATERIAL CONSUMED</u>	-	-	-	-
					-
	<u>Opening Stock</u>				-
	Raw Material			21,45,000	8,39,885
					-
	<u>Purchases</u>				-
					-
	Purchase of Raw Material			19,26,36,085	20,07,16,766
	Purchase of Semi Finished Goods			33,90,39,648	33,54,18,498
					-
	<u>Closing Stock</u>				-
	Raw Material			4,47,025	21,45,000
	<b>TOTAL</b>			<b>53,33,73,708</b>	<b>53,48,30,149</b>
					-
	<b>Consumption of raw materials</b>				-
	Onion			30,94,80,552	2,14,08,483
	Garlic			21,35,91,498	17,80,03,168
	Others			1,03,01,658	33,54,18,498
	<b>Total</b>			<b>53,33,73,708</b>	<b>53,48,30,149</b>
					-
<b>24</b>	<u>PURCHASE OF TRADED GOODS</u>	-	-	-	-
					-
	Purchase of Traded Goods			---	3,33,05,115
	<b>TOTAL</b>			<b>---</b>	<b>3,33,05,115</b>
					3,04,92,615

	Onion			--	
	Garlic			--	28,12,500
	<b>Total</b>			<b>---</b>	<b>3,33,05,115</b>
<b>25</b>	<u>CHANGES IN INVENTORIES</u>				
	<u>Finished goods</u>				
	Opening Stock			25,93,584	5,52,643
	Closing Stocks			42,50,547	25,93,584
	<b>Change in inventory of finished goods</b>			-16,56,963	-20,40,941
	<u>Semi Finished Goods</u>				
	Opening Stock			7,85,36,179	8,34,36,730
	Closing Stocks			4,06,84,874	7,85,36,179
	<b>Change in inventory of semi finished goods</b>			3,78,51,305	49,00,551
<b>26</b>	<u>EMPLOYEE BENEFIT EXPENSES</u>				
		-	-	-	-
	Salary, Wages & Bonus			1,81,94,935	1,46,67,027
	Directors Remuneration			1,06,03,764	1,06,03,764
	Contribution to provident and other fund			24,87,674	23,75,590
	Gratuity Expenses			2,74,418	2,60,350
	Staff Welfare Expenses			7,54,361	5,31,187
	<b>TOTAL</b>			<b>3,21,35,152</b>	<b>2,82,57,918</b>
<b>27</b>	<u>FINANCE COST</u>				
		-	-	-	-
	Interest on Working Capital Loan			1,10,836	36,78,852
	Interest on Term Loan			--	3,62,128
	Interest on Car Loan			3,14,070	3,70,949
	Interest on Unsecured Loan			2,08,85,887	2,52,81,192
	Interest on Income Tax			5,13,794	5,77,651

	Other Bank Charges			9,39,568	11,81,494
	<b>TOTAL</b>			<b>2,27,64,155</b>	<b>3,14,52,266</b>
<b>28</b>	<u>OTHER EXPENSES</u>	-	-	-	-
					-
	Advertising & Sales Promotion			28,32,070	22,85,041
	Communication cost			3,40,899	4,48,375
	Consumption of Stores			2,79,06,191	1,92,73,198
	Cleaning & Sorting Expenses			12,05,119	5,88,202
	Food Preservation Charges			84,16,418	87,24,902
	Freight & Forwarding			4,97,34,789	2,41,99,879
	Insurance			5,48,573	4,31,103
	Legal & consultancy Charges			7,78,663	9,90,085
	Office Admin Exp			24,67,135	20,94,474
	Other misc exp			23,03,505	9,27,906
	Quality Control & Laboratory Expenses			81,19,885	5,17,202
	Powder Expenses			61,85,294	82,52,450
	Power & Fuel			84,78,230	87,06,401
	Rates and taxes			68,04,517	27,95,503
	Rent			15,66,000	15,68,077
	Repairs & Maintenance				
	Building			80,86,667	39,64,853
	Machineries			29,72,303	21,24,417
	Others			16,95,398	12,52,634
	Research & Development Expenses			15,43,930	7,37,583
	Additional Processing Expense			2,16,00,270	2,50,23,754
	Travelling & Conveyance			15,20,194	15,96,319
	Remuneration to auditors			1,10,000	95,000
	<b>Total</b>			<b>16,52,16,049</b>	<b>11,65,97,359</b>

	<u>Payment to auditors includes</u>				-
	statutory Audit			60,000	60,000
	Tax Audit			25,000	25,000
	Income Tax Return			10,000	10,000
	<b>Total</b>			<b>95,000</b>	<b>95,000</b>
	<b>Total Other Expenses</b>			<b>16,52,16,049</b>	<b>11,65,97,359</b>
<b>29</b>	<u>Tax Expenses</u>	-	-	-	-
					-
	<u>Current Tax</u>				
	Provision for current year			54,35,671	97,38,800
	Taxation of Earlier years			-5498	-21,825
				54,30,173	97,16,975
	Deferred Tax			10,82,414	10,13,076
	<b>TOTAL</b>			<b>65,12,587</b>	<b>1,07,30,051</b>
<b>30</b>	<u>EARNING PER SHARE</u>	-	-	-	-
					-
	Net profit as per P & L			1,28,84,328	2,00,74,487
	Weighted Avg. No. of Shares			37,50,000	27,63,700
	<b>TOTAL AVERAGE</b>			<b>3.44</b>	<b>7.26</b>
<b>31</b>	<u>GRATUITY</u>	-	-	-	-
	Every employee who has completed five years or more service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service.				
	The Following table summaries the components of net benefit expense recognized in the statement of profit and loss and amounts recognized in the balance sheet for the respective plans.				
	<b>Amount in Balance Sheet:-</b>				
	Defined Benefit Obligation (DBO)			13,61,466	16,61,938
	Fair Value of Plan Assets			-	-
	<b>Liability/ (Asset) recognised in the Balance Sheet</b>			<b>13,61,466</b>	<b>16,61,938</b>
	<b>Amount Recognised in the statement of Profit &amp; Loss:-</b>				
	Current Service Cost			4,90,772	2,78,528

	Interest Cost			98,963	1,17,808
	Net Actuarial Losses / (Gains)			-3,15,317	-1,35,986
	<b>Total Expenses/ (income) included in "Employee Benefit Expenses"</b>			<b>2,74,418</b>	<b>2,60,350</b>
	<b>Change in Present Value of Benefit Obligation during the Period</b>				
	Defined Benefit Obligation, Beginning of Period			16,61,938	16,38,616
	Current Service Cost			4,90,772	2,78,528
	Interest Cost			98,963	1,17,808
	Actuarial (Gains)/ Losses			-3,15,317	-1,35,986
	Actual Benefit Paid			-5,74,890	-2,37,028
	<b>Defined Benefit Obligation, End of Period</b>			<b>13,61,466</b>	<b>16,61,938</b>
	The Principal assumptions used in determining gratuity benefit obligations for the company's plan are as below:				
	Discount Rate			7.70%	7.05%
	The estimates of future salary increase, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand of the employment market.			7.00%	7.00%
	<b>TOTAL</b>			<b>13,61,466</b>	<b>16,61,938</b>
<b>32</b>	<u>VALUE OF STORES RAWMATERIALS AND PACKING MATERIAL CONSUMED</u>				
<b>(i)</b>	Total value of Raw Material Consumed During the year				
	Imported			-	-
	Indigenous			53,33,73,708	53,48,30,149
<b>(ii)</b>	Spares Consumed				
	Imported			-	-
	Indigenous			2,79,06,191	1,92,73,198
<b>33</b>	<u>TRANSACTION IN FOREIGN CURRENCY</u>				
<b>a.</b>	Expenditure in Foreign Exchange(in Rs.)				
	Expenditure in Foreign Currency			5,29,711	18,01,426
<b>b.</b>	Earning in foreign Currency				
	Export of goods on FOB basis			30,16,37,194	34,97,71,448
<b>34</b>	<u>RELATED PARTY DISCLOSURE</u>				
		-	-	-	-
					-
	Meridian Geoinfomatic Pvt. Ltd.			Associate Company	

	<b>Key Managerial Personal</b>			<b>Designation</b>	
	Vinodrai D. Patel			Managing Director	
	Ajesh V. Patel			Wholetime Director	
	Tulan V. Patel			Chief Executive officer	
	Shrinivas Jani			Chief Finance Officer	
	Krishna Adhyaru			Company Secretary	
	<b>Relative of Key Managerial Personal</b>				
	Nirmalaben V. Patel				
	Darshita A. Patel				
	Khyati T. Patel				
	Shreya A. Patel				
	<b>Entities in which Managing Director &amp; Key managerial Person have significant influence</b>				
	Ajesh V Patel (HUF)				
	Tulan V Patel (HUF)				
	Vinodrai D Patel (HUF)				
	Rising Sun Foods Pvt. Ltd.				
	Diamond Market Co-Ownership				
	A & T Infraprojects				
<b>35</b>	<b>RELATED PARTY TRANSACTION</b>	-	-	-	-
	<b>Name of person</b>	<b>Nature of transaction</b>		<b>2017-18</b>	<b>2016-17</b>
	<b>(A) Key Managerial Personal</b>				
	Ajesh V. Patel	Director's Remuneration		45,23,904	45,23,904
		Interest		3,12,911	42,88,416
	Vinodrai D. Patel	Director's Remuneration		60,79,860	60,79,860
		Interest		11,69,618	13,53,708
	Tulan V. Patel	Salary		37,71,192	37,71,192
		Interest		46,51,627	41,59,498
	Shrinivas Jani	Salary		1,69,629	1,71,349
	Krishna Adhyaru	Salary		1,80,300	1,15,036
	<b>(B) Relative of Key Managerial Personal</b>				
	Darshita Patel	Salary		6,79,980	4,53,320
		Interest		1,72,366	91,637
	Khyati T. Patel	Interest		31,78,156	22,06,262
	Nirmalaben V. Patel	Salary		16,43,952	16,23,029
		Interest		1,05,45,024	1,17,93,237



	Shreya A. Patel	Interest		8,56,185	12,41,823
<b>(C)Entities in which Managing Director &amp; Key managerial Person have significant influence</b>					
	Rising Sun Foods P. Ltd.	Lease Rent		786,000	785,000
	Tulan V. Patel (HUF)	Interest		---	19,589
	Vinodrai D. Patel (HUF)	Interest		---	89,970
	Ajesh V. Patel (HUF)	Interest		---	37,052
	A & T Infraprojects	Lease Rent		780,000	780,000
<b>Balance Outstanding at the end of the year</b>					
	<b>Name of person</b>	<b>Nature</b>		<b>2017-18</b>	<b>2016-17</b>
	Ajesh V. Patel	Unsecured Loan		40,19,788	35,51,844
	Vinodrai D. Patel	Unsecured Loan		1,30,23,808	3,24,056
	Tulan V. Patel	Unsecured Loan		4,13,64,195	3,70,14,961
	Nirmalaben V. Patel	Unsecured Loan		8,19,03,232	9,00,50,711
	Darshita Patel	Unsecured Loan		2,84,194	13,30,724
	Khyati T. Patel	Unsecured Loan		2,90,23,658	2,48,89,358
	Shreya A. Patel	Unsecured Loan		93,18,477	14,67,640
<b>36</b>	<u>Particulars of Unhedged Foreign Currency at the reporting date</u>				
	Export Trade Receivable		USD	7,71,901	11,31,907
			INR	5,02,04,266	7,33,91,265
<b>37</b>	<u>Consumption</u>	<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>
	Imported	-	0.00%	-	0.00%
	Indigenous	53,33,73,708	100.00%	53,48,30,149	100.00%
	Total	53,33,73,708	100.00%	53,48,30,149	100.00%
<b>38</b>	<u>Contingent Liabilities not acknowledged as debt</u>				
	Name of the Statute	Nature of Dues	Forum where dispute is pending	Period to which the amount relates	Amount
	Central Sales Tax	Tax+ Interest	Assi. Commissioner of Appeals	2002-03	84,553
	Central Sales Tax	Tax+ Interest	Assi. Commissioner of Appeals	2002-03	2,440
<b>39</b>	<u>Details of utilisation of proceeds of IPO</u>				

During the F. Y 2016-17, the Company has completed the initial public offer (IPO) and raised a total capital of Rs. 6,50,00,000 by issuing 10,00,000 equity shares of Rs 10 each at a premium of Rs 55 per share. Out of this, Rs. 54,41,291/- were utilized for share issue expenses, Rs. 1,15,00,000/- were utilized for General Corporate Purpose and balance amount is lying in fixed deposits as at 31st March, 2018.

<b>Particulars</b>	<b>To be utilised as per the objectives</b>	<b>Actual utilisation as per objective</b>	<b>Unutilised amount as at 31st March 2018</b>
Working Capital Requirement	4,90,00,000	-	4,90,00,000
General Corporate Purpose	11,500,000	1,15,00,000	-
Issue Related Expenses	4,500,000	5,441,219	-
	65,000,000	1,69,41,219	4,90,00,000

**40** CONSOLIDATION OF ASSOCIATE COMPANY

The Company is having an Associate Company namely, Meridian Geoinformatics Private Limited. Since there are no significant operations in this associate company during the year and hence immaterial for consolidation. Accordingly, the accounts have not been consolidated.

**41** Other Notes

Previous year figures are regrouped, re arranged & re casted wherever necessary.

<b>Note No.</b>	<b>Particulars</b>								
<b>13</b>	<b>Tangible Fixed Assets</b>	<b>Land</b>	<b>Building</b>	<b>Plant &amp; Machinery</b>	<b>Furniture &amp; Fixtures</b>	<b>Office Equipment</b>	<b>Vehicles</b>	<b>Computers &amp; Software</b>	<b>TOTAL</b>
	<b>Cost</b>								
	As at 1st April, 2016	43,776,038	30,708,760	53,331,950	2,038,388	1,613,763	2,957,075	1,471,155	135,897,129
	Additions	32,000	3,816,142	11,501,891	2,746,544	56,220	4,649,251	166,150	22,968,198
	Disposals	-	-	-	-	-	-	-	-
	As at 31st March, 2017	43,808,038	34,524,902	64,833,841	4,784,932	1,669,983	7,606,326	1,637,305	158,865,327
	Additions	-	-	6,948,813	1,573,068	481,175	8,896,840	287,421	18,187,317
	Disposals			(375,000)					(3,75,000)
	As at 31st March, 2018	43,808,038	34,524,902	71,407,654	6,358,000	2,151,158	16,503,166	1,924,726	176,677,644
	<b>Depreciation</b>								
	As at 1st April, 2016	-	10,295,700	21,569,342	1,076,562	805,793	442,562	1,283,598	35,473,557
	Additions	-	911,394	3,861,678	278,003	589,308	854,649	95,947	6,590,979
	Disposals	-	-	-	-	-	-	-	-
	As at 31st March, 2017	-	11,207,094	25,431,020	1,354,565	1,395,101	1,297,211	1,379,545	42,064,536
	Additions		955,019	4,380,567	442,713	117,370	1,091,445	156,642	7,143,756
	Disposals			(11,582)				-	(11,582)
	As at 31st March, 2018	-	12,162,113	29,800,005	1,797,278	1,512,471	2,388,656	1,536,187	49,196,710
	<b>Net Block</b>								
	At 31st March 2017	43,808,038	23,317,808	39,402,821	3,430,367	274,882	6,309,115	257,760	116,800,790

	As at 31st March, 2018	43,808,038	22,362,789	41,607,649	4,560,722	638,687	14,114,510	388,539	127,480,934

# ***Proxy Form MGT-11***

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

## **Annual General Meeting held on Friday, 28<sup>th</sup> September 2018**

**CIN** : L15495GJ1993PLC019383  
**Name of the Company:** OCEANIC FOODS LIMITED  
**Registered Office** : Opp Brooke Bond Factory,  
P. N. Marg, Jamnagar-361002  
Gujarat, India  
**E-Mail ID** : [cs@oceanicfoods.com](mailto:cs@oceanicfoods.com)  
**Website** : [www.oceanicfoods.com](http://www.oceanicfoods.com)

<b>Name of Member(s)</b>	
<b>Registered Address</b>	
<b>Email ID</b>	
<b>Folio No./Client ID</b>	
<b>DP ID</b>	

I/we being the member of \_\_\_\_\_ Equity shares of Oceanic Foods Limited, do hereby appoint

1. Name : \_\_\_\_\_  
Address : \_\_\_\_\_  
Email ID: \_\_\_\_\_  
Signature : \_\_\_\_\_ Or Failing him.,
2. Name : \_\_\_\_\_  
Address : \_\_\_\_\_  
Email ID: \_\_\_\_\_  
Signature : \_\_\_\_\_ Or Failing him.,
3. Name : \_\_\_\_\_  
Address : \_\_\_\_\_  
Email ID: \_\_\_\_\_  
Signature : \_\_\_\_\_ Or Failing him.,

as my or our proxy to attend and vote for me/us and on my/our behalf at the Annual General Meeting of the Company, to be held on 28<sup>th</sup> September, 2018 at 04: PM at the Registered Office of the Company and at any adjournment thereof, in respect of such resolutions as are indicated below:

<b>Sr. No</b>	<b>Resolutions</b>	<b>Vote</b>		
		<b>For</b>	<b>Against</b>	<b>Abstain</b>
	<b>Ordinary Business</b>			
1.	Adoption of Audited Financial statements of the Company and Reports of Board of Directors and Auditors thereon for the Financial Year 2017-18			
2.	Appoint Mr. Vinodrai D. Patel as a director who is liable to retire by rotation and being eligible, offers himself for re-appointment			
3.	To Approve final dividend for the F. Y 2017-18 as recommended by Board of Directors @ 0.25/- per share			
4.	Appointment of M/s. Maharishi & Co., Chartered Accountants as a Statutory Auditors of the Company			
	<b>Special Business</b>			
5.	Increase of Authorised share capital from 7 Crores to 12 Crores, subject to approval of members			
6.	Alteration of Clause V of Memorandum of Association of Company			
7.	Re-appointment of Mr Nitesh Kotecha, Independent Director for further period of Three (3) Years			
8.	Re-appointment of Mr Rashmikant Makwana, Independent Director for further period of Three (3) Years			
9.	Re-appointment of Ms Vaidehi Majithia, Independent Director for further period of Three (3) Years			

Signed this \_\_\_\_\_ day \_\_\_\_\_ of 2018

Signature of shareholder

Signature of proxy holder(s)

Affix Re1/-  
Revenue stamp

## ***Attendance slip***

(To be handed over at the Registration Counter)

**Annual General Meeting held on Friday, 28<sup>th</sup> September, 2018**

<b>Folio No./DP ID – Client ID No.:</b>	
<b>No. of shares</b>	

I/we hereby record my presence at the Annual General Meeting of the company being held on 28<sup>th</sup> September, 2017 at 04:00 P M at the Registered Office of the Company situated at Opp. Brooke Bond Factory, P. N. Marg, Jamnagar-361002, Gujarat, India

1. Name of Member/Joint Holders in block Letters:

Mr. / Ms. \_\_\_\_\_

Mr. / Ms. \_\_\_\_\_

Mr. / Ms. \_\_\_\_\_

2. Address : \_\_\_\_\_  
\_\_\_\_\_

3. Father's/husband's Name of Member:

Mr. \_\_\_\_\_

4. Name of Proxy of Member:

Mr. / Ms. \_\_\_\_\_

Signature of Proxy

Signature of Member/Joint holder

**Note: Please complete the Attendance slip and hand it over at the Registration counter at the venue**