



Freshtrop Fruits Limited

Registered Office : A - 603, Shapath IV, S. G. Road, Ahmedabad-380 015, Gujarat, INDIA.  
Tel. : +91-79-40307050 - 59 Fax : +91-79-66527069 www.freshtrop.com info@freshtrop.com  
CIN : L15400GJ1992PLC018365

Date: 29<sup>th</sup> September, 2016

To,  
**The Bombay Stock Exchange Limited**  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai - 400001

**BSE SCRIP CODE – 530077**

**SECURITY ID – FRSHTRP**

**Dear Sir / Madam,**

**Sub: Copy of Annual Report – 2015-16**

Pursuant to the Regulation 34 of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 we herewith submit Copy of the Annual Report for the financial year 2015-16. The 24<sup>th</sup> Annual General Meeting (AGM) held on Thursday, 29<sup>th</sup> September, 2016.

This is for your record please.

Thanking YOU,

Yours faithfully,

**FOR FRESHTROP FRUITS LIMITED**

  
**JIGNESH GANDHI**  
**COMPANY SECRETARY**



**Encl: a/a**

**Unit-I**

Gat No. 171, Vill. Jaulke, Bombay-Agra Rd.  
Post Ozar, Tal. Dindori,  
Dist. Nasik-422 207, Maharashtra, INDIA  
Tel. : +91-2557-279 172  
Fax : +91-2557-279 108

**Unit-II**

Survey No. 1366, Savlej-Wayfale Rd.  
Post Siddhewadi, Tal. Tasgaon  
Dist. Sangli-416 311, Maharashtra, INDIA  
Tel. : +91-2346-254 871 / 2 / 3  
Fax : +91-2346-254 874

**Unit-IV**

Gat No. 598/1, Vill. Janori,  
Tal. Dindori,  
Dist. Nasik-422 206  
Maharashtra, INDIA  
Tel. : +91-2557-202 852-54



24<sup>th</sup> Annual Report 2015-16



**FRESHTROP FRUITS LIMITED**





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**Important Communication to Members**

Important Communication to Members The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the companies and has issued circulars stating that service of Notice / documents including Annual Report can be sent by e-mail to its members To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respect of electronic holding with the Depository through their concerned Depository Participants.

**ANNUAL REPORT  
2015 - 2016****CORPORATE INFORMATION****BOARD OF DIRECTORS**

Mr. Ashok V. Motiani  
Mrs. Nanita A. Motiani  
Mr. Mayur J. Shah  
Mr. Dinesh Oza  
Mr. Anil Sharma

Chairman & Managing Director  
Whole-Time Director  
Non-Executive/Independent Director  
Non-Executive/Independent Director  
Non-Executive/Independent Director

**KEY MANAGERIAL PERSONNEL**

Mr. Ashish Parekh  
Chief Financial Officer

Mr. Jignesh Gandhi  
Company Secretary

**STATUTORY AUDITORS**

M/S. Mayank Shah & Associates  
Chartered Accountants,  
706/708A, Mahakant, Opp. V. S. Hospital,  
Ellisbridge, Ahmedabad - 380 006

**SECRETARIAL AUDITOR**

R.S. Sharma & Associates

**BANKERS**

Axis Bank Limited  
Citibank, N.A.

**REGISTERED OFFICE**

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

**PLANT - I**

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

**PLANT - II**

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

**PLANT - IV**

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

## NOTICE

**NOTICE** is hereby given that 24<sup>th</sup> Annual General Meeting of the Members of Freshdrop Fruits Limited will be held on Thursday, the 29<sup>th</sup> day of September, 2016 at 11.00 a.m. at Sindhu Sewa Samaj, Sindhu Bhavan, Sindhu Bhavan Marg, Opp Pakwan, Off S.G. Road, Ahmedabad - 380059 to transact the following business:

### **ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at 31<sup>st</sup> March 2016 and statement of Profit and Loss for the year ended on that date together with the Director's Report and Auditor's Report thereon.
2. To declare dividend on Equity Shares of the Company for the year ended 31<sup>st</sup> March, 2016.
3. To appoint a Director in place of Mrs. Nanita Motiani (DIN: 00787809), who retires by rotation, and being eligible, offers herself for re-appointment.
4. To ratify the appointment of M/s Mayank Shah & Associates, Chartered Accountants, Ahmedabad (Firm Registration Number - 106109W,) as Statutory Auditors of the Company, to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting of the Company at such remuneration as may be approved by the Board of Directors of the Company. In this regard 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 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder, as amended from time to time, the appointment of M/s Mayank Shah & Associates, Chartered Accountants, Ahmedabad (Firm Registration Number - 106109W) as the Statutory Auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company at such remuneration as may be agreed upon by Board of Directors and Auditors be and is hereby ratified."

### **SPECIAL BUSINESS**

5. 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 197 read with Section II of Part II of Schedule V and other applicable provisions, if any, of the Companies Act, 2013, (including any amendment/modification thereof) and subject to the Companies (Appointment and Remuneration) Rules 2014 such other necessary approval(s), consent(s) or permission(s), as may be required, and on recommendation of Nomination and Remuneration committee and as agreed, by the Board of Directors (hereinafter referred to as the Board, which term shall unless repugnant to the context by the Board in this behalf) the consent of the Members of the Company hereby accords its approval to the re-appointment of Mr. Ashok V Motiani (DIN: 00124470), as Managing Director of the Company for a further period of 3 (three) years w.e.f. 01<sup>st</sup> August, 2016 on payment of remuneration @ 5% of the net profit of the company and in case of absence or inadequacy of profits, he be paid a minimum remuneration of ₹84,00,000/- P.A., and the terms and conditions including terms of remuneration as set out in the Explanatory Statement attached hereto and forming part of this notice with a liberty to Board of Directors on recommendation of the Nomination and Remuneration Committee of the Board of Directors of the Company to alter and vary the terms and conditions of the said appointment and /or remuneration so as agreed by and between the Board of Directors and Mr. Ashok Motiani.

**"RESOLVED FURTHER THAT** the Board of Directors be and are hereby authorized to take all such steps as may be necessary, proper and expedient to give effect to this resolution."

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

#### **Special Resolution:**

**"RESOLVED THAT** pursuant to the provisions of Section 14 and all other applicable provisions of the Companies Act, 2013 read with Rules framed thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force), the draft regulations contained in the Articles of

Association submitted to this meeting be and are hereby approved and adopted in substitution of the regulations contained in the existing Articles of Association of the Company.

**"RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

Date: August 10, 2016

By order of the Board  
For Freshtrop Fruits Ltd

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

Ashok Motiani  
Chairman & Managing Director  
(DIN: 00124470)

#### Notes:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF / HERSELF. THE PROXY NEED NOT BE A MEMBER.** 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. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
2. **THE INSTRUMENT APPOINTING PROXY SHOULD HOWEVER BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**
3. Corporate members intending to send their authorized representative to attend meeting are requested to send the Company a certified true copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the annual general meeting.
4. Information regarding appointment/re-appointment of Directors and Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 in respect of special business to be transacted are annexed hereto.
5. The Register of members and share transfer books of the Company will remain closed from **September 23, 2016 to September 29, 2016 (both days inclusive)** to determine the entitlement of the shareholders to receive dividend for the year 2015-16.
6. The dividend as recommended by the Board, if approved at the Meeting, will be paid to those members whose names appear:
  - (a) As Beneficial Owners as at the end of business hours on 22<sup>nd</sup> September, 2016 as per lists to be furnished by National Securities Depositories (NSDL) and Central Depositories Services (India) Limited (CDSL) in respect of the shares held in electronic form.
  - (b) As Member in the Register of Members of the Company after giving effect to all valid share transfer in physical form which are lodge with the Company or its Registrar and Share Transfer Agent (RTA) on or before 22<sup>nd</sup> September, 2016.
7. As per Circular No. MRD/Dop/Cir-05/2009 dated May 20, 2009 issued by Securities and Exchange Board of India (SEBI), it is mandatory to quote Permanent Account Number (PAN) for participating in the securities market. Therefore, Members holding shares in dematerialised form are requested to submit the PAN details to their Depository Participant, whereas Members holding shares in physical form are requested to submit the PAN details to the Registrar and Share Transfer Agents of the Company.
8. Shareholders seeking any information with regard to accounts are requested to write to the Company atleast 10 days before the meeting so as to enable the management to keep the information ready.



9. All documents referred to in the accompanying notice and explanatory statement will be kept open for inspection at the Registered Office of Company on all working days between 11.00 a.m. to 1.00 p.m. prior to date of Annual General Meeting.
10. Members are requested to bring their copy of Annual Report at the meeting.
11. Members holding the shares in physical mode are requested to notify immediately the change of their address and bank particulars to the R & T Agent of the Company. In case shares held in dematerialized form, the information regarding change of address and bank particulars should be given to their respective Depository Participant.

Date: August 10, 2016

By order of the Board

**For Freshrop Fruits Ltd**

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

Ashok Motiani  
Chairman & Managing Director  
(DIN: 00124470)

### **VOTING THROUGH ELECTRONIC MEANS:**

In compliance with the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to offer the facility of voting through electronic means and the business set out in the Notice above may be transacted through such electronic voting. The facility of voting through electronic means is provided through the e-voting platform of Central Depository Services (India) Limited ("remote e-voting").

#### **The instructions for members for voting electronically are as under:-**

- (i) The voting period begins on **September 26, 2016 (9.00 A.M.) and ends on September 28, 2016 (5.00 p.m.)**. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of **September 22, 2016** may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
- (iii) Click on Shareholders
- (iv) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:



**For Members holding shares in Demat Form and Physical Form**

PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number (refer serial no. printed on the name and address sticker/Postal Ballot Form/mail) in the PAN field.</li> <li>In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters E.g. If your name is Ramesh Kumar with serial number 1 then enter RA00000001 in the PAN field.</li> </ul>
Dividend Bank Details	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to OR login.
Date of Birth (DOB)	<ul style="list-style-type: none"> <li>If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).</li> </ul>

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN along with "Company Name" i.e. **"Freshtrop Fruits Limited"** on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/ NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively on or after 30th June 2016. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xix) Note for Non - Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a Compliance User should be created using the admin login and

- password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

**In case of members receiving the physical copy:**

- (A) Please follow all steps from sl. no. (i) to sl. no. (xix) above to cast vote.
- (B) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

**OTHER E-VOTING INSTRUCTIONS**

- i. The voting rights of shareholders shall be in proportion to their shares of the Paid up Equity Share Capital of the Company.
- ii. M/s R.S. Sharma & Associates, Company Secretaries (Membership No.: FCS 3126; CP No: 2118) (Address: 402, "Panchdeep" Nr. Mayur Colony, Mithakhali Six Road, Navrangpura, Ahmedabad - 380 009) has been appointed as the Scrutinizer to scrutinize the e-Voting process.
- iii. The Results shall be declared on the date of AGM of the Company. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.freshtrop.com](http://www.freshtrop.com) and on the website of CDSL <https://www.evotingindia.co.in> within two days of the passing of the resolutions at the AGM of the Company and communicated to the BSE Limited where the shares of the Company are listed.
- iv. The resolutions shall be deemed to be passed on the date of the Annual General Meeting, subject to receipt of sufficient votes.

**CONTACT DETAILS**

**Company** : Regd Office: A-603, Shapath IV, Opp. Karnavati Club, S. G. Road  
Ahmedabad – 380015  
CIN: L15400GJ1992PLC018365  
Email: [investor@freshtrop.com](mailto:investor@freshtrop.com), Website: [www.freshtrop.com](http://www.freshtrop.com)

**Registrar and Transfer Agent** : Bigshare Services Private Limited  
E-2, Ansa Industrial Estate, Sakivihar Road, Saki Naka,  
Andheri (E), Mumbai – 400 072  
Phone: 022 – 40430200, 28470652 Fax: 022-28475207  
E-mail: [investor@bigshareonline.com](mailto:investor@bigshareonline.com)

**E-voting Agency** : Central Depository Services (India) Limited  
E-mail ID: [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)

**Scrutinizer** : M/s. R.S. Sharma & Associates, Company Secretaries  
E-mail ID: [rssharma42@yahoo.co.in](mailto:rssharma42@yahoo.co.in)

## ANNEXURE TO NOTICE

### EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

#### For Item No. 5

On the recommendation of the Nomination & Remuneration Committee of the Company, the Board, at its meeting held on the 27<sup>th</sup> January, 2016, has re-appointed Mr. Ashok Motiani as a Managing Director of the Company unanimously for a further period of three years w.e.f. 01<sup>st</sup> August, 2016, on the terms and conditions, subject to the approvals of members in the General Meeting, with a liberty to the Board of Directors or Nomination and Remuneration Committee to revise the remuneration without approval of Shareholders within the prescribed ceiling limit of Schedule V and other applicable provisions of the Companies Act, 2013. The brief particulars of his remuneration are as mentioned herein below

#### Remuneration:

Five percent of the net profit of the company or in the event of inadequacy or absence of profit in any financial year minimum remuneration as prescribed under Section II of Part II of Schedule V of the Companies Act, 2013.

#### Perquisite not included in the remuneration

- (a) Gratuity payable at a rate not exceeding half a month's salary for each completed year of services.
- (b) Encashment of leave at the end of the tenure.

The Board of Directors recommends the said resolution for your approval.

This, along with the relevant resolution, may be treated as an Abstract pursuant to Section 190 of the Companies Act, 2013.

The other Information as required under Section II of Part II of Schedule V of the Companies Act, 2013 is given below.

#### I. GENERAL INFORMATION

##### 1. Nature of Industry:

Freshtrop Fruits Ltd. is engaged in the business of exports of fresh fruits and vegetables to leading Supermarket chains in various parts of Europe, Russia & Far-east as well as in Domestic Market. The Company is producing Fruit Pulp & Concentrate for both the Domestic & International Customers

##### 2. Date or expected date of commencement of commercial production.

The Company was incorporated on 30th September, 1992 as private limited company and had commenced its business.

##### 3. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus.

Not applicable

##### 4. Financial performance based on given indicators

	2015-16	2014-15	2013-14
Gross revenue	1,216,287,434	1,230,946,549	1,147,868,701
Profit Before Tax	125,986,396	124,035,989	81,961,484
Profit for the period	80,497,747	75,864,804	56,452,393

##### 5. Foreign investments or collaborators, if any.

The Company has not entered into any material foreign collaboration and no direct capital investment has been made in the Company.

**II. INFORMATION ABOUT THE MANAGING DIRECTOR:-****1. Background details:-**

Mr. Ashok Motiani is the founder & Chairman & Managing Director of Freshtrop Fruits Limited established in 1992. Freshtrop is today one of the largest Indian exporter of table grapes to the EU. Under the leadership of Mr. Motiani, Freshtrop has established a well reputed client base spread across Europe. Its post-harvest management facilities are located in Nashik & Sangli. Mr. Motiani is Aeronautical Engineer from IIT Mumbai.

**2. Past remuneration**

2013-14 ₹82,39,696

2014-15 ₹84,00,000

2015-16 ₹84,00,000

**3. Job profile and his suitability**

Mr. Motiani plays a major role in providing leadership and strategic inputs to the Company.

**4. Remuneration proposed**

In case of inadequacy of profits, minimum remuneration as stated hereinabove.

The Company intends to pay double the amount prescribed under Section II of Part II of Schedule V of the Companies Act, 2013 and hence it is proposed to pass the special resolution in this regard.

**5. Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin).**

The remuneration payable to the Mr. Ashok Motiani has been benchmarked with the remuneration being drawn by similar positions in Agricultural industry and has been considered by the Board and Nomination and Remuneration Committee of the Company at their meeting held on January 27, 2016.

**III. OTHER INFORMATION****1. Reasons of loss or inadequate profits.**

Our business activities are largely dependent on agricultural produce which is dependent on vagaries of nature.

**2. Steps taken or proposed to be taken for improvement.**

Have set up multi locational packing and post-harvest handling facilities for fresh fruit export business. Increased the no. of fruits being processed for better capacity utilization and reduced dependence on vagaries of nature for processing business.

**3. Expected increase in productivity and profit in measurable terms.**

The capacity utilization of the plant should increase by over 20% resulting in a revenue increase of over 25% and profit before tax increase by 40 to 50%.

**IV. Disclosures:**

The managing Director was paid the remuneration by way of salary as per the agreement.

**ITEM NO. 6**

The existing Articles of Association ("AoA") are based on the Companies Act, 1956 and several regulations in the existing AoA contain references to specific Sections of the Companies Act, 1956 and some regulations in the existing AoA are no longer in conformity with the Act. With the coming into force of the Companies Act, 2013, several regulations of the existing AoA of the Company require alteration or deletion. Accordingly, it is proposed to replace the entire existing AoA by a set of new Articles.

The new AoA to be substituted in place of existing AoA are based on Table 'F' of the Companies Act, 2013 which sets out the model Articles of Association for a Company limited by shares. The proposed new draft of AoA is being uploaded on the Company's website for perusal by the shareholders. The Board of Directors recommends the above resolution for your approval. None of the Directors or any key managerial personnel or any relative of any of the Directors of the Company or the relatives of any key managerial personnel is, in anyway, concerned or interested in the above resolution.

Date: August 10, 2016

By order of the Board  
For Freshtrop Fruits Ltd

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

Ashok Motiani  
Chairman & Managing Director  
(DIN: 00124470)

### **ANNEXURE TO NOTICE**

<b>Name of the Directors</b>	<b>Mrs. Nanita Motiani</b>	<b>Mr. Ashok Motiani</b>
Date of Birth	04.04.1953	04.12.1949
Qualifications	Masters of Science	B. Tech (IIT, Mumbai)
Shareholding in Freshrop Fruits Limited	9,15,246	15,85,773
Directorship held in other public limited	Nil	Nil
Membership / Chairmanship of committees in public limited companies in India	Nil	Nil

**DIRECTORS' REPORT****Dear Members,**

Your Directors are pleased to present the 24<sup>th</sup> Annual Report along with the audited financial statements of your Company for the financial year ended on March 31, 2016.

**FINANCIAL PERFORMANCE:**

The working results of the Company for the period ended 31<sup>st</sup> March, 2016 are as follows:

**Amount in ₹**

	<b>2015-16</b>	<b>2014-15</b>
Total Income	1,216,287,434	1,230,946,549
Gross Profit before Depreciation and Taxation	164,883,750	166,656,616
Less: Depreciation	38,897,354	37,915,269
Net Profit before Taxation and Exceptional Items	125,986,396	128,741,347
Less: Exceptional Items	-	4,705,358
Net Profit before Taxation	125,986,396	124,035,989
Less : Current Tax	45,200,000	42,600,000
Less : MAT Credit Entitlement	-	-
Less : Deferred Tax	524,140	5,147,048
Less : Tax in respect of earlier years	(235,491)	424,137
Profit after taxation	80,497,747	75,864,804
Less: Proposed Dividend	12,145,000	12,145,000
Distribution Tax on Proposed Dividends	24,72,479	2,472,722
Balance of Profit brought Forward from Balance Sheet	249,440,049	191,164,098
Balance of Profit carried to Balance Sheet	315,320,317	249,440,049

**OPERATIONS:**

The year under report started with significantly reduced business in Q1 due to poor weather conditions during the grape harvest season of 2105. However the weather conditions improved subsequently and the exports during the 2016 season showed a significant growth.

Your Company was able to maintain the revenues at over ₹1.2 billion and the Net profit after tax increased from ₹75.865million to ₹80.498 million an increase of 6.11%

The food processing business continues to grow but the pace of growth needs to be accelerated.

**FRESH FRUITS SEGMENT:**

India continues to increase its importance as a grape supplier to Europe. The grape growers have understood the requirements of the international markets and are able to fulfil them to a large extent. In 2016 season India consolidated their position with increased supply. Total exports of grapes from India to EU increased from 55094.87MT in 2014-15 season to 85828.04MT in 2015-16 season.

Other developing markets have also started importing fresh grapes from India. Our business is now expanding into countries like China, Russia, Hong Kong and some other far eastern markets. We expect to grow this business at a cumulative growth of over 10% for the coming few years.

**FOOD PROCESSING SEGMENT:**

A strong and dynamic food processing sector plays a significant role in diversification of agricultural activities, improving value-addition, opportunities and creating surplus for export of agro food products

We feel the food processing industry is poised for huge growth both in the domestic and the international markets. During the year under report our income from this segment grew from 307.27 million in 2014-15 to 359.70 million in 2015-16 a growth of 17%. We are trying to accelerate this growth and achieve better financial results from this segment.

**DIVIDEND:**

Considering the performance during the year 2015-16, your Directors have recommended a Dividend of ₹1/- per share (10 per cent) for the financial Year 2015-16. The dividend payout, if approved, will result in outflow of ₹14,617,479 inclusive of ₹24,72,479 on account of Dividend Distribution Tax.

**DIRECTORS AND KEY MANAGERIAL PERSONNEL**

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

The tenure of Mr. Ashok Motiani as Managing Director of the Company will expire on 31<sup>st</sup> July, 2016. The Nomination and Remuneration Committee and the Board of Directors at their respective meetings held on 27<sup>th</sup> January, 2016 recommended and approved the re-appointment and payment of remuneration to Mr. Ashok Motiani as a Managing Director of the Company for a further period of three years i.e. up to the 31<sup>st</sup> August, 2019, subject to the approval of members. Terms and conditions for his re-appointment are contained in the Explanatory Statement forming part of the notice of the ensuing Annual General Meeting.

Pursuant to the requirements of the Companies Act, 2013 and Articles of Association of the Company, Mrs. Nanita Motiani, Executive Director is liable to retire by rotation and being eligible offer herself for re-appointment.

The appointments of the Key Managerial Personnel have been made before the commencement of the financial year under review and the same have been formalised during the year as per the Companies Act, 2013.

The Board recommends the appointment/re-appointment of above directors for your approval.

**DIRECTORS' RESPONSIBILITY STATEMENT**

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

- a. That in the preparation of the annual financial statements, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b. that such accounting policies have been selected and applied consistently and judgement and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31<sup>st</sup> March, 2016 and of the profit of the Company for the year ended on that date;
- c. that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. that the annual financial statements have been prepared on a going concern basis;
- e. that proper internal financial controls were in place and that the financial control were adequate and were operating effectively;
- f. that proper systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

**INSURANCE:**

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



### **FIXED DEPOSIT:**

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

### **CERTIFICATION:**

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

1. **ISO 22000:2005** - This certifies the presence of highest food safety management system covering all organisation in the food chain from "farm to fork".
2. **SGF International E.V.** - This certifies participation of the Company in Voluntary Control System for safeguarding the perfect quality of its products and enhancing customer and consumer safety.
3. **Halal Certificate** - This certificate is recognition that the products are permissible in Islamic Law and we acquired this certificate to export our products in Islamic Countries.
4. **Kosher Certificate** - This certificate helps in increasing the saleability of the product in the international supermarkets. There is clear evidence that a kosher symbol boosts market share that a kosher product can win more favourable shelf space, and that positioned next to a competing non-kosher brand. Kosher is and therefore an important investment our Company makes in order to increase market reach and share.
5. **BRC certificate** for Nasik (Unit I) Pack house and Sangli (Unit II) Pack house.
6. **FDA, USA** to supply products in US Market.
7. **APEDA Recognition** for Nasik (Unit I), Sangli (Unit II) and Satara (Unit III) Pack houses.
8. **Global GAP Certificate** SHARE

### **ENERGY CONSUMPTION:**

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

		<b>2015-16</b>	<b>2014-15</b>
1. Electricity			
a) Purchased			
Units	KWH	2,291,646	2,282,098
Total amount	₹	15,296,234	14,748,881
Rate / Unit	₹	6.67	6.46
b) Own Generation through Diesel Generator Set			
Units			
Diesel			
Quantity	Ltrs	12,046	12,555
Total Amount	₹	651,978	758,169
Rate / Unit	₹	54.12	60.39
c) Coal and other Fuels			
Units	Kgs	1,019,800	1,332,805
Total Amount	₹	6,442,687	8,678,991
Rate / Unit	₹	6.32	6.51

### **TECHNOLOGY ABSORPTION AND ENERGY CONSERVATION:**

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

### **NUMBER OF BOARD MEETINGS:**

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

**INDEPENDENT DIRECTORS' MEETING:**

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

**BOARD EVALUATION:**

The Board adopted a formal mechanism for evaluating its performance and as well as that of its Committees and individual Directors, including the Chairman of the Board. The exercise was carried out through a structured evaluation process covering various aspects of the Board's functioning such as composition of the Board & committees, experience & competencies, performance of specific duties & obligations, contribution at the meetings and otherwise, independent judgment, governance issues etc.

**PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:**

During the year under review, your Company has made loan, given guarantee, provided security and made investments in compliance of Section 186 of the Companies Act, 2013, the said details are given in the notes to the financial statements.

**POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION:**

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

**FOREIGN EXCHANGE EARNING AND OUTGO:**

Foreign Exchange earnings during the year amounts to ₹922,503,245 (Previous Year ₹924,157,495) and Foreign Exchange outgo during the year was ₹94,097,215 (Previous Year ₹149,881,785).

**CORPORATE GOVERNANCE:**

The Company has adopted Corporate Governance practices and has complied with all the mandatory requirements as specified under clause 49 of the Listing Agreement and provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 ("SEBI Listing Regulations"). As required under the listing agreement, a separate Report on Corporate Governance forms part of this Annual Report. The certificate from statutory Auditors of the Company regarding compliance of conditions of Corporate Governance is annexed.

The Board of Directors support the basic principles of good corporate governance. In addition to this, the Board lays strong emphasis on transparency, accountability and integrity.

In compliance with Corporate Governance requirements as per Clause 49 of the Listing Agreement and provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 ("SEBI Listing Regulations") your Company has formulated and implemented a Code of Business Conduct and Ethics for all Board members and senior management personnel of the Company, who have affirmed the compliance thereto.

**CORPORATE SOCIAL RESPONSIBILITY**

The details of Corporate Social Responsibility (CSR) carried out by the Company are appended in the Annexure to the Directors' Report.

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

**TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND**

Pursuant to the provision of Section 124 of the Companies Act, 2013, relevant amounts which remained unpaid or unclaimed for a period of 7 years have been transferred by the Company to the Investor Education and Protection Fund.

### **PARTICULARS OF EMPLOYEES**

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

### **SECRETARIAL STANDARDS OF ICSI**

The Companies Act, 2013 has mandated the Secretarial Standards on Board Meetings & General Meetings specified by the Institute of Company Secretaries of India (ICSI). The secretarial standards issued by ICSI from time to time, though were recommendatory in nature, have been complied with by the Company during the year under review.

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

As required by Clause 49 of the Listing Agreement and provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 ("SEBI Listing Regulations") a management discussion and analysis report is appended to the Annual Report.

### **FORMATION OF VARIOUS COMMITTEES:**

Details of various committees constituted by the Board of Directors are given in the Corporate Governance Report annexed which is a part of this report.

### **PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE:**

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

### **EXTRACT OF ANNUAL RETURN:**

The details forming part of the extract of the Annual Return in Form MGT-9, is annexed to this Report as Annexure-A.

### **RELATED PARTY TRANSACTIONS:**

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

During the year under review, your Company has entered into transactions with related parties which are material as per clause 49 of the Listing Agreement and provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 ("SEBI Listing Regulations") the details of said transactions are provided in the Notice of the Annual General Meeting.

### **SECRETARIAL AUDIT REPORT:**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with the rules made thereunder, your Company had appointed Mr. R.S. Sharma, Practising Company Secretary to undertake the Secretarial Audit of the Company. The Secretarial Audit Report for financial year 2015-16 is annexed, which forms part of this report as Annexure-B. There were no qualifications, reservation or adverse remarks in the Secretarial Audit Report of the Company.

**AUDITORS' & AUDITORS' REPORT:**

The Statutory Auditors of the Company, M/s. Mayank Shah & Associates, Chartered Accountants (Firm Registration Number - 106109W) retire at the conclusion of the ensuing Annual General Meeting. The said Statutory Auditors have confirmed their eligibility and willingness to accept the office on re-appointment. The necessary resolution seeking your approval for re-appointment of Statutory Auditors has been incorporated in the Notice convening the Annual General Meeting.

The Board has duly reviewed the Statutory Auditors' Report on the Accounts. The observations and comments, if any, appearing in the Auditors' Report are self-explanatory and do not call for any further explanation / clarification by the Board of Directors.

**Acknowledgment**

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

Date : August 10, 2016

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

By order of the Board  
**For Freshrop Fruits Ltd.,**

**Ashok V Motiani**  
Chairman & Managing Director  
(DIN: 00124470)

**ANNEXURE TO THE DIRECTORS' REPORT****FORM NO. MGT-9****EXTRACT OF ANNUAL RETURN****AS ON THE FINANCIAL YEAR ENDED MARCH 31, 2016****[PURSUANT TO SECTION 92(3) OF THE COMPANIES ACT, 2013 AND RULE 12(1) OF THE COMPANIES (MANAGEMENT AND ADMINISTRATION) RULES, 2014]****I. REGISTRATION AND OTHER DETAILS:**

i)	CIN	L15400GJ1992PLC018365
ii)	Registration Date	30/09/1992
iii)	Name of the Company	FRESHTROP FRUITS LIMITED
iv)	Category / Sub-Category of the Company	Public Company / Limited by shares
v)	Address of the Registered office and contact details	A-603, Shapath-IV, Opp. Karnavati Club, S. G. Highway, Ahmedabad - 380015 Tel: +91 79 40307050 - 7057
vi)	Whether listed company	Yes / No
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	Bigshare Services Pvt. Ltd. E-2 & 3, Ansa Industrial Estate, Saki-Vihar Road, Sakinaka, Andheri (E), Mumbai-400 072. Tel:- +91-22-4043 0200 Fax:- +91-22-2847 5207 Email:- investor@bigshareonline.com

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

Sr. No.	Name and Description of main products/services	NIC Code of the product/service *	% to total turnover of the company #
1.	Fresh Fruits	6011	69.45
2.	Processing of Fruits & Vegetables	2024	30.55

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

# On the basis of Gross Turnover

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -**

Sr. No.	Name of the Company	CIN/GLN	Holding/Subsidiary /Associate	% of shares held	Applicable Section
			Nil		

**IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)****i) Category-wise Share Holding**

Category of Shareholders	No. of Shares held at the beginning of the year (As on 01-04-2015)				No. of Shares held at the end of the year (As on 31-03-2016)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. PROMOTERS</b>									
<b>Indian</b>									
a) Individual / HUF	4,253,857	-	4,253,857	35.03	4,418,313	-	4,418,313	36.38	1.35
b) Central/State Govt(s).	-	-	-	-	-	-	-	-	-
c) Bodies Corporate	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any other (Specify)									
i) Group Companies	2,478,013	-	2,478,013	20.40	2,478,013	-	2,478,013	20.40	-
(ii) Trusts	-	-	-	-	-	-	-	-	-
(iii) Directors Relatives	-	-	-	-	-	-	-	-	-
<b>SUB - TOTAL (A) (1)</b>	6,731,870	-	6,731,870	55.43	6,896,326	-	6,896,326	56.78	1.35

<b>Foreign</b>									
a) Bodies Corporate	-	-	-	-	-	-	-	-	-
b) Individual	-	-	-	-	-	-	-	-	-
c) Institutions	-	-	-	-	-	-	-	-	-
d) Qualified F Investor	-	-	-	-	-	-	-	-	-
(e) Any Others (Specify)	-	-	-	-	-	-	-	-	-
<b>SUB - TOTAL (A) (2)</b>	-	-	-	-	-	-	-	-	-
<b>TOTAL SHAREHOLDING OF PROMOTER (A) = (A)(1)+ (A)(2)</b>	6,731,870	-	6,731,870	55.43	6,896,326	-	6,896,326	56.78	1.35
<b>B. PUBLIC SHAREHOLDING</b>									
<b>1 Institutions</b>									
a) Central / State Govt(s)	-	-	-	-	-	-	-	-	-
b) FI-/Banks	-	-	-	-	-	-	-	-	-
c) Mutual Funds / Uti	-	-	-	-	-	-	-	-	-
d) Venture Capital Funds	-	-	-	-	-	-	-	-	-
e) Insurance Companies	-	-	-	-	-	-	-	-	-
f) FIIs	185,000	-	185,000	1.52	237,466	-	237,466	1.96	0.43
g) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
h) Qualified FI-	-	-	-	-	-	-	-	-	-
(i) Any Others (Specify)	-	-	-	-	-	-	-	-	-
(j) Foreign PI-	-	-	-	-	-	-	-	-	-
(k) Alternate IF-	-	-	-	-	-	-	-	-	-
<b>SUB - TOTAL (B) (1)</b>	185,000	-	185,000	1.52	237,466	-	237,466	1.96	0.43
<b>2 Non-institutions</b>									
a) Bodies Corporate	389,749	107,500	497,249	4.09	189,705	107,500	297,205	2.45	(1.65)
b) Individuals	-	-	-	-	-	-	-	-	-
I) (Capital up to ₹1 lakh)	2,306,651	324,604	2,631,255	21.67	2,512,789	303,704	2,816,493	23.19	1.53
II) (Capital Greater Than ₹ 1 Lakh)	1,255,791	-	1,255,791	10.34	1,408,706	-	1,408,706	11.60	1.26
c) Any Others (Specify)	-	-	-	-	-	-	-	-	-
(i) Trusts	-	-	-	-	-	-	-	-	-
(ii) Clearing Member	149,345	-	149,345	1.23	19,057	-	19,057	0.16	(1.07)
(iii) (NRI)	645,290	49,200	694,490	5.72	420,547	49,200	469,747	3.87	(1.85)
(iv) Directors Relatives	-	-	-	-	-	-	-	-	-
(v) Employee	-	-	-	-	-	-	-	-	-
(vi) Overseas Bodies Corporates	-	-	-	-	-	-	-	-	-
(vii) Unclaimed Suspense Account	-	-	-	-	-	-	-	-	-
(d) Qualified Foreign Investor	-	-	-	-	-	-	-	-	-
<b>SUB - TOTAL (B) (2)</b>	4,746,826	481,304	5,228,130	43.05	4,550,804	460,404	5,011,208	41.26	(1.79)
<b>TOTAL PUBLIC SHAREHOLDING (B) = (B)(1) + (B)(2)</b>	4,931,826	481,304	5,413,130	44.57	4,788,270	460,404	5,248,674	43.22	(1.35)
<b>C. SHARES HELD BY CUSTODIAN FOR GDRS &amp; ADRS</b>	-	-	-	-	-	-	-	-	-
(a) Shares Held By Custodians	-	-	-	-	-	-	-	-	-
(i) Promoter And Promoter Group	-	-	-	-	-	-	-	-	-
(ii) Public	-	-	-	-	-	-	-	-	-
<b>SUB TOTAL (C)(1) :</b>	-	-	-	-	-	-	-	-	-
<b>(C)=(C)(1)</b>	-	-	-	-	-	-	-	-	-
<b>GRAND TOTAL (A+B+C)</b>	<b>11,663,696</b>	<b>481,304</b>	<b>12,145,000</b>	<b>100.00</b>	<b>11,684,596</b>	<b>460,404</b>	<b>12,145,000</b>	<b>100</b>	<b>-</b>

**ii) Shareholding of Promoters/Promoters Group**

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year (As on 1-04-2015)			No. of Shares held at the end of the year (As on 31-03-2016)			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares *	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares *	
1	Ashok Vishandas Motiani	1,520,163	12.52	-	1,585,773	13.06	-	0.54
2	Nanita Ashok Motiani	872,246	7.18	-	915,246	7.54	-	0.35
3	Dipti Ashok Motiani	769,712	6.34	-	799,712	6.58	-	0.25
4	Priyanka Ashok Motiani	629,082	5.18	-	639,082	5.26	-	0.08
5	Mayank Ramesh Tandon	462,654	3.81	-	478,500	3.94	-	0.13
6	Freshcap Foodstuff LLP (Formerly Known as Freshcap Investment Pvt Ltd)	2,478,013	20.40	-	2,478,013	20.40	-	-
	<b>Total</b>	<b>6,731,870</b>	<b>55.43</b>	<b>-</b>	<b>6,896,326</b>	<b>56.78</b>	<b>-</b>	<b>1.35</b>

**iii) Change in Promoters' Shareholding**

Sr. No.		Share holding at the beginning of the year 1/04/2015		Shareholding at the end of the year year 31/03/2016	
		Number of Shares	% of total Shares of the company	Number of Shares	% of total Shares of the company
	At the beginning of the year	6,731,870	55.43	6,896,326	56.78
	Increase 24/07/2015	15,190	0.13	6,747,060	55.55
	Increase 07/08/2015	47,500	0.39	6,794,560	55.95
	Increase 14/08/2015	500	0.00	6,795,060	55.95
	Increase 11/09/2015	5,000	0.04	6,800,060	55.99
	Increase 18/09/2015	11,842	0.10	6,811,902	56.09
	Increase 16/10/2015	24,500	0.20	6,836,402	56.29
	Increase 25/12/2015	33,024	0.27	6,869,426	56.56
	Increase 04/03/2016	26,900	0.22	6,896,326	56.78
	31/03/2016	-	-	6,896,326	56.78

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

Sr. No.	Name of Shareholder *	Shareholding at the beginning of the year		Change in shareholding (No. of shares)		Shareholding at the end of the year	
		No. of Shares	% of total shares of the Company	Decrease	Increase	No. of Shares	% of total shares of the Company
1	Passage To India Master Fund Limited	1,85,000	1.52	50,000	1,02,466	2,37,466	1.96
2	Girish Gulati (Huf)	0	0	18,556	2,83,786	2,65,230	2.18
3	Pandian Ilangovan	1,65,560	1.36	1,65,560	0	0	0
4	Amit Bhartia	1,39,500	1.15	46,020	0	93,480	0.77
5	Avinash P Wadhwa	1,26,437	1.04	0	0	1,26,437	1.04
6	Shital Navin Agarwal	1,25,630	1.03	0	0	1,25,630	1.03
7	Geojit Bnp Paribas Financial Services Limited	1,18,362	0.97	1,90,864	72,847	345	0.00
8	Dinero Wealth Advisors Private Limite	1,02,587	0.84	1,02,587	0	0	0
9	K.Swapna	85,081	0.70	85,081	0	85,081	0.70
10	Anup Kumar Chhawchharia	0	0	0	84,561	84,561	0.69



**v) Shareholding of Directors and Key Managerial Personnel:**

Name	Shareholding at the beginning of the year		Change in shareholding (No. of shares)		Shareholding at the end of the year	
	No. of Shares	% of total shares of the Company	Decrease	Increase	No. of Shares	% of total shares of the Company
ASHOK VISHANDAS MOTIANI	1,520,163	12.52	-	65,610	1,585,773	13.06
NANITA ASHOK MOTIANI	872,246	7.18	-	43,000	915,246	7.54
MAYUR JASHVANTLAL SHAH	8,125	0.07	2,500	-	5,625	0.05
DINESH OZA	-	-	-	-	-	-
ANIL SHARMA	-	-	-	-	-	-
ASHISH PAREKH	-	-	-	-	-	-
JIGNESH GANDHI	-	-	-	-	-	-

**V. Indebtedness:**

Indebtedness of the Company including interest outstanding/accrued but not due for payment **Amount in ₹**

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	24,94,34,450	61,68,115	-	25,56,02,565
ii) Interest due but not paid	8,00,262	-	-	8,00,262
iii) Interest accrued but not due				
<b>Total (i+ii+iii)</b>	<b>25,02,34,712</b>	<b>61,68,115</b>	<b>-</b>	<b>25,64,02,827</b>
<b>Change in Indebtedness during the financial year</b>				
• Addition	2,62,42,566	1,21,28,271	-	-
• Reduction	4,11,19,144	1,08,93,271	-	-
• Exchange Difference				
<b>Net Change</b>	<b>(1,48,76,578)</b>	<b>(12,35,000)</b>	<b>-</b>	<b>-</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	23,45,57,871	74,03,115	-	24,19,06,986
ii) Interest due but not paid	3,46,953	-	-	3,46,953
iii) Interest accrued but not due				
<b>Total</b>	<b>23,49,04,824</b>	<b>74,03,115</b>	<b>-</b>	<b>24,23,07,939</b>

**VI. Remuneration of Directors and Key Managerial Personnel:****A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

Sr.	Particulars of Remuneration	Ashok Motiani Managing Director ₹	Nanita Motiani Whole Time Director ₹	Total ₹
1	Gross salary a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 b) Value of perquisites u/s 17(2) Income-tax Act, 1961 c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	84,00,000	30,75,000/-	1,14,75,000/-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission - as % of profit - others, specify	-	-	-
5	Others-contribution towards PF etc.	-	-	-
	<b>Total</b>	<b>84,00,000</b>	<b>30,75,000/-</b>	<b>1,14,75,000/-</b>

**B. REMUNERATION TO OTHER DIRECTORS:**

Sr. No.	Particulars of Remuneration	Fee for attending board / committee meetings	Commission	Others, Please Specify	Total
1.	Independent Directors				
	Mr. Mayur Shah	30,000	-	-	30,000
	Mr. Dinesh Oza	22,500	-	-	22,500
	Mr. Anil Sharma	22,500	-	-	22,500
	<b>Total</b>	<b>75,000</b>	<b>-</b>	<b>-</b>	<b>75,000</b>

**C. Remuneration to key managerial personnel other than MD/Manager/WTB**

Sr. No.	Particulars of Remuneration	Chief Financial Officer	Company Secretary	Total
1.	Gross salary a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 b) Value of perquisites u/s 17(2) Income-tax Act, 1961 c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	6,91,131	5,63,055	12,54,186
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission - as % of profit			
5.	Others- contribution towards PF etc.	-	-	-
	<b>Total</b>	<b>6,91,131</b>	<b>5,63,055</b>	<b>12,54,186</b>

**VII. Penalties / Punishment / Compounding of Offences:**

Type	Section of the Companies Act	Brief Description	Details of penalty/ punishment/ compounding fees imposed	Authority (RD / NCLT / COURT)	Appeal made, if any (give details)
<b>A. Company</b> Penalty Punishment Compounding	None				
<b>B. Directors</b> Penalty Punishment Compounding	None				
<b>C. Other Officers in default</b> Penalty Punishment Compounding	None				

## ANNEXURE TO DIRECTORS REPORT

### ANNUAL REPORT ON CSR ACTIVITIES

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

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

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

**Areas of Interest:**

1. Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation including contribution to the Swach Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water.
2. Promoting education, employment enhancing vocation skills and the differently abled and livelihood enhancement projects.
3. Promoting gender equality, empowering women by setting up homes and hostels, setting up old age homes and orphanage house, day care centers and other facilities for senior citizens.
4. Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agro forestry, conservation of natural resources and maintaining quality of soil or air and water including contribution to the clean Ganga set-up by the the Central Government for rejuvenation of river Ganga.
5. Promotion and protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art, setting up public libraries.
6. Measure for the benefit of armed forces veterans, war widows and their dependents.
7. Training to promote rural sports, nationally recognised sports, Paralympics sports and Olympic sports.
8. Contribution to the Prime Minister's National Relief Fund or any other fund set up by the CG for socio-economic development and relief fund and welfare of the schedule castes, the scheduled Tribes, other backward classes, minorities and women. [Contribution to any fund set up by CG means it doesn't include the fund set up by state govt. or any local govt.
9. Contributions or funds provided to technology incubators located within academic institutions which are approved by the CG.
10. Rural development projects.
11. Slum area development.

**2. The Composition of the CSR Committee**

A Committee of the directors titled 'Corporate Social Responsibility Committee', was constituted by the Board in its meeting held on 30<sup>th</sup> May, 2014 with the following members :

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

**3 Average Net Profit of the Company for last three financial years prior to 2015-16: ₹4,75,39,518**

**4 Prescribed CSR Expenditure (2% of the amount as in item No 3 Above) ₹17,65,888**

**5 Details of CSR spent during the financial year:**

I. Total amount spent for the financial year : ₹17,65,888

II. Amount unspent: Nil. Since Balance of ₹4,16,263 has also been allocated & distributed on various CSR Projects/Programs in Progress.

III. Manner in which the amount spent during the financial years is detailed below:

1	2	3	4	5	6	7
Sr No.	Name/Details of implementing Agency	CSR project/ Activity Identified	Sector In which the Project is covered	Location of Projects / Programme (Local area or state/ District )	Amount outlay Projected (₹ in Lacs)	Amount Spent (₹ Lacs)
1	Own	Projector System & barricades for Education	Education	Nashik & Sangli	8,00,000	5,95,467
2	Own	Promoting health care including preventive health care	Health Care	Nashik	10,00,000	7,54,157

**NOTES:**

- Since FY 2015-16 is the first year of applicability of section 135 of the Companies Act 2013, the figure for Cumulative Expenditure is not applicable.
- All amounts mentioned above relate to amount spent by the Company. There is no expenditure on overheads in the above list.

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

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

**ANNEXURE TO THE DIRECTORS' REPORT**  
**Form No. MR-3**  
**SECRETARIAL AUDIT REPORT**  
**For the Financial Year Ended 31<sup>st</sup> March, 2016.**

[Pursuant to section 204(1) of the Companies Act, 2013 and rule 9 of the Companies  
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members,  
Freshrop Fruits Limited  
A-603, Shapath IV, Opp Karnavati Club,  
S. G. Road,  
Ahmedabad - 380015.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Freshrop Fruits Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31 March 2016 ('Audit Period') complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31 March 2016 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (Not applicable to the Company during the Audit Period);
  - d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 notified on 28 October 2014. (Not applicable to the Company during the Audit Period);
  - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008
  - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not applicable to the Company during the Audit Period); and
  - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (Not applicable to the Company during the Audit Period).

- vi. Laws specifically applicable to the industry to which the Company belongs, as identified by the management that is to say:
- Food Safety and Standards Act, 2006
  - Factories Act, 1948
  - The Environment (Protection) Act, 1986 & notifications issued under the Act
  - Food Standards
  - Payment of Wages Act, 1936
  - The payment of Bonus Act, 1965
  - The Employees Provident Fund and Miscellaneous Provisions Act, 1952
  - Employees State Insurance Act, 1948
  - The Minimum Wages Act, 1948
  - Payment of Gratuity Act, 1972

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

- i. Secretarial Standards issued by The Institute of Company Secretaries of India.
- i. The Listing Agreements entered into by the Company with Stock Exchanges.
- ii. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 - w.e.f. 1st December, 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 filling of certain e-form with additional fees.

**I further report that**

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

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

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

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

**for, R.S. SHARMA & ASSOCIATES**  
Company Secretaries

**R.S. SHARMA**  
ACS/FCS No. 3126  
C P No.: 2118

Place : Ahmedabad  
Date : August 10, 2016

**Annexure-"A"**

To,  
The Members,  
Freshtrop Fruits Limited  
Ahmedabad

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

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

**for, R.S. SHARMA & ASSOCIATES**

Company Secretaries

Place : Ahmedabad  
Date : August 10, 2016

**R.S. SHARMA**  
ACS/FCS No. 3126  
C P No.: 2118



## MANAGEMENT DISCUSSION AND ANALYSIS

The discussion hereunder covers the financial results of Freshtrop Fruits Limited for the financial year 2015-16 and its business outlook for the future. Certain statements in the 'Management Discussion and Analysis Report' section may be forward looking and are stated as required by applicable laws and regulations. Many factors may affect the actual results, which could be different from what the Directors envisage in terms of the future performance and outlook.

### 1. INDUSTRY STRUCTURE AND DEVELOPMENT :

#### GRAPES:-

The Indian grape export Industry has now consolidated its position in the EU markets. With reduced supplies of white seedless grapes from Chile to Europe, Indian grapes are now an essential part of annual calendar of grapes in Europe. The 2016 season saw record production of grapes and record export of table grapes were reported this year. In spite of such high production and exports there was no major reduction in market rates and farmers got good returns. This has again projected robust nature of Indian grape industry. Export of table grapes, long distance marketing within the country, production and cold storage of dry grapes, complement each activity and grape growing farmers are able to consistently get good returns for their produce.

Poor weather conditions have resulted in huge losses in many vineyards during recent past. There is a fear of regular occurrence of such events and hence a need for development of economical technologies for protected cultivation is being emphasized. Dependence on weather conditions and how to mitigate this risk is a constant fight for everyone in the agricultural produce business. Change of climate has resulted in higher frequency of untimely rains, thunderstorms, hailstorms in grape growing area. During last few years such events have caused heavy losses in grapes in major grape growing areas, bringing in element of uncertainty in viticulture. Under similar situations in European countries like Italy and Spain, a low cost, and cost effective technology on protected cultivation in grapes has been developed. In this technology vineyards are raised under special quality plastic cover. The technology has changed world table grape scenario. It is now being used in India and will help the growers to reduce their risk.

Besides the above development, the industry needs constant research support for new improved varieties for table grapes. There is a need to develop technologies for sustainable quality production, especially with less or no use of pesticides and post-harvest technologies for value addition.

The grape exports to Europe are presently taking advantage of an exclusive window during April and May. Now with reduced supply from Chile the export of grapes start from December and in fact early exports get better returns. We must note that more than 95% of our grape export belong to single variety i.e. Thompson Seedless. If our export needs to be sustainable, we need variation in our varieties. Variation in colour, and shape of berries, aroma, etc. may play important role.

#### FOOD PROCESSING:

A well-developed food processing sector with higher level of processing helps in the reduction of wastage, improves value addition, promotes crop diversification, ensure better return to the farmers, promotes employment as well as increase export earnings. This sector is also capable of addressing critical issues of food security, food inflation and providing wholesome nutritious food to the masses.

A strong and dynamic food processing sector plays a significant role in diversification of agricultural activities, improving value-addition, opportunities and creating surplus for export of agro food products. This requires policies and plans for improvement of food processing infrastructure including up-gradation of technology, enforcement of quality standards and promoting investment in food processing. Food processing adds value, enhance shelf-life and reduces wastage. Food processing has tremendous potential for enabling the farmer to add value to their produce both in terms of quantity and quality to meet the requirements and standards of the market at all stage of value chain, processing and retailing. The Ministry of Food Processing Industries has been supporting a range of initiatives for the growth of food processing industry.

## 2. OPPORTUNITIES AND THREATS:

### OPPORTUNITIES

#### GRAPE:

While most of the grape production in the world is for wine making, India has emerged as primarily table grapes producing country. In view of this scenario several opportunities are in sight to develop grape industry successfully during future years. Diversification for value addition and to prevent market glut has great potential. Research will also be intensified on raisin and juice, enhancing shelf life for table grape and improving commercial traits like size and colour through pre and post-harvest approaches to meet the demand of domestic and international market.

#### FOOD PROCESSING:

- Increasing spending on Food products
- Increasing Nuclear families and working Women
- Increasing Urbanization -Lifestyle and Aspirations
- Growth of organized retail and private label penetration
- Demand for Functional Foods/Nutraceuticals Food.

### THREATS / CHALLENGES

#### GRAPES:

- Uncertain Weather

During recent years untimely rains have become more common in grape growing areas resulting in loss in quality and increase in expenditure on plant protection. Extreme events such as thunder storms and hail storms during harvesting periods in many areas have caused total destruction of crop. However, even light rains during harvesting period can induce cracking in berries and/ or reduce post-harvest shelf-life considerably and reduce profits.

- Availability of Skilled Labour

Unavailability of labours has become major constrain in expanding area under grapes even in traditional grape growing area. Unlike other horticultural crops, requirement of labour in grapes is high. But viticulture is highly technical. Operations such as pruning, shootthinning, subcane development, bunch thinning, berry thinning, girdling etc. need to be done at right stage and required skilled workers for successful execution. Unavailability of skilled labours whenever required makes the problem more serious.

- Quarantine Issues

Transportation of fruits and plant material from one place to other always provide chance of introduction of new insect-pests, diseases, weeds etc. which were not available in particular region.

#### FOOD PROCESSING:

- Supply chain Infra Gaps (Lack of primary processing storage and distribution facilities)
- Inadequate link between production and processing (lack of processable varieties).
- Seasonability of operations and low capacity utilization
- Inadequate focus on quality and safety standards.
- Lack of product development and Innovation
- Supply chain institutional gaps (Procurement dependence on APMC markets)

**3. SEGMENT WISE PERFORMANCE :**

- The Company has identified following segments as reportable segments:
- 1) Fresh Fruits
- 2) Food Processing
- Details of Segment wise performance are given at respective place of in this report.

**4. FUTURE OUTLOOK :**

Increasing the production and productivity of grape to meet the demand of growing population is the prime goal for next four decades. Sustaining the productivity under adverse conditions and diversification for value addition and consumer preference are other important goals. Due to awareness of consumers and increase in purchasing power, demand of quality produce is increasing presently. Therefore, development of technologies for the production of quality grapes and processed products will be another goal.

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

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

**6. FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE :**

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

**7. MATERIAL DEVELOPMENT IN HUMAN RESOURCES AND INDUSTRIAL RELATIONS FRONT :**

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

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

The Industrial Relations were cordial throughout the year with no incidence of strike or lockouts.

**CAUTIONARY NOTE**

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

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

*References: Ministry of Food Processing Industries (MoFPI), Agricultural and Processed Food Products Export Development Authority (APEDA), Media reports and Press Releases, Department of Industrial Policy and Promotion (DIPP), Press Information Bureau (PIB), Confederation of Indian Industries (CII), National Research Centre for Grapes, Pune)*

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## ANNEXURE TO THE DIRECTORS' REPORT REPORT ON CORPORATE GOVERNANCE

### 1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:

As a policy Freshtrop Fruits Limited (FFL) gives utmost importance to achieving high standards of Corporate Governance and is committed to achieve the highest level of Corporate Governance in order to enhance long-term shareholder value. We believe that retaining and enhancing stakeholder trust is essential for sustained corporate growth. We have built into our culture and into each associate the values of honesty and fairness. For us, adherence to Corporate Governance stems not only from the letter of law but also from our inherent belief in doing business the right way.

The Company gives equal importance for maintaining as well as improving the quality of its products and to achieve this, the Company carries out continuous product developments and stringent quality controls norm to have quality of the products known internationally.

The Company gives utmost importance for developing a team of competitive professional managers. Overall, policy is set by the Board of Directors and implemented by a team of professional managers in their respective field.

The Company has complied with all the requirements stipulated under Clause 49 of the Listing Agreements and provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 ("SEBI Listing Regulations"), as applicable, with regard to Corporate Governance and listed below is the status with regard to same.

### 2. BOARD OF DIRECTORS:

#### a) COMPOSITION & SIZE OF THE BOARD

The Board of Directors of your Company as on March 31, 2016 comprises of Five Directors. The Board of Directors of the Company comprises of optimum mix of both, Executive and Non-executive Directors with independent Directors. Independent Directors are non-executive directors as defined under Regulation 16(1)(b) of the SEBI Listing Regulations. The maximum tenure of the Independent Directors is in compliance with the Companies Act, 2013. All the Independent Directors have confirmed that they meet the criteria as mentioned under regulation 16(1)(b) of the SEBI Listing Regulations and Section 149 of the Companies Act, 2013. The present strength of the Board reflects judicious mix of professionalism, competence and sound knowledge which enables the Board to provide effective leadership to the Company.

The Board of Directors provides leadership and guidance to the Company's management and directs, supervises and controls the performance of the Company. Non-Executive Independent Directors consist of professionals drawn from diverse fields that bring in a wide range of skills and experience to the Board. No Director is related to each other except Mr. Ashok Motiani and Mrs. Nanita Motiani, who are related to each other as spouse.

Name of Director	Category of Directorship	Directorship in other Companies#	Details of Committee##	
			Chairman	Member
Mr. Ashok Motiani (Chairman & Managing Director) DIN: 00124470	Promoter & Executive Director	-	-	-
Mrs. Nanita Motiani (DIN: 00787809)	Promoter & Executive Director	-	-	-
Mr. Mayur J Shah (DIN: 00124633)	Independent & Non-Executive Director	-	-	-
Mr. Dinesh Oza (DIN: 01307881)	Independent & Non-Executive Director	-	-	-
Mr. Anil Sharma (DIN: 06688634)	Independent & Non-Executive Director	-	-	-

# Excluding Private Limited Companies, Foreign Companies, Section 8 Companies and Alternate Directorships.

# # Includes only Audit Committee and Stakeholders' Relationship Committee.

## b) Board Meetings and Procedure

During the year under review Board met Four times on May 29, 2015, August 14, 2015, November 09, 2015, and January 27, 2016. The Board meets at least once in every quarter to review the Company's operations and the maximum time gap between any two meetings is not more than 120 days.

The required information as enumerated in Part-A of Schedule II to SEBI Listing Regulations is made available to the Board of Directors for discussions and consideration at every Board Meetings. The agenda and the papers for consideration at the Board Meeting are circulated to the Directors in advance. Adequate information is circulated as part of the Board Papers and is also available at the Board Meeting to enable the Board to take decisions. As required under Regulation 17(3) of Listing Regulations, the Board periodically reviews compliances of various laws applicable to the Company.

The important decisions taken at the Board / Committee meetings are communicated to departments concerned promptly. Action taken report on the decisions taken at the meeting(s) is placed at the immediately succeeding meeting of the Board / Committee for noting by the Board / Committee.

The attendance of each Director at the Board Meetings and last Annual General Meeting held during the year under review are as under:

Name of Director	Board Meetings		Attendance at the last AGM held on 28 <sup>th</sup> September, 2015
	Held	Attended	
Mr. Ashok V. Motiani	4	4	Yes
Mrs. Nanita A Motiani	4	4	Yes
Mr. Mayur Shah	4	4	Yes
Mr. Dinesh Oza	4	3	Yes
Mr. Anil Sharma	4	3	Yes

## c) Code of Conduct

The Board has laid down a Code of Business Conduct and Ethics (the "Code") for all the Board Members and Senior Management of the Company. The Code is available on the website of the Company. All Board Members and Senior Management Personnel have affirmed compliance of the Code of Conduct. A declaration signed by the Chairman and Managing Director to this effect is attached at the end of this report.

The Board has also adopted separate code of conduct with respect to duties of Independent Directors as per the provisions of the Companies Act, 2013.

## d) Meetings of Independent Directors

The Company's Independent Directors meet at least once in every financial year without the presence of Executive Directors or management personnel. Such meetings are conducted informally to enable Independent Directors to discuss matters pertaining to the Company's affairs and put forth their views to the Lead Independent Director.

The Lead Independent Director takes appropriate steps to present Independent Directors' views to the Chairman and Managing Director.

Two meetings of Independent Directors were held during the year.

**e) Disclosures regarding appointment/re-appointment**

Brief resume(s) of the Directors Proposed to be appointed / re-appointed are given in the explanatory statement annexed to the Notice convening the Annual General Meeting.

**3. COMMITTEES OF THE BOARD**

The Board Committees play a vital role in ensuring sound Corporate Governance practices. The Committees are constituted to handle specific activities and ensure speedy resolution of the diverse matters. The Board Committees are set up under the formal approval of the Board to carry out clearly defined roles which are considered to be performed by members of the Board, as a part of good governance practice. The Board supervises the execution of its responsibilities by the Committees and is responsible for their action. The minutes of the meetings of all the Committees are placed before the Board for review.

**A. Audit Committee:**

As measure of good corporate governance and to provide assistance to the Board of Directors in fulfilling the Board's oversight responsibilities, an Audit Committee had been constituted by the Board.

The Audit Committee of the Company was reconstituted from time to time to comply with statutory requirement.

During the year under review, Audit Committee met six times on May 29, 2015, August 14, 2015, November 11, 2015, December 18, 2016, January 27, 2016 and February 08, 2016. The intervening gap between two meetings did not exceed four months.

The Composition of the Audit Committee and details of attendance of the members at the committee meetings during the year are given below:

Name	Category	No. of Meetings during the year	
		Held	Attended
Mr. Dinesh Oza, Chairman	Non-Executive & Independent Director	6	5
Mrs. Nanita Motiani	Executive Director	6	6
Mr. Mayur Shah	Non-Executive & Independent Director	6	6
Mr. Anil Sharma	Non-Executive & Independent Director	6	5

The Chief Financial Officer, representatives of Statutory Auditors, Internal Audit and Finance & Accounts department are invited to the meetings of the Audit Committee.

Mr. Jignesh Gandhi, Company Secretary and Compliance Officer act as Secretary of the Committee. The Chairman of the Committee was present at the last Annual General Meeting held on September 28, 2015.

The Committee discharges such duties and functions generally indicated in Clause 49 of the Listing Agreement and provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 ("SEBI Listing Regulations") and Section 177 of the Companies Act, 2013 and such other functions as may be specifically delegated to the Committee by the Board from time to time.

**Broad Terms of reference**

The powers, role and terms of reference of the Audit Committee covers the areas as contemplated under SEBI Listing Regulations and Section 177 of the Companies Act, 2013.

**B. Nomination and Remuneration Committee:**

**a) Constitution & Composition of Nomination & Remuneration Committee:**

The Nomination & Remuneration Committee of the Company was reconstituted from time to time to comply with statutory requirement.

During the year under review, Nomination & Remuneration Committee met three times on May 29, 2015, November 11, 2015 and January 27, 2016.

The composition of the Nomination & Remuneration Committee and details of meetings attended by the members are given below:

Name of the Members	Designation	Category	No. of Meetings during the year	
			Held	Attended
Mr. Mayur J Shah	Chairman	Non-Executive & Independent Director	3	3
Mr. Dinesh Oza	Member	Non-Executive & Independent Director	3	3
Mr. Anil Sharma	Member	Non-Executive & Independent Director	3	3

The powers, role and terms of reference of Committee covers the areas as contemplated under the SEBI Listing Regulations and Section 178 of the Companies Act, 2013. The brief terms of reference of Nomination & Remuneration Committee are as under:

**b) Brief Terms of reference:**

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
2. Formulation of criteria for evaluation of Independent Directors and the Board;
3. Devising a policy on Board diversity;
4. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance.
5. To recommend / review remuneration of the Managing Director(s) and Whole-time Director(s) based on their performance and defined assessment criteria.
6. To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable.
7. To perform such other functions as may be necessary or appropriate for the performance of its duties.

**c) Remuneration Policy:**

**I. Remuneration to Non-Executive Directors:**

The Non-Executive Independent Directors of the Company are paid ₹ 7,500 as sitting fees and actual reimbursement of expenses incurred for attending each meeting of the Board and Committee.

**II. Remuneration to Executive Directors:**

The Board in consultation with the Nomination & Remuneration Committee decides the remuneration structure for Executive Directors. On the recommendation of the Nomination & Remuneration Committee the Remuneration paid/payable is approved by the Board of Directors and by the members in the General Meeting in terms of provisions applicable from time to time.

**d) Details of Remuneration:**

**I. Non-Executive Directors:**

The details of sitting fees and commission paid to Non-Executive Directors during the Financial year 2015-16 is as under:

Name	Sitting Fees (₹)
Mr. Mayur Shah	30,000
Mr. Dinesh Oza	22,500
Mr. Anil Sharma	22,500

There was no other pecuniary relationship or transaction of Non-Executive Directors vis-à-vis the Company.

## II. Executive Directors:

Name	Remuneration (Including Perquisites) Paid (₹)
Mr. Ashok Motiani	84,00,000
Mrs. Nanita Motiani	30,75,000

## III. Details of shares of the Company held by Directors as on March 31, 2016 are as under:

Name	No. of Shares held
Mr. Ashok V Motiani	15,85,773
Mrs. Nanita A Motiani	9,15,246
Mr. Mayur J Shah	5,625
Mr. Dinesh Oza	0
Mr. Anil Sharma	0

## C. Stakeholders Relationship Committee :

### a) Constitution & Composition of Stakeholders Relationship Committee:

The Stakeholders Relationship Committee of Directors was reconstituted from time to time to comply with statutory requirement. The Committee meets at the regular interval to ensure that the shareholders queries/grievances have been attended and resolved to the satisfaction of the shareholders.

The Constitution and details of the attendance of the meeting of the Committee members is given in the following table. The Committee met four (4) times during the period 2015-16.

The composition of the Stakeholders Relationship Committee and details of meetings attended by the members are given below:

Name of the Members	Designation	No. of Meetings	
		Held	Attended
Mrs. Nanita Motiani, Chairperson	Executive Director	4	4
Mr. Anil Sharma	Non-Executive & Independent Director	4	2
Mr. Mayur Shah	Non-Executive & Independent Director	4	4
Mr. Dinesh Oza	Non-Executive & Independent Director	4	4

### b) Brief terms of reference:

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

- To look into the redressal of shareholders and investors complaints like transfer of shares, non-receipt of Annual Report, non-receipt of declared dividend, revalidation of dividend warrant or refund order etc.
- To consider and resolve the grievances of security holders of the company.

### c) Details of complaints received and redressed during the year:

Opening Balance	During the year		Pending Complaints
	Received	Resolved	
0	18	18	0



**D. Financial Committee:**

The Company constituted Financial Committee with an object to oversee all the matters relating to finance from time to time and perform all such other functions as may be assigned to it by the Board of Directors of the Company.

The Constitution and details of the attendance of the meeting of the Committee members is given in the following table. The Committee met Four times during the period 2015-2016.

Name of the Members	Designation	No. of Meetings during the year	
		Held	Attended
Mr. Mayur J Shah	Non-Executive & Independent Director	4	4
Mrs. Nanita A Motiani	Executive Director	4	4
Mr. Dinesh Oza	Non-Executive & Independent Director	4	4
Mr. Anil Sharma	Non-Executive & Independent Director	4	2

**E. Transfer Committee:****a) Constitution & Composition of Transfer Committee:**

The Transfer Committee of the Company was reconstituted from time to time to comply with statutory requirement. During the year under review, Transfer Committee met three times on May 15, 2015, September 18, 2015 and February 15, 2016.

The composition of the Transfer Committee and details of meetings attended by the members of the Transfer Committee are given below:

Name of the Members	Designation	No. of Meetings	
		Held	Attended
Mr. Mayur J Shah	Non-Executive & Independent Director	4	4
Mrs. Nanita A Motiani	Executive Director	4	4
Mr. Dinesh Oza	Non-Executive & Independent Director	4	4
Mr. Anil Sharma	Non-Executive & Independent Director	4	2

**b) Brief terms of reference:**

1. To approve and register transfer and/or transmission of equity and preference shares and debentures.
2. To subdivide, consolidate and issue equity and preference share certificates and/or debenture certificate on behalf of the Company.
3. To affix or authorise fixation of common seal of the Company on the equity, preference share certificates and debenture certificate of the Company.
4. To issue duplicate equity and preference share certificates and debenture certificate.
5. To apply for dematerialization of the equity, preference shares and debentures.
6. To do all such acts, deeds or things as may be necessary or incidental to the exercise of above powers.

**F. Corporate Social Responsibility (CSR) Committee:****a) Constitution & Composition of (CSR) Committee:**

The Company has constituted a CSR Committee as required under Section 135 of the Companies Act, 2013 read with rules made thereunder.

During the year under review, CSR Committee met two times on August 14, 2015 and January 27, 2016.

The composition of the CSR Committee and details of meetings attended by the members of the CSR Committee are given below:

Name of the Members	Designation	No. of Meetings	
		Held	Attended
Mrs. Nanita A Motiani, Chairperson	Whole-Time Director	2	2
Mr. Mayaur Shah	Non-Executive & Independent Director	2	2
Mr. Dinesh Oza	Non-Executive & Independent Director	2	2
Mr. Anil Sharma	Non-Executive & Independent Director	2	2

The Committee's constitution and terms of reference meet with the requirements of the Companies Act, 2013. The Committee's prime responsibility is to assist the Board in discharging its social responsibilities by way of formulating and monitoring implementation of the framework of "Corporate Social Responsibility Policy", observe practices of Corporate Governance at all levels and to suggest remedial measures wherever necessary.

**b) Terms of reference of the Committee, inter alia, includes the following:**

1. To formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013 and rules made thereunder;
2. To recommend the amount of expenditure to be incurred on the CSR activities.
3. To monitor the implementation of framework of CSR Policy.
4. To carry out any other function as mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification as may be applicable or as may be necessary or appropriate for performance of its duties.

**c) CSR Policy :**

Your Company has developed a CSR Policy which is uploaded on the website of the Company.

**4. Subsidiary Companies:**

The Company does not have any subsidiary.

**5. Whistle Blower Policy:**

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

**6. General Body Meetings:**

**A. Annual General Meeting:**

The date, time and location of the Annual General Meetings held during the preceding 3 years and special resolution passed thereat is as follows.

Financial Year	Date & Time	Venue	No. of Special Resolutions passed
2012-13	27.09.2013	Karnavati Club, S. G. Road,	1
	11.00 a.m.	Ahmedabad - 380015	
2013-14	22.09.2014	Rajpath Club, S. G. Road,	6
	11.00 a.m.	Ahmedabad - 380015	
2014-15	28.09.2015	Rajpath Club, S. G. Road,	4
	11.00 a.m.	Ahmedabad - 380015	

No Special Resolution was passed through Postal Ballot during the financial year 2014-15. None of the businesses proposed to be transacted in the ensuing Annual General Meeting require passing a Special Resolution through Postal Ballot.

- a) No treatment different from Accounting Standards, prescribed by the Institute of Chartered Accountants of India, has been followed in the preparation of financial statements.
- b) The Company has complied with the mandatory requirements of Clause 49 of the Listing Agreement and provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 ("SEBI Listing Regulations").

## 7. Means of Communication with shareholders:

The quarterly, half-yearly and annual results are published in widely circulating national and local dailies such as 'Business Standard' in English and 'Jansatta' in Gujarati. These results are not sent individually to the shareholders but are put on the website of the Company.

## 8. General Shareholders Information:

### a) Company Registration details

The Company is registered in the State of Gujarat, India. The Corporate Identity Number allotted to the Company by the Ministry of Corporate Affairs is L15400GJ1992PLC018365.

### b) Date, time and venue of the 24th Annual General Meeting:

Thursday, the September 29, 2016 at 11.00 a.m. at Sindhu Sewa Samaj, Sindhu Bhavan, Sindhu Bhavan Marg, Opp Pakwan Off S.G. Road, Ahmedabad - 380059.

### c) Registered Office:

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

### d) Financial Year:

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

Particulars	: Tentative Schedule
Quarterly Results	
Quarter ending on June 30, 2016	: On or before August 14, 2016
Quarter ending on September 30, 2016	: On or before November 15, 2016
Quarter ending on December 31, 2016	: On or before February 15, 2017
Annual Result of 2016-17	: Within 60 days from March 31, 2017

### e) Book Closure Date

The Register of Members and Share Transfer Books of the Company will be closed from Friday, September 23, 2016 to Thursday, September 29, 2016 (both days inclusive) for the purpose of entitlement of dividend

### f) Dividend

Dividends, are to be declared at the annual general meetings of shareholders based on the recommendation of the Board of Directors. Generally, the factors that may be considered by the Board of Directors before making any recommendations for dividend include, without limitation, the Company's future expansion plans and capital requirements, profits earned during the fiscal year, cost of raising funds from alternate sources, liquidity position, applicable taxes including tax on dividend, as well as exemptions under tax laws available to various categories of investors from time to time and general market conditions.

₹ 1/- per share of ₹ 10/- each (i.e. 10%)

### g) Dividend Payment Date

Dividend, if declared, shall be paid to all the eligible shareholders on or after September 29, 2016.

### h) Listing on Stock Exchange:

The Company's shares are listed on the following stock exchanges:

Name of Stock Exchange	Address	Code
Bombay Stock Exchange Limited	Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400001	530077

The Listing fee for the year 2016-17 has already been paid to BSE. The custodial fees payable to depositories namely NSDL & CDSL has also been remitted by the Company.

**i) Market Price Data**

High and low prices of Equity Shares during the 12 months period ended 31<sup>st</sup> March 2016 were as follows:

Month	Bombay Stock Exchange Ltd	
	High (₹)	Low (₹)
April, 2015	134.00	87.10
May, 2015	114.40	85.00
June, 2015	95.00	56.95
July, 2015	96.00	70.10
August, 2015	110.50	68.30
September, 2015	89.80	72.50
October, 2015	104.50	81.60
November, 2015	92.50	64.80
December, 2015	94.75	70.05
January, 2016	98.40	68.40
February, 2016	87.95	62.50
March, 2016	98.10	79.15

**j) Registrar & Transfer Agents:**

Name & Address : BIGSHARE SERVICES PRIVATE LIMITED  
E-2, Ansa Industrial Estate,  
Sakivihar Road, Saki Naka,  
Andheri (E), Mumbai – 400 072  
Tel. : 022 – 2847 0652 / 40430200  
Fax. : 022 – 2847 5207  
Email : [investor@bigshareonline.com](mailto:investor@bigshareonline.com)  
Contact Person : Ms. Ujata P  
Website : [www.bigshareonline.com](http://www.bigshareonline.com)

**k) Shareholding as on March 31, 2016:**

**(a) Distribution of Shareholding as on March, 31 2016:**

No. of Shares	Shareholders		Shares	
	Nos.	% of total	Nos.	% of total
1 - 500	5270	80.4703	853128	7.0245
501 - 1000	615	9.3907	495465	4.0796
1001 - 2000	304	4.6419	459225	3.7812
2001 - 3000	116	1.7713	291915	2.4036
3001 - 4000	44	0.6719	155901	1.2837
4001 - 5000	55	0.8398	258431	2.1279
5001 - 10000	78	1.1910	587336	4.8360
10001 - above	67	1.0231	9043599	74.4636
<b>Total</b>	<b>6549</b>	<b>100.00</b>	<b>12145000</b>	<b>100.00</b>

**(b) Shareholding pattern as on March 31, 2016**

Category	No. of Shareholders	Total No. of Shares held	% to Capital
Promoter's and Relatives	6	6,896,326	56.78
Resident Individuals (incl.HUF)	6,129	4,225,199	34.79
Foreign Institutional Investors (FII'S)	1	237,466	1.96
Non Resident Individuals	136	469,747	3.87
Bodies Corporate	131	297,205	2.45
Clearing Members	33	19,057	0.16
<b>Total</b>	<b>6,436</b>	<b>12,145,000</b>	<b>100.00</b>

**l) Dematerialization of Shares and Liquidity:**

The Company has already established connectivity with National Securities Depository Ltd and Central Securities Depository Ltd through Bigshare Service Private Limited, Registrar & Share Transfer Agent, so as to facilitate the dematerialization of its shares.

The Demat security code (ISIN) for the equity shares is INE795D01011 (For both NSDL & CDSL)

**m) Address for Correspondence:**

- Share Transfer in Physical Form and other communication in that regard including share certificate, dividend and change of address etc., may be addressed to our Registrar & Share Transfer Agents at the address mentioned above.
- Shareholders may also contact the Compliance Officer, Freshtrop Fruit Limited, A-603, Shapath IV, Opp. Karnavati Club, S.G. Road, Ahmedabad – 380 015.  
Phone: 079-40307050-57, Fax: 079-66527069  
E-mail: [investor@freshtrop.com](mailto:investor@freshtrop.com)
- Shareholders holding shares in electric mode should address all their correspondence to their respective depository participants.

**9. Disclosure:**

- There were no transactions of material nature between the Company and its Directors or Management and their relatives or Promoters that may have potential conflict with the interest of the Company. The details of the related party transactions are disclosed in the financial section of this Annual Report.
- In the preparation of the financial statements, the Company has followed the accounting policies and practices as prescribed in the Accounting Standards.
- Management Discussion and Analysis Report is set out in a separate Section included in this Annual Report and forms part of this Report.
- The Company has complied with all the mandatory requirements of the Listing Agreement with the Stock Exchange as well as regulations and guidelines of the SEBI. Further, no penalties, strictures were imposed on the Company by Stock Exchanges or SEBI or any statutory authority, on any matter related to capital markets, during the year under review.
- No treatment different from Accounting Standards, prescribed by the Institute of Chartered Accountants of India, has been followed in the preparation of financial statements.
- The Company has complied with the mandatory requirements of Clause 49 of the Listing Agreement and provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 ("SEBI Listing Regulations").

**CHIEF EXECUTIVE OFFICER'S CERTIFICATE**

To,  
The Board of Directors,  
Freshrop Fruits Limited

We have reviewed the financial statements and the cash flow statements for the year ended March 31, 2016 and that to the best of our knowledge and belief:

1. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
2. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
3. To the best of our knowledge and belief, no transactions entered into by the Company during the year ended March 31, 2016 which are fraudulent, illegal or violation of the Company's Code of Conduct.
4. We accept responsibility for establishing and maintaining internal control system and that we have evaluated the effectiveness of the internal control system of the Company and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal control system, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
5. We further certify that we have indicated to the auditors and the Audit Committee:
  - a. There have been no significant changes in internal control system during the year;
  - b. There have been no significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - c. There have been no instances of significant fraud of which we have become aware, involving management or an employee having a significant role in the Company's internal control system over financial reporting.

Place : Ahmedabad  
Date : August 10, 2016

Ashok Motiani  
Managing Director

Ashish Parekh  
Chief Financial Officer

**AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE**

To  
The Members of  
FRESHTROP FRUITS LIMITED

We have examined the compliance of conditions of Corporate Governance by **FRESHTROP FRUITS LIMITED** for the year ended March 31, 2016, as stipulated in Clause 49 of the Listing Agreement and provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 ("SEBI Listing Regulations"), as applicable.

The Compliances of conditions of Corporate Governance is the responsibility of the management. Our examination has been limited to a review of the procedures and implementation thereof adopted by the Company for ensuring compliance with the condition of the certificate of Corporate Governance as stipulated in the said Clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement and provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 ("SEBI Listing Regulations")

We further state that such compliances in neither an assurance as to the future viability of the Company not of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For Mayank Shah & Associates**  
Chartered Accountants  
Firm Registration No: 106109W

Date : August 10, 2016  
Place : Ahmedabad

**M.S. SHAH**  
Partner  
M.NO. 44093

## **Independent Auditor's Report**

### **TO THE MEMBERS OF FRESHTROP FRUITS LIMITED**

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

We have audited the accompanying financial statements of **FRESHTROP FRUITS LIMITED** ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2016, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the 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 the preparation of these financial statements 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 under Section 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 controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on these 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 the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the 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 on the financial statements.

#### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March, 2016, and its profit and its cash flows for the year ended on that date.

**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section(11) of section 143 of the Companies Act, 2013, we give in the 'Annexure A' a statement on the matters specified in paragraph 3 and 4 of the order.
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 purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - (e) On the basis of the written representations received from the directors as on 31st March, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
  - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in 'Annexure B'.
  - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company has disclosed the impact of pending litigations as at 31st March, 2016 on its financial position in its financial statement - Refer Note 27 to the Financial Statements.
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - iii. There has been no delay in transferring amounts, required to be transferred to the Investor Education & Protection Fund by the Company during the year ended 31st March, 2016.

**For Mayank Shah & Associates**Chartered Accountants  
Firm Registration No: 106109W**M.S. SHAH**

Partner

Membership No. 44093

Ahmedabad  
May 26, 2016



**ANNEXURE-A TO THE INDEPENDENT AUDITORS' REPORT****(Referred to in Paragraph 1 under the heading of "Report on Other Legal and Regulatory Requirements" section of our report of even date)**

- (i) (a) The company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets;
- (b) The fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals having regard to the size of the company, nature and value of its assets. According to the information and explanation given to us, no material discrepancies were noticed on such verification.
- (c) In our opinion and according to information and explanations given to us and on the basis of an examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- (ii) The inventory except goods-in-transit has been physically verified by the Management at reasonable intervals during the year. In our opinion, the frequency of such verification is reasonable. For goods-in-transit at year end, relevant evidences have been obtained. The discrepancies noticed on verification between the physical stocks and the book records were not material and have been dealt with in books of account.
- (iii) In our opinion and according to information & explanation given to us, the company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnership or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of Clause (iii) of paragraph 3 of the order are not applicable to the Company.
- (iv) The Company has not granted any loans or investments or provided any guarantees or security to the parties covered under Section 185 & Section 186 of the Act. Accordingly, the provisions of Clause (iv) of paragraph 3 of the order are not applicable to the Company.
- (v) According to the information and explanations given to us, the Company has not accepted any deposit nor has any unclaimed deposit within the meaning of the provisions of Sections 73 to 76 or any other relevant provision of the Act and the rules framed there under. Accordingly, the provisions of Clause (v) of paragraph 3 of the Order are not applicable to the Company.
- (vi) In our opinion and according to the information and explanations given to us, the requirement for maintenance of cost records pursuant to the Companies (Cost Records and Audit) Rules, 2014 specified by the Central Government of India under Section 148 of the Companies Act, 2013 are not applicable to the Company for the year under audit.
- (vii) (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing the undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess, and any other material statutory dues, as applicable, with the appropriate authorities.  
According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and any other material statutory dues were in arrears as at 31st March, 2016 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, details of dues towards Income Tax and Service Tax which have not been deposited by the Company on account of disputes are as follows,

**Statement of Disputed Dues**

<b>Name of the Statute</b>	<b>Nature of the Dues</b>	<b>Amount under dispute not yet deposited (in ₹)</b>	<b>Period to which amount relates</b>	<b>Forum where dispute is pending</b>
Finance Act, 1994	Service Tax & Penalty	4,32,44,054	Various Year 2006-07 to 2011-12	C.S.T-Service Tax Ahmedabad

Income Tax Act, 1961	Income Tax	75,55,058	A.Y. 2005-06	Income Tax Appellate Tribunal-Ahmedabad
		65,93,074	A.Y. 2009-10 A.Y. 2014-15 A.Y. 2015-16 Various Year	Assessing Officer

According to the information and explanations given to us, there are no dues of Sales Tax, duty of customs, duty of Excise, Value Added Tax and cess which have not been deposited with the appropriate authorities on account of any dispute.

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

**For Mayank Shah & Associates**

Chartered Accountants  
Firm Registration No: 106109W

**M.S. SHAH**

Partner  
Membership No. 44093

Ahmedabad  
May 26, 2016

## **ANNEXURE-B TO THE INDEPENDENT AUDITORS' REPORT**

**(Referred to in Paragraph 2(f) under the heading of "Report on Other Legal and Regulatory Requirements" section of our report of even date)**

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

We have audited the internal financial controls over financial reporting of **FRESHTROP FRUITS LIMITED** ('the Company') as of March 31, 2016 in conjunction with our audit of the financial statements of the Company for the year ended and as 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 (the 'ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditors' Responsibility**

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

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

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

#### **Meaning of Internal Financial Controls Over Financial Reporting**

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

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

**Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

**Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For Mayank Shah & Associates**

Chartered Accountants  
Firm Registration No: 106109W

**M.S. SHAH**

Partner  
Membership No. 44093

Ahmedabad  
May 26, 2016

**BALANCE SHEET AS AT MARCH 31, 2016**

Particulars	Note	As At 31.03.2016 in ₹	As At 31.03.2015 in ₹
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' funds</b>			
Share Capital	2	121,450,000	121,450,000
Reserves and Surplus	3	344,358,282	278,478,014
		<b>465,808,282</b>	<b>399,928,014</b>
<b>Non-current liabilities</b>			
Long-Term Borrowings	4	12,534,298	36,714,112
Deferred Tax Liabilities (Net)	5	49,615,508	49,091,368
		<b>62,149,806</b>	<b>85,805,480</b>
<b>Current liabilities</b>			
Short-Term Borrowings	6	204,001,882	180,557,732
Trade Payables	7		
Due to Micro and Small Enterprise		Nil	Nil
Due to Others		296,361,463	164,755,867
Other Current Liabilities	8	58,729,581	69,663,057
Short-Term Provisions	9	26,733,865	18,777,972
		<b>585,826,791</b>	<b>433,754,627</b>
<b>TOTAL</b>		<b>1,113,784,879</b>	<b>919,488,122</b>
<b>ASSETS</b>			
<b>Non-current assets</b>			
Fixed Assets	10		
Tangible Assets		421,908,858	421,908,858
Intangible Assets		11,912	39,929
		<b>404,345,365</b>	<b>421,948,787</b>
Non-Current Investments	11	250	250
Long-Term Loans and Advances	12	9,012,025	6,802,375
		<b>413,357,640</b>	<b>428,751,412</b>
<b>Current assets</b>			
Inventories	13	406,627,152	322,685,163
Trade Receivables	14	251,124,584	109,118,982
Cash and Bank Balances	15	21,475,458	36,281,466
Short-Term Loans and Advances	16	7,076,647	8,553,843
Other Current Assets	17	14,123,399	14,097,257
		<b>700,427,240</b>	<b>490,736,711</b>
<b>TOTAL</b>		<b>1,113,784,879</b>	<b>919,488,122</b>
Significant Accounting Policies	1		
The notes are an integral part of the financial statements			

As per our report of even date attached  
For, **MAYANK SHAH & ASSOCIATES**  
Chartered Accountants  
(Firm Reg. No. 106109W)

**(M. S. Shah)**  
Partner  
M. No. 44093

Place : Ahmedabad  
Date : 26.05.2016

For and on behalf of the Board

**(Ashok Motiani)**  
Chairman and Managing Director  
DIN No. : 00124470

**(Ashish Parekh)**  
Chief Financial Officer

Place : Ahmedabad  
Date : 26.05.2016

**(Nanita Motiani)**  
Executive Director  
DIN No. : 00787809

**(Jignesh Gandhi)**  
Company Secretary

**STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED ON MARCH 31, 2016**

Particulars	Note	Year Ended 31.03.2016 in ₹	Year Ended 31.03.2015 in ₹
<b>INCOME</b>			
Sale of Products and Services	18A	1,150,907,342	1,142,116,272
Less : Excise Duty		(14,171,359)	(6,054,735)
		1,204,361,594	1,211,044,503
Other Operating Income	18B	53,454,252	68,928,232
Revenue from Operations		<b>1,190,190,235</b>	<b>1,204,989,768</b>
Other Income	21	26,097,200	25,956,780
<b>Total Revenue</b>		<b>1,216,287,434</b>	<b>1,230,946,549</b>
<b>EXPENDITURE</b>			
Cost of Materials Consumed	20A	858,267,876	671,953,259
Purchase of Stock in Trade	20B	4,752,950	-
Changes in Inventories of Finished Goods	21	(86,635,991)	101,368,149
Employee Benefits Expenses	22	64,653,108	53,796,818
Finance Cost	23	13,103,150	19,365,681
Depreciation and Amortization Expenses	24	38,897,354	37,915,269
Other Expenses	25	197,262,592	217,806,025
<b>Total Expenses</b>		<b>1,090,301,038</b>	<b>1,102,205,201</b>
<b>Profit/(Loss) Before Tax and Exceptional Items</b>		<b>125,986,396</b>	<b>128,741,347</b>
Exceptional Items	26	-	4,705,358
<b>Profit/(Loss) Before Tax</b>		<b>125,986,396</b>	<b>124,035,989</b>
<b>Tax Expenses:</b>			
Current tax		45,200,000	42,600,000
Deferred tax		524,140	5,147,048
Taxes of earlier years		(235,491)	424,137
		45,488,649	48,171,185
<b>Profit for the year</b>		<b>80,497,747</b>	<b>75,864,804</b>
Earnings per Equity Share (Face Value ₹ 10)			
Basic & Diluted Earning per Share after tax before & Exceptional Items	29	6.63	6.63
Basic & Diluted Earning per Share after tax & Exceptional Items	29	6.63	6.25
Significant Accounting Policies	1		
The notes are an integral part of the financial statements			

As per our report of even date attached  
For, **MAYANK SHAH & ASSOCIATES**  
Chartered Accountants  
(Firm Reg. No. 106109W)

**(M. S. Shah)**  
Partner  
M. No. 44093

Place : Ahmedabad  
Date : 26.05.2016

For and on behalf of the Board

**(Ashok Motiani)**  
Chairman and Managing Director  
DIN No. : 00124470

**(Ashish Parekh)**  
Chief Financial Officer

Place : Ahmedabad  
Date : 26.05.2016

**(Nanita Motiani)**  
Executive Director  
DIN No. : 00787809

**(Jignesh Gandhi)**  
Company Secretary

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2016**

<b>Particulars</b>	<b>For the Period ended 31.03.2016 (₹)</b>	<b>For the Period ended 31.03.2015 (₹)</b>
<b>A Cash Flow from Operating Activities :</b>		
Net Profit / (loss) before Tax and after exceptional items	125,986,396	124,035,989
Adjustments For :		
Depreciation and Amortisation	38,897,354	37,915,269
(Profit)/Loss on sale of Investments	911	(49,792)
(Profit)/Loss on sale of Assets	-	5,124,567
Unrealised Foreign Exchange Loss / (Gain)	1,153,040	(15,769,586)
Bad Debts	146,846	-
Finance Cost	13,103,150	19,365,681
Interest/Dividend/Rent received	(257,998)	(512,307)
Operating Profit before Working Capital Changes	<b>179,029,699</b>	<b>170,109,820</b>
<b>Adjustments For :</b>		
(Increase) / Decrease in Trade Receivables	(142,027,348)	81,693,799
(Increase) / Decrease in Inventories	(83,941,989)	114,426,897
Increase / (Decrease) in Trade Payables & Others	121,948,625	(206,914,229)
Cash generated from Operations	75,008,987	159,316,287
Direct Taxes Paid (Net of Refund)	39,232,706	37,777,214
<b>Net Cash used in Operating Activities (A)</b>	<b>35,776,281</b>	<b>121,539,073</b>
<b>B Cash Flow from Investing Activities :</b>		
Purchase of Fixed Assets including Capital Work In Progress and capital advances	(21,293,932)	(94,022,752)
Sale/Deduction of Fixed Assets	-	2,088,171
Interest/Dividend/Rent received	257,998	512,307
Profit/(Loss) on sale of Investments	(911)	49,792
<b>Net Cash used in Investment Activities (B)</b>	<b>(21,036,845)</b>	<b>(91,372,481)</b>

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2016 (Contd...)**

Particulars	For the Period ended 31.03.2016 (₹)	For the Period ended 31.03.2015 (₹)
<b>C Cash Flow from Financing Activities :</b>		
Increase / (Decrease) in Long Term Borrowings	(24,179,814)	10,621,826
Increase / (Decrease) in Short Term Borrowings	23,444,151	43,421
Finance Cost	(13,103,150)	(19,365,681)
Dividend Paid	(14,617,722)	(14,209,043)
<b>Net Cash from Financing Activities (C)</b>	<b>(28,456,535)</b>	<b>(22,909,477)</b>
<b>Net Increase In Cash &amp; Cash equivalents (A+B+C)</b>	<b>(13,717,100)</b>	<b>7,257,114</b>
Cash & Cash Equivalents at the beginning of the year	33,368,558	26,111,444
Cash & Cash Equivalents at the end of the year	19,651,458	33,368,558

As per our report of even date attached  
For, **MAYANK SHAH & ASSOCIATES**  
Chartered Accountants  
(Firm Reg. No. 106109W)

**(M. S. Shah)**  
Partner  
M. No. 44093

Place : Ahmedabad  
Date : 26.05.2016

For and on behalf of the Board

**(Ashok Motiani)**  
Chairman and Managing Director  
DIN No. : 00124470

**(Ashish Parekh)**  
Chief Financial Officer

Place : Ahmedabad  
Date : 26.05.2016

**(Nanita Motiani)**  
Executive Director  
DIN No. : 00787809

**(Jignesh Gandhi)**  
Company Secretary



## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31.03.2016

### **1 Significant Accounting Policies :**

#### **1.1 Basis of Preparation of Financial Statements**

##### **a) Basis of Accounting**

These financial statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting in accordance with the accounting principles generally accepted in India ('Indian GAAP') and comply with the Accounting standards prescribed in the Companies (Accounting Standards) Rules, 2006 which continue to apply under Section 133 of the Companies Act, 2013 ('the Act') read with Rule 7 of the Companies (Accounts) Rules, 2014.

##### **b) Use of Estimates**

The preparation of financial statements in conformity with Generally Accepted Accounting Principles requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenue and expenses and disclosure of contingent assets and liabilities. The estimates and assumptions used in the accompanying financial statements are based upon management evaluation of the relevant facts and circumstances as on the date of the financial statements. Actual results may differ from the estimates and assumptions used in preparing the accompanying financial statements. Any revisions to accounting estimates are recognised prospectively in current and future periods.

##### **c) Current / Non Current Classification**

All assets and liabilities have been classified as current or noncurrent as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current/non-current classification of assets and liabilities.

#### **1.2 Fixed Assets and Depreciation / Amortization**

##### **a) Tangible Fixed Assets**

Tangible Assets are stated at cost net of recoverable taxes, trade discounts and rebates, less accumulated depreciation and impairment loss, if any. The cost of Tangible Assets comprises its purchase price, borrowing cost and any cost directly attributable to bringing the asset to its working condition for its intended use.

Subsequent expenditures related to an item of Tangible Asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

Depreciation on tangible fixed assets is provided using the Straight Line Method based on the useful lives of the assets as estimated by the management and is charged to the Statement of Profit and Loss as per the requirement of Schedule II of the Companies Act, 2013. The estimate of the useful life of the assets has been assessed based on technical advice which considered the nature of the asset, the usage of the asset, expected physical wear and tear, the operating conditions of the asset, anticipated technological changes, manufacturers warranties and maintenance support, etc. Depreciation is provided on a pro-rata basis on the straight line method over the useful lives as prescribed under Schedule II to the Companies Act, 2013 with the exception of the following :

- i) Office Building with RCC frame structure is depreciated over 30 years based on the technical evaluation of useful life done by the management.
  - ii) Factory Building is depreciated over 20 years based on the technical evaluation of useful life done by the management.
- b) Intangible Assets**

Intangible assets are recognized when it is probable that the future economic benefits that are attributable to the assets will flow to enterprise and the cost of the assets can be measured reliably. The intangible assets are recorded at the consideration paid for the acquisition of such assets and are carried at cost less accumulated amortization and accumulated impairment loss, if any.

Costs incurred on acquisition of intangible assets are capitalized and amortized on a straight-line basis over their technically assessed useful lives, as mentioned below :

Intangible Assets	Estimated Useful Lives (Years)
Software/Website	5

c) Capital Work in Progress & Capital Advances

Cost of Assets not ready for intended use, as on the balance sheet date, is shown as capital work in progress. Advances given towards acquisition of fixed assets outstanding at each balance sheet date are disclosed as Long Term Loans & Advances.

d) Impairment

The carrying amounts of assets are reviewed at each Balance Sheet date if there is any indication of impairment based on internal/external factors. An asset is impaired when the carrying amount of the asset exceeds the recoverable amount. An impairment loss is charged to the statement of Profit and Loss in the year in which an asset is identified as impaired. An impairment loss recognised in prior accounting periods is reversed if there has been change in the estimate of the recoverable amount.

### 1.3 Investments

Investments are classified into current and non-current investments. Investments that are readily realizable and intended to be held for not more than a year from the date of acquisition are classified as current investments. All other investments are classified as non-current investments.

Current investments are stated at the lower of cost and fair value. The comparison of cost and fair value is done separately in respect of each category of investments.

Non-current investments are stated at cost. A provision for diminution in the value of long-term investments is made only if such a decline is other than temporary in the opinion of the management.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is recognised in the Statement of Profit and Loss.

### 1.4 Inventories

a) Raw materials, finished goods, packing materials, stores and spares and consumables are carried at the lower of cost and net realizable value after providing for obsolescence, if any. The comparison of cost and net realizable value is made on an item-by item basis.

b) In determining the cost of raw materials, packing materials, consumables, stores and spares, First-in-First-Out (FIFO) method is used. Cost of inventory comprises all costs of purchase, duties, taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventory to their present location and condition.

c) Cost of finished goods includes the cost of raw materials, packing materials, an appropriate share of fixed and variable production overheads, excise duty as applicable and other costs incurred in bringing the inventories to their present location and condition.

d) Materials in transit are valued at cost-to-date.

### 1.5 Transactions in Foreign Currency:

a) Initial recognition:

Transactions in foreign currencies entered into by the Company are accounted at the exchange rates prevailing on the date of the transaction. Exchange differences arising on foreign exchange transactions settled during the year are recognized in the statement of profit and loss.

- b) Measurement of foreign currency items at the Balance Sheet date:

Foreign currency monetary items of the Company are restated at the closing exchange rates. Non-monetary items are recorded at the exchange rate prevailing on the date of the transaction. Exchange differences arising out of these translations are recognized in the Statement of Profit and Loss.

- c) Forward exchange contracts:

The Company enters into forward exchange contracts to hedge against its foreign currency exposures relating to the underlying transactions and firm commitments. The Company does not enter into any derivative instruments for trading or speculative purposes.

The premium or discount arising at the inception of forward exchange contract is amortized and recognized as an expense/income over the life of the contract. Exchange differences on such contracts are recognized in the Statement of Profit and Loss in the period in which the exchange rate changes. Any Profit or Loss arising on cancellation or renewal of such forward exchange contract is also recognized as income or expense for the period.

#### 1.6 Revenue Recognition

- a) Export Sales

Sales against fixed price contract are recognized when the significant risks and rewards of ownership are transferred to the buyer.

- b) Domestic Sales

Revenue from sale of goods is recognized on transfer of all significant risks and rewards of ownership to the buyer. The amount recognized as sale is exclusive of sales tax/VAT and is net of returns & discounts. Sales are stated gross of excise duty as well as net of excise duty; excise duty being the amount included in the amount of gross turnover. The excise duty related to the difference between the closing stock and opening stock is recognized separately as part of changes in inventories of finished goods.

- c) Job Work Sales

Job Work Sales are recognized as and when the processing of specific products is completed and related costs are incurred in accordance with the terms of the specific contracts.

- d) Export Incentive

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

- e) Other Income

Interest income is recognized on the time proportion basis.

Dividend income is recognized when the right to receive payment is established.

#### 1.7 Employee Benefits

- a) Short Term Employees Benefit

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

- b) Post Employment Benefit

Defined Contribution Plans :

A defined contribution plan is a post-employment benefit plan under which an entity pays specified contributions to a separate entity and has no obligation to pay any further amounts. The Company makes specified monthly contributions towards employee provident fund to

Government administered provident funds scheme and Employees' State Insurance Corporation (ESIC) which are a defined contribution plan. The Company's contribution is recognized as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

**Defined Benefit Plans :**

The Company's gratuity benefit scheme is a defined benefit plan. The Company's net obligation in respect of a defined benefit plan is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. Any unrecognized past service costs and the fair value of any plan assets are deducted. The calculation of the Company's obligation under the plan is performed annually by a qualified actuary using the projected unit credit method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The discount rates used for determining the present value of the obligation under defined benefit plan, are based on the market yields on Government securities as at the Balance sheet date.

The Company recognizes all actuarial gains and losses arising from defined benefit plans immediately in the Statement of Profit and Loss. All expenses related to defined benefit plans are recognized in employee benefits expense in the Statement of Profit and Loss. The Company recognizes gains and losses on the curtailment or settlement of a defined benefit plan when the curtailment or settlement occurs.

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

**c) Compensated Absences**

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

**1.8 Borrowing Cost**

Borrowing costs attributable to the acquisition, construction or production of qualifying assets, are added to the cost of those assets, upto the date when the assets are ready for their intended use. All other borrowing costs are expensed in the period they occur.

**1.9 Provisions and Contingencies**

A provision is recognised if, as a result of a past event, the Company has a present obligation that can be estimated reliably and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are recognised at the best estimate of the expenditure required to settle the present obligation at the balance sheet date. The provisions are measured on an undiscounted basis.

A contingent liability exists when there is a possible but not probable obligation or a present obligation that may, but probably will not, require an outflow of resources, or a present obligation whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions, but are disclosed unless the possibility of outflow of resources is remote. Contingent assets are neither recognised nor disclosed in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.

**1.10 Taxes on Income**

Income tax expenses comprise current and deferred taxes. Current tax is determined on income for the year chargeable to tax in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws and after considering credit for Minimum Alternate Tax (MAT) available under the said Act. MAT paid in accordance with the tax laws which gives future economic benefits in the form of adjustments to future tax liability, is considered as an asset if there is convincing evidence that the future economic benefit associated with it will flow to

the Company resulting in payment of normal income tax.

Deferred tax is recognized on timing differences; being the difference between taxable income and accounting income that originate in one period and are capable of reversing in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognized for all timing differences. Deferred tax assets are recognized for timing differences of items other than unabsorbed depreciation and carry forward losses only to the extent that there is a reasonable certainty that there will be sufficient future taxable income will be available against which these can be realized. However if there are unabsorbed depreciation and carry forward of losses and items relating to capital losses, deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that there will be sufficient future taxable income available to realize the assets. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each balance sheet date for their realizability.

#### **1.11 Research and Development Expenditure**

Revenue expenditure on research and development is charged under respective heads of account in the year in which it is incurred. Capital expenditure on research and development is included as part of fixed assets and depreciated on the same basis as other fixed assets.

#### **1.12 Segment Accounting**

Segment accounting policies are in line with the accounting policies of the Company. In addition, the following specific accounting policies have been followed for segment reporting:

- a) Segment revenue includes sales and other income directly identifiable with/ allocable to the segment.
- b) Expenses that are directly identifiable with/ allocable to segments are considered for determining the segment result. Expenses which relate to the Company as a whole and not allocable to segments are included under "Un-allocable Corporate Expenditure".
- c) Income which relates to the Company as a whole and not allocable to segments is included in "Un-allocable Corporate Income".
- d) Segment assets and liabilities include those directly identifiable with the respective segments. Un-allocable Corporate Assets and Liabilities represent the assets and liabilities that relate to the Company as whole and not allocable to any segment.

#### **1.13 Earnings Per Share**

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders after deducting preference dividends and attributable taxes by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earning per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares, if any.

#### **1.14 Cash and Cash Equivalents**

The Company considers all highly liquid financial instruments, which are readily convertible into known amount of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents.

#### **1.15 Cash Flow Statement**

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

#### **1.16 Proposed Dividend**

Dividend recommended by the Board of Directors is provided for in the accounts, pending approval at the Annual General Meeting.

## 2. SHARE CAPITAL

Particulars	As At 31.03.2016 In ₹	As At 31.03.2015 In ₹
<b>Authorized</b>		
15,000,000 Equity Shares of ₹10/- each	150,000,000	150,000,000
<b>Issued, Subscribed &amp; Paid-up Share Capital</b>		
12,145,000 (P.Y. 12,145,000) Equity Shares of ₹10/- each fully paid	121,450,000	121,450,000
<b>TOTAL</b>	<b>121,450,000</b>	<b>121,450,000</b>

### 2.1 Reconciliation of number of Equity Shares

Particulars	As At 31-03-2016 In ₹	As At 31-03-2015 In ₹
At the beginning of the year	12,145,000	12,145,000
Add: Issued during the year	-	-
<b>Shares outstanding at the end of the year</b>	<b>12,145,000</b>	<b>12,145,000</b>

### 2.2 Rights, Preferences and Restrictions attached to Shares

The Company has only one class of equity shares having a par value of ₹10 per share. Each Shareholder is eligible for one vote per share. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company, after distribution of all preferential amounts, in proportion of their shareholding. The dividend proposed by the Board of Directors is subject to the approval of shareholders in the ensuing Annual General Meeting, except in case of interim dividend.

### 2.3 Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

Particulars	As At 31.03.2016		As At 31.03.2015	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Freshcap Foodstuff LLP (Formerly known as Freshcap Investments Pvt. Ltd)	2,478,013	20.40%	2,478,013	20.40%
Ashok Vishandas Motiani	1,585,773	13.06%	1,520,163	12.52%
Nanita Ashok Motiani	915,246	7.54%	872,246	7.18%
Dipti Ashok Motiani	799,712	6.58%	769,712	6.34%
Priyanka Tandon	639,082	5.26%	629,082	5.18%

A final dividend of ₹1(Rupees One only) per equity share of ₹10 has been recommended by the Board of Directors at its meeting held on 26<sup>th</sup> May, 2016, subject to the approval by the shareholders at the ensuing Annual General Meeting. If approved the total dividend appropriation for the year ended 31<sup>st</sup> March, 2016 amounted to ₹146.17 lacs including corporate dividend tax of ₹24.72 lacs. (Previous year ₹146.18 lacs including corporate dividend tax of ₹24.73 lacs).

### 3. RESERVES & SURPLUS

Particulars	As At 31.03.2016 In ₹	As At 31.03.2015 In ₹
<b>Capital Reserves</b>		
At The Commencement and at the end of the year	8,950,000	8,950,000
<b>Securities Premium Account</b>		
At The Commencement and at the end of the year	18,800,000	18,800,000
<b>General Reserves</b>		
At The Commencement and at the end of the year	1,287,965	1,287,965
<b>Surplus in Statement of Profit and Loss</b>		
At The Commencement of the year	249,440,049	191,164,097
Add: Surplus during the year	80,497,747	75,864,804
Less : Appropriations :		
Proposed Final Dividend	(12,145,000)	(12,145,000)
Tax on Proposed Dividend	(2,472,479)	(2,472,722)
Adjustment for Depreciation (Note 3.1)	-	(2,971,130)
<b>At the end of the year</b>	<b>315,320,317</b>	<b>249,440,049</b>
<b>TOTAL</b>	<b>344,358,282</b>	<b>278,478,014</b>

3.1 In the previous year, the Company had adopted estimated useful life of fixed assets as stipulated by Schedule II to the Companies Act 2013. Accordingly, depreciation of ₹29.71 lacs net of deferred tax of ₹15.29 lacs on account of assets whose useful life had already exhausted on April 01, 2014, has been adjusted against Profit & Loss A/c.

### 4. LONG TERM BORROWINGS

Particulars	As At 31.03.2016 In ₹	As At 31.03.2015 In ₹
<b>Secured</b>		
Term loans from Banks	4,925,000	25,820,800
From Others	206,183	4,725,197
<b>Unsecured</b>		
From Director	7,403,115	6,168,115
<b>TOTAL</b>	<b>12,534,298</b>	<b>36,714,112</b>
Current Maturities of Long Term Borrowings	*25,424,806	*41,129,136
*Amount disclosed under other current liabilities (Refer Note 8)		

**4.1 Nature of Security and terms of repayment for Long Term Secured Borrowing**

- 4.1.2** Term Loan of ₹27,20,800 (P.Y. ₹1,89,66,400) is secured by Equitable mortgage of Factory Land & Building located at Unit-1 repayable in 36 Monthly Installments starting From July,2013.Last Installment due in June, 2016. Rate of Interest 12.45% p.a. (Last year 13.25% p.a.) at year end.
- 4.1.3** Term Loan of ₹73,30,000 (P.Y. ₹1,24,90,000) is secured by Equitable mortgage of Factory Land & Building located at Unit-1 repayable in 36 Monthly Installments starting From September,2014. Last Installment due in August, 2017. Rate of Interest 12.45% p.a. (Last year 13.25% p.a.)
- 4.1.4** Term Loan of ₹40,27,000 (P.Y. ₹81,91,000) is secured by Equitable mortgage of Factory Land & Building located at Unit-1 repayable in 31 Monthly Installments starting From September,2014. Last Installment due in March,2017. Rate of Interest 12.45% p.a. (Last year 13.25% p.a.) at year end.
- 4.1.5** Term Loan of ₹41,83,000 (P.Y. ₹75,07,000) is secured by Equitable mortgage of Factory Land & Building located at Unit-1 repayable in 36 Monthly Installments starting From September,2014. Last Installment due in August,2017. Rate of Interest 12.45% p.a. (Last year 13.25% p.a.) at year end.
- 4.1.4** Term Loan of ₹75,60,000 (P.Y. ₹1,32,24,000) is secured by Equitable mortgage of Factory Land & Building located at Unit-1 repayable in 36 Monthly Installments starting From September,2014. Last Installment due in July,2017. Rate of Interest 12.45% p.a. (Last year 13.25% p.a.) at year end.
- 4.1.7** The above mentioned term Loans are colletrally secured by first charge by way of mortgage of factory land & bulding & plant & machinary located at Unit-I,Unit-II and Unit-IV &further secured by Extension of charge on current assets of the company & personal Guarantee of Chariman & Managing Director.
- 4.1.8** Term Loan of ₹1,79,431 (P.Y. ₹8,90,984) is secured by Hypothecation on the Vehicle of the company repayable in 35 Monthly Installment starting From July,2013. Last Installment due in June,2016. Rate of Interest 11.00% p.a.(Last Year 11.00% p.a) at year end.
- 4.1.9** Term Loan of ₹NIL (P.Y. ₹8,22,087) is secured by Hypothecation on the Vehicle of the company repayable 30 Monthly Installments starting From July,2013. Last Installment due in January,2016. Rate of Interest 8.35% p.a.(Last Year 8.35% p.a) at year end.
- 4.1.10** Term Loan of ₹10,03,813 (P.Y. ₹17,20,517) is secured by Hypothecation on the Vehicle of the company repayable 35 Monthly Installments starting From August,2014. Last Installment due in June,2017. Rate of Interest 8.35% p.a.(Last Year 8.35% p.a) at year end.
- 4.1.11** Term Loan of ₹35,51,945 (P.Y. ₹78,63,146 ) is secured by first & exclusive chage on machinary purchased out of TCFSL fund repayable in 24 Monthly Installments starting From February ,2015. Last Installment due in January, 2017. Rate of Interest 13.00% p.a.(Last Year 13.00% p.a.).It is also secured by unconditional & Irrevocable guarantee of Chairman & Managing Director.
- 4.2** Installments Falling Due In Respect Of All The Above Loans Upto 31/03/2017 Have Been Grouped Under Current Maturities Of Long-Term Debt.
- 4.3** The Company has not defaulted in the repayment of loans & interest in current & previous year.



**5. DEFERRED TAX LIABILITY (NET)**

Particulars	As At 31.03.2016 In ₹	As At 31.03.2015 In ₹
<b>Deferred Tax Liabilities</b>		
Difference between book depreciation and tax depreciation	49,921,038	49,438,992
	49,921,038	49,438,992
<b>Deferred Tax Assets</b>		
Expenditure covered by section 43B of Income Tax Act, 1961	(305,530)	(347,624)
	(305,530)	(347,624)
<b>Net Deferred Tax Liability</b>	<b>49,615,508</b>	<b>49,091,368</b>

**6. SHORT TERM BORROWINGS**

Particulars	As At 31.03.2016 In ₹	As At 31.03.2015 In ₹
<b>Secured</b>		
Working Capital Loans from Banks	204,001,882	177,759,317
<b>Unsecured</b>		
Working Capital Loans from Banks	-	2,798,415
<b>TOTAL</b>	<b>204,001,882</b>	<b>180,557,732</b>

6.1 Working Capital Loans from Banks comprise of Cash Credit, Pre Shipment and Post Shipment Credit are secured by way of hypothecation of Current Assets including Stocks and Book Debts and are collaterally secured by first charge by way of mortgage of factory land & bulding & plant & machinery located at Unit-I, Unit-II and Unit-IV & further secured by Extension of charge over Other fixed assets of the company & personal Guarantee of Chariman & Managing Director.

**7. TRADE PAYABLES**

Particulars	As At 31.03.2016 In ₹	As At 31.03.2015 In ₹
Due to Micro and Small Enterprises (Refer Note 37)	-	-
Due to Others (Note 7.1)	296,361,463	164,755,867
<b>TOTAL</b>	<b>296,361,463</b>	<b>164,755,867</b>

7.1 Trade Payables include ₹5,40,000/- (P.Y. Nil/-) to related parties (Refer Note 30).

**8. OTHER CURRENT LIABILITIES**

<b>Particulars</b>	<b>As At 31.03.2016 In ₹</b>	<b>As At 31.03.2015 In ₹</b>
Current maturities of long-term debt (Refer Note 4)	25,424,806	41,129,136
Interest accrued and due on borrowings	346,953	800,262
Advance from Customers	4,129,931	9,318,054
Unclaimed dividends (Note 8.1)	1,125,819	734,921
Creditors for Capital Goods	5,321,487	4,156,388
Trade Deposit	2,350,178	2,350,178
Other Current Liabilities (Note 8.2)	11,342,480	8,267,908
Statutory Liabilities (Note 8.3)	8,687,927	2,906,210
<b>TOTAL</b>	<b>58,729,581</b>	<b>69,663,057</b>

8.1 There is no amount due and outstanding to be transferred to the Investor Education and Protection Fund as on 31st March 2016.

8.2 Other current liabilities include Deferred Premium, Expenses Payable etc. and ₹34,39,749 (P.Y. ₹13,11,046) to related parties (Refer Note 30)

8.3 Statutory liabilities represent amounts payable towards VAT, CST, Excise duty, Service Tax and TDS etc.

**9. SHORT TERM PROVISIONS**

<b>Particulars</b>	<b>As At 31.03.2016 In ₹</b>	<b>As At 31.03.2015 In ₹</b>
<b>Provision for employee benefits</b>		
Contribution to PF, Gratuity etc. (Refer Note 32)	1,456,173	1,240,005
Other Provisions		
Provision for Taxes (Net of Advance Tax & TDS)	7,792,215	2,060,412
Proposed Dividend	12,145,000	12,145,000
Tax on Proposed Dividend	2,472,479	2,472,722
Provision for Expenses	2,867,998	859,833
<b>TOTAL</b>	<b>26,733,865</b>	<b>18,777,972</b>

**10. FIXED ASSETS**

Sr.	Description	GROSS BLOCK				DEPRECIATION				NET BLOCK		
		Balance As at 01.04.2014	Additions During the Year	Deductions During the year	Balance As at 31.03.2016	Balance As at 31.03.2015	Provided During the Year	Retained Earnings (Refer note 12.1 below)	Deductions During the Year	Balance As at 31.03.2016	As on 31.03.2016	As on 31.03.2015
		₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹
<b>TANGIBLE ASSETS</b>												
1	LAND & LAND DEVELOPMENT	19,565,530	268,750	-	19,834,280	-	-	-	-	-	19,834,280	19,565,530
2	FACTORY BUILDING	168,086,633	6,090,710	-	174,177,343	40,301,659	8,444,734	-	-	48,746,393	125,430,950	127,784,973
3	MACHINERY	370,828,975	13,779,777	-	384,608,752	118,450,435	26,433,977	-	-	144,884,412	239,724,340	252,378,540
4	OFFICE EQUIPMENT	3,388,918	501,045	-	3,889,963	2,103,090	407,002	-	-	2,510,092	1,379,871	1,285,828
5	VEHICLES	19,008,595	-	-	19,008,595	5,202,156	2,116,536	-	-	7,318,692	11,689,903	13,806,439
6	FURNITURE & FIXTURES	6,119,976	192,150	-	6,312,126	4,036,402	585,730	-	-	4,622,132	1,689,994	2,083,574
7	COMPUTER	5,822,737	461,500	-	6,284,237	4,846,060	457,924	-	-	5,303,984	980,253	976,677
8	OFFICE ELECTRIFICATION	325,740	-	-	325,740	180,325	53,805	-	-	234,130	91,610	145,415
9	POLLUTION CONTROL EQUIP.	5,313,702	-	-	5,313,702	1,431,821	369,629	-	-	1,801,450	3,512,252	3,881,881
TOTAL		598,460,805	21,293,932	-	619,754,737	176,551,947	38,869,337	-	-	215,421,284	404,333,453	421,908,858
Previous Year's Total		504,117,193	105,788,133	11,444,521	598,460,805	138,390,989	37,891,712	4,501,030	4,231,783	176,551,948	421,908,858	365,726,204
INTANGIBLE ASSETS												
1	WEB SITE	238,240	-	-	238,240	198,311	28,017	-	-	226,328	11,912	39,929
TOTAL		238,240	-	-	238,240	198,311	28,017	-	-	226,328	11,912	39,929
Previous Year's Total		238,240	-	-	238,240	174,754	23,557	-	-	198,311	39,929	63,486
TOTAL AS AT 31.03.2016		598,699,045	21,293,932	-	619,992,977	176,750,258	38,897,354	-	-	215,647,612	404,345,365	421,948,787
TOTAL AS AT 31.03.2015		504,355,433	105,788,133	11,444,521	598,699,045	138,565,743	37,915,269	4,501,030	4,231,783	176,750,259	421,948,787	365,789,690

**Note :**

- 10.1 "Depreciation of ₹Nil (March 31, 2015 - ₹45.01 lacs subject to deferred tax) on account of assets whose useful life was exhausted on April 01, 2015 adjusted against Profit & Loss Account pursuant to adoption of estimated useful life of fixed assets as stipulated by Schedule II of the Companies Act, 2013.

**11. NON CURRENT INVESTMENTS**

Particulars	As At 31.03.2015 In ₹	As At 31.03.2014 In ₹
<b>Unquoted Investments</b>		
Investment in Shares of Shree Laxminarayan Co. op. Soc. Ltd. [5 Nos. (P.Y. 5) ] of ₹50 each	250	250
<b>TOTAL</b>	<b>250</b>	<b>250</b>

**12. LONG TERM LOANS AND ADVANCES**

<b>Particulars</b>	<b>As At 31.03.2016 In ₹</b>	<b>As At 31.03.2015 In ₹</b>
<b>Unsecured and Considered good</b>		
Advance for Capital Goods	1,000,000	1,315,952
Security Deposits	3,137,525	2,854,773
Loans and Advances to Employees (Note 12.1)	874,500	131,650
Balances With Government Authorities (Note 12.2)	4,000,000	2,500,000
<b>TOTAL</b>	<b>9,012,025</b>	<b>6,802,375</b>

12.1 Loans and Advances to Employees include ₹1,00,000/- (P.Y. ₹Nil/-) to related parties (Refer Note 30).

12.2 Balance with Statutory Authorities includes balances with Service Tax and Customs Department.

**13. INVENTORIES**

<b>Particulars</b>	<b>As At 31.03.2016 In ₹</b>	<b>As At 31.03.2015 In ₹</b>
(Valued at lower of cost or net realisable value)		
Raw Materials	6,803,211	8,518,731
Finished Goods	116,296,130	94,384,895
Finished Goods in Transit	252,460,425	183,610,342
Packing Materials	29,216,169	35,054,879
Consumables	1,606,927	858,522
Others	244,290	257,794
<b>TOTAL</b>	<b>406,627,152</b>	<b>322,685,163</b>

**14. TRADE RECEIVABLES**

<b>Particulars</b>	<b>As At 31.03.2016 In ₹</b>	<b>As At 31.03.2015 In ₹</b>
Trade receivables outstanding for a period exceeding six months from the date they are due for payment		
Unsecured considered good	250,061	Nil
Trade receivables outstanding for a period less than six months from the date they are due for payment		
Unsecured considered good	250,874,523	109,118,982
<b>TOTAL</b>	<b>251,124,584</b>	<b>109,118,982</b>

**15. CASH AND BANK BALANCES**

Particulars	As At 31.03.2016 In ₹	As At 31.03.2015 In ₹
<b>Cash &amp; Cash Equivalents</b>		
- Balances with Banks	16,169,107	30,977,927
- Cash on hand	3,482,351	2,390,630
	<b>19,651,458</b>	<b>33,368,558</b>
<b>Other Bank Balances</b>		
- Margin Money Deposits with bank with maturity of more than three month but less than twelve months *	698,181	2,177,987
- In Unclaimed Dividend Account	1,125,819	734,921
	<b>1,824,000</b>	<b>2,912,908</b>
<b>TOTAL</b>	<b>21,475,458</b>	<b>36,281,466</b>

\* Held as lien by bank against bank guarantees.

**16. SHORT-TERM LOANS AND ADVANCES**

Particulars	As At 31.03.2016 In ₹	As At 31.03.2015 In ₹
<b>Unsecured considered good</b>		
Advances to Suppliers of Goods & Expenses	2,129,756	2,958,708
Prepaid Expenses	3,209,164	2,870,573
Other Advances (Note 16.1)	1,737,727	2,724,562
<b>TOTAL</b>	<b>7,076,647</b>	<b>8,553,843</b>

16.1 Other Advances includes Gratuity Planned Assets (Net), Income Receivables & Other Receivable etc. and ₹1,20,000/- (P.Y. ₹Nil/-) to related parties (Refer Note 30)

**17. OTHER CURRENT ASSETS**

Particulars	As At 31.03.2016 In ₹	As At 31.03.2015 In ₹
Fair Value of Foreign Exchange Forward Contracts & Options	8,919,396	8,950,117
Export Incentives Recivables	5,180,603	5,114,297
Other Receivables	23,400	32,843
<b>TOTAL</b>	<b>14,123,399</b>	<b>14,097,257</b>

**18. REVENUE FROM OPERATIONS**

<b>Particulars</b>	<b>2015-16 In ₹</b>	<b>2014-15 In ₹</b>
<b>(A) Revenue from sale of Products &amp; Services</b>		
Sale of Products	1,128,621,401	1,120,830,753
Sale of Services - Job Work	17,400,570	21,285,519
Stock In Trade	4,885,371	-
Less: Excise Duty	(14,171,359)	(6,054,735)
<b>TOTAL ₹</b>	<b>1,136,735,983</b>	<b>1,136,061,537</b>
<b>(B) Other Operating Incomes</b>		
Export Incentives	53,026,207	68,928,232
Other Income	428,045	-
<b>TOTAL ₹</b>	<b>53,454,252</b>	<b>68,928,232</b>
<b>Net Revenue From Operations</b>	<b>1,190,190,235</b>	<b>1,204,989,768</b>
18A.1 Details of Products Sold		
Grapes	762,210,118	818,590,306
Mango Pulp	128,490,023	74,219,298
Pomegranate Concentrate	102,681,014	104,143,526
Guava Pulp	34,762,819	42,447,567
Tomato Paste	16,885,371	29,303,222
Fruit Compound	49,275,979	26,650,059
Others	20,144,718	19,422,040
<b>TOTAL ₹</b>	<b>1,114,450,042</b>	<b>1,114,776,018</b>
18B.1 Details of Stock In Trade		
Mango	433,481	-
Guava	4,451,890	-
	<b>4,885,371</b>	<b>-</b>
18B.2 Other Operating income includes export benefit etc.		

**19. OTHER INCOME**

<b>Particulars</b>	<b>2015-16 In ₹</b>	<b>2014-15 In ₹</b>
Premium/Discount on Forward Contract	15,327,433	14,988,809
Interest Income on Deposits	227,631	433,088
Foreign Exchange Gain	9,537,574	10,392,750
Insurance claims received	823,055	-
Prior Period Items	136,140	-
Dividend Income	30,367	79,219
Other Income	15,000	62,914
<b>TOTAL</b>	<b>26,097,200</b>	<b>25,956,780</b>

**20. COST OF MATERIALS CONSUMED AND PURCHASE OF STOCK IN TRADE**

Particulars	2015-16 In ₹	2014-15 In ₹
<b>20A. Cost of Materials Consumede</b>		
<b><u>Raw Material Consumption</u></b>		
Opening Stock	8,518,731	6,641,102
Add: Purchase	731,625,004	552,353,595
	740,143,735	558,994,697
Less: Closing Stock	6,803,211	8,518,731
<b>Total ₹(A)</b>	<b>733,340,524</b>	<b>550,475,966</b>
<b><u>Packing Material Consumed</u></b>		
Opening Stock	35,054,879	50,064,404
Add: Purchase	115,230,677	101,054,716
	150,285,556	151,119,120
Less: Closing Stock	29,216,169	35,054,879
<b>Total ₹(B)</b>	<b>121,069,387</b>	<b>116,064,241</b>
<b><u>Consumables Consumed</u></b>		
Opening Stock	858,522	1,012,931
Add: Purchase	4,606,370	5,258,643
	5,464,892	6,271,574
Less: Closing Stock	1,606,927	858,522
<b>Total ₹(C)</b>	<b>3,857,965</b>	<b>5,413,052</b>
<b>TOTAL ₹</b>	<b>858,267,876</b>	<b>671,953,259</b>
<b>20B Purchase of Stock In Trade</b>		
Mango	4,367,248	-
Guava	385,702	-
<b>Total ₹</b>	<b>4,752,950</b>	<b>-</b>
<b><u>20A.1 Details of Raw Materials Consumed</u></b>		
Grapes	504,167,909	357,693,618
Pomegranates	99,232,762	72,188,928
Mango	84,007,059	56,790,130
Guava	4,041,391	38,683,127
Tomato	11,015,550	12,846,515
Fruit Compound	30,846,063	11,872,955
Others	29,790	400,693
<b>TOTAL ₹</b>	<b>733,340,524</b>	<b>550,475,966</b>

**20.A. 2 Composition of Consumption**

Particulars	2015-16		2014-15	
<b>Raw Materials</b>				
Imported	Nil	0.00%	Nil	0.00%
Indigenous	733,340,524	100.00%	550,475,966	100.00%
<b>TOTAL ₹</b>	<b>733,340,524</b>	<b>100.00%</b>	<b>550,475,966</b>	<b>100.00%</b>
<b>Packing Materials</b>				
Imported	33,504,397	27.67%	29,873,487	25.74%
Indigenous	87,564,990	72.33%	86,190,754	74.26%
<b>TOTAL ₹</b>	<b>121,069,387</b>	<b>100.00%</b>	<b>116,064,241</b>	<b>100.00%</b>
<b>Consumables</b>				
Imported	819,194	21.23%	1,094,774	20.22%
Indigenous	3,038,771	78.77%	4,318,278	79.78%
<b>TOTAL ₹</b>	<b>3,857,965</b>	<b>100.00%</b>	<b>5,413,052</b>	<b>100.00%</b>

**21. CHANGES IN INVENTORIES OF FINISHED GOODS**

Particulars	2015-16 In ₹	2014-15 In ₹
<b>Inventories at the end of the year</b>		
Finished Goods-In Transit	252,460,425	183,610,342
Finished Goods-At Factory	116,296,130	94,384,895
<b>Total (A)</b>	<b>368,756,555</b>	<b>277,995,237</b>
<b>Inventories at the beginning of the year</b>		
Finished Goods-In Transit	183,610,342	299,849,156
Finished Goods-At Factory	94,384,895	79,415,782
<b>Total (B)</b>	<b>277,995,237</b>	<b>379,264,938</b>
<b>Total (A) - (B)</b>	<b>(90,761,318)</b>	<b>101,269,701</b>
Add/(Less) : Variation in Excise Duty on Closing & Opening stock of Finished Goods	4,125,327	98,448
<b>TOTAL</b>	<b>(86,635,991)</b>	<b>101,368,149</b>

**22. EMPLOYEE BENEFIT EXPENSES**

Particulars	2015-16 In ₹	2014-15 In ₹
Salaries Bonus & Allowances	58,219,248	48,574,966
Contribution towards Gratuity & Provident Fund	5,015,119	4,141,481
Staff Welfare expenses	1,418,741	1,080,371
<b>TOTAL</b>	<b>64,653,108</b>	<b>53,796,818</b>



**23. FINANCE COST**

<b>Particulars</b>	<b>2015-16 In ₹</b>	<b>2014-15 In ₹</b>
Interest Expenses	11,702,305	17,657,917
Foreign exchange loss/(gain) (net) on Foreign currency borrowings	-	(845,884)
Other borrowing costs	1,400,845	2,903,724
	<b>13,103,150</b>	<b>19,715,757</b>
Less: Financial charges Capitalized	-	350,076
<b>TOTAL</b>	<b>13,103,150</b>	<b>19,365,681</b>

**24. DEPRECIATION AND AMORTISATION EXPENSES**

<b>Particulars</b>	<b>2015-16 In ₹</b>	<b>2014-15 In ₹</b>
Depreciation (Refer Note No. 10)	38,869,337	37,891,712
Amortization of Intangible Assets (Refer Note 10)	28,017	23,557
<b>TOTAL</b>	<b>38,897,354</b>	<b>37,915,269</b>

**25. OTHER EXPENSES**

<b>Particulars</b>	<b>2015-16 In ₹</b>	<b>2014-15 In ₹</b>
Labour charges	28,226,048	27,788,971
Power, Fuel & Water	25,817,576	27,506,384
Inward Transportation	10,464,004	7,409,729
Repairs & Maintenance		
- Plant & Machinery	5,566,150	4,509,853
- Buildings	1,334,857	1,811,199
Testing Expenses	2,939,756	1,120,824
Procurement Expenses	3,455,083	2,404,185
Sales Commission	6,825,510	24,234,905
Forwarding & Freight Charges	80,918,159	87,327,559
Rent Rates & Taxes	1,488,626	809,185
Insurance Exps.	1,740,280	1,201,936
Security Expenses	3,584,197	2,361,637
Traveling & Vehicle Expense	6,043,193	6,778,417
Director Sitting Fees	75,000	82,500
Corporate Social Responsibility (Refer Note 38 )	1,349,625	549,255
Professional & Legal fees (Note 25.1)	4,056,889	3,595,182
Loss On Sale of Assets/Mutual Fund	911	5,124,567
Bad Debts	146,846	-
Other Expenses	13,229,882	13,189,737
<b>TOTAL (A+B+C)</b>	<b>197,262,592</b>	<b>217,806,025</b>

**25.1** Legal & Professional Fees Includes payment to auditors (including service tax) as below :

Particulars	2015-16 In ₹	2014-15 In ₹
I) As Statutory Auditor	858,750	674,160
II) Other Service	286,250	168,540

**26. Exceptional Items**

Particulars	2015-16 In ₹	2014-15 In ₹
Capital Advance W/Off	-	4,705,358
<b>TOTAL</b>	<b>-</b>	<b>4,705,358</b>

**27. Contingent Liabilities and Commitments (to the extent not provided for)**

**(a) Contingent Liabilities**

Amount in ₹

Particulars	As At 31-03-2016	As At 31-03-2015
i) Disputed matters in appeals/contested in respectof:		
- Service Tax	43,244,054	43,244,054
- Income Tax	14,148,132	7,555,058
Future cash outflows in respect of the above are determinable only on receipt of Judgments /decisions pending with various forums/authorities. Based on the decisions of the Appellate authorities and the interpretations of other relevant provisions, the Company has been legally advised that the additional demand raised is likely to be either deleted or substantially reduced and accordingly no provision is considered necessary.		
ii) Estimated amount of Custom/Excise duty liability in respect of Capital Goods purchased without payment of duty under EPCG Scheme	847,598	8,044,934
iii) Estimated amount of duty liability on stock of duty free materials	5,000,646	5,347,041
iv) Bank Guarantees	2,000,000	4,000,000

**28** Directorate of Revenue Intelligence has carried out search at our office situated at A-603, Shapath IV, S.G.road, Ahmedabad on 20.10.2015 in connection the availment of Export benefits under VKGUY on Scheme for the imported componnet of packing material which is being used for export of grapes.We have provided all the information and detail as well as documents required by DRI authorities and the enquiry is under way.Till the date we have not received any notice from DRI.

**29. Earning per Equity Share (EPS)****(Amount ₹ )**

<b>PARTICULARS</b>	<b>2014-15</b>	<b>2013-14</b>
<b>Basic Earning per Share &amp; Diluted Earning per Share</b>		
Net Profit/(loss) after Tax & Before Extraordinary Items	80,497,747	80,570,162
Weighted average numbers of Equity Shares for calculation of Basic & Diluted EPS	12,145,000	12,145,000
Basic & Diluted EPS after Tax & Before Extraordinary Items	6.63	6.63
Net Profit/(loss) after Tax & After Extraordinary Items	80,497,747	75,864,804
Weighted average numbers of Equity Shares for calculation of Basic & Diluted EPS	12,145,000	12,145,000
Basic & Diluted EPS after Tax & After Extraordinary Items	6.63	6.25
Nominal Value per Share	10.00	10.00

**30. Related Party Disclosure****Names of related parties and nature of relationship.**

- i) Enterprise under significant influence of Key Management personnel
  - 1) Freshcap Foodstuff LLP (Formerly known as Freshcap Investments Pvt. Ltd.)
  - 2) Agrofoyer Solutions Pvt Ltd
  - 3) Freshfal Pvt Ltd
- ii) Key Management Personnel
 

Mr. Ashok V. Motiani - Chairman and Managing Director.

Mrs. Nanita A. Motiani – Executive Director

Mr. Ashish B.Parekh - Chief Financial Officer

Mr. Jignesh Gandhi - Company Secretary
- iii) Relatives of Key Management Personnel
 

Mrs. Priyanka Tandon

Mr. Mayank Tandon

Ms. Dipti Motiani

**Transactions with related parties.**

<b>Related party disclosure</b>	<b>Relationship</b>	<b>2015-2016</b>	<b>2014-2015</b>
<b>Remuneration</b>			
Ashok Motiani	KMP	8,400,000	8,400,000
Nanita Motian	KMP	3,075,000	1,500,000
Mayank Tandon	Relative of KMP	4,200,000	2,700,000
Priyanka Tandon	Relative of KMP	4,200,000	2,700,000
Dipti Motiani	Relative of KMP	4,200,000	2,700,000
Ashish Parekh	KMP	662,416	536,051
Jignesh Gandhi	KMP	527,387	480,220
<b>Interest Paid</b>			
Ashok Motiani	KMP	611,613	186,795

Nanita Motiani	KMP	16,658	-
Freshcap Foodstuff LLP	Enterprise	-	227,945
<b>Loan Taken</b>			
Ashok Motiani	KMP	9,350,000	14,200,000
Nanita Motiani	KMP	2,150,000	-
<b>Loan Repaid</b>			
Ashok Motiani	KMP	8,879,276	8,218,680
Nanita Motiani	KMP	2,013,995	-
Freshcap Foodstuff LLP	Enterprise		4,660,973
<b>Dividend Paid</b>			
Ashok Motiani	KMP	1,532,005	1,615,904
Nanita Motiani	KMP	910,246	872,246
Mayank Tandon	Relative of KMP	477,844	462,654
Priyanka Tandon	Relative of KMP	629,082	629,082
Dipti Motiani	Relative of KMP	784,712	769,712
Freshcap Foodstuff LLP	Enterprise	2,478,013	2,435,013
<b>Related party disclosure</b>	<b>Relationship</b>	<b>2015-2016</b>	<b>2014-2015</b>
Loan Given			
Jignesh Gandhi	KMP	300,000	-
<b>Loan Recived Back</b>			
Jignesh Gandhi	KMP	80,000	-
<b>Rent Paid</b>			
Dipti Motiani	Relative of KMP	600,000	
<b>Reimbursement of Expenses</b>			
Ashok Motiani	KMP	513,906	373,642
Ashish Parekh	KMP	23,457	-
<b>Amount Payable as Trade Payable</b>			
Ashok Motiani	KMP	431,361	386,545
Nanita Motiani	KMP	90,174	110,442
Mayank Tandon	Relative of KMP	901,750	223,000
Priyanka Tandon	Relative of KMP	919,256	237,971
Dipti Motiani	Relative of KMP	1,011,084	282,912
Dipti Motiani-Rent Payable	Relative of KMP	540,000	-
Ashish Parekh	KMP	47,924	37,675
Jignesh Gandhi	KMP	38,200	32,501
<b>Amount Payable as Unsecured Loan</b>			
Ashok Motiani	KMP	7,250,452	6,168,115
Nanita Motiani	KMP	152,663	
<b>Amount Receivable as Unsecured Loan</b>			
Jignesh Gandhi	KMP	220,000	-

**31. Derivative Instruments & Unhedged Foreign Currency Exposure**

Category	Currency	Buy/ Sell	Purpose	31.03.2016		31.03.2015	
				Amount in FC	Amount ₹	Amount in FC	Amount ₹
FWC	Euro/INR	Sell	Hedging	3,950,000	286,378,950	2,089,421	153,813,689
Against	GBP/INR	Sell	Hedging	1,029,910	101,289,795	1,500,000	145,697,495
Export	USD/INR	Sell	Hedging	1,000,000	66,326,000	1,000,000	62,371,700

Details of unhedged Foreign currency Exposure as at 31 March 2016

Category	Currency	31.03.2016		31.03.2015	
		Amt in FC	Amt in ₹	Amt in FC	Amt in ₹
Creditors	USD	10,746	712,813	1,637	102,460
Debtors/Good In Transit	GBP	470,985	44,785,116	Nil	Nil
	USD	182,359	12,096,401	5,325	333,311
EEFC	USD	96,130	6,376,632	130,705	8,180,822

**32. Employee Benefits****a) Defined Benefit Plan**Gratuity:

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The scheme is funded with LIC in the form of qualifying insurance policy.

The following table summarizes the components of net benefit expenses recognized in the profit and loss account and the funded status and amounts recognized in the balance sheet for the gratuity benefit.

	As at 31.03.2016	As at 31.03.2015
<b>1 Assumptions</b>		
Discount Rate	8%	8%
Salary Escalation	7%	7%
The estimated future salary increases take account of inflation, seniority, promotion and other retirement factors such as supply and demand in the employment markets.		
	As at 31.03.2016	As at 31.03.2015
<b>2 Changes in present value of obligations</b>		
Present value of obligations as at beginning of year	3,434,706	2,787,117
Interest cost	274,776	222,969
Current Service Cost	694,387	542,659
Benefits Paid	(122,749)	(147,320)
Actuarial (gain)/Loss on obligations	(494,667)	29,281
Present value of obligations as at end of year	3,786,453	3,434,706

<b>3 Changes in the fair value of plan assets</b>		
Fair value of plan assets at beginning of year	4,346,759	3,099,297
Expected return on plan assets	390,425	298,727
Employers Contributions	28,721	1,096,055
Benefits paid	(122,749)	(147,320)
Actuarial Gain / (Loss) on Plan assets	-	-
Fair value of plan assets at the end of year	4,643,156	4,346,759
<b>4 Net Gratuity Cost</b>		
Current Service cost	694,387	542,659
Interest Cost	274,776	222,969
Expected return on plan assets	(390,425)	(298,727)
Net Actuarial (gain)/Loss recognized in the year	(494,667)	29,281
Net Gratuity Cost	84,071	496,182
<b>5 Actual return on Plan Assets</b>		
Expected return on plan assets	390,425	298,727
Actuarial Gain/(Loss) on Plan Assets	-	-
Actual Return On Plan Assets	390,425	298,727
<b>6 Balance Sheet Reconciliation</b>		
Net Liability/(Asset) beginning of the year	912,053	312,180
Gratuity Cost As above	(84,071)	(496,182)
Employers Contributions	28,721	1,096,055
Amount recognised in the balance sheet-Current	856,703	912,053
<b>7 Category of Assets</b>		
Insurer Managed Funds (100%)	4,643,156	4,346,759

**Amount recognised in current year and previous four years**

Particular	As at 31 <sup>st</sup> March				
	2016	2015	2014	2013	2012
Defined Benefit Obligation	3,786,453	3,434,706	2,787,117	2,326,873	2,194,877
Fair Value of Plan Assets	4,643,156	4,346,759	3,099,297	2,518,975	1,893,238
(Surplus) / Deficit in the plan	(856,703)	(912,053)	(312,180)	(192,102)	301,639
Actuarial (gain) / loss on plan obligation	(494,667)	29,281	(178,852)	(321,094)	621,297
Actuarial (gain) / loss on plan assets	Nil	Nil	Nil	Nil	Nil

The expected contributions for Defined Benefit Plan for the next financial year will be in line with F.Y. 2015-16

**b) Defined Contribution Plan**

The company has recognized the following amount in profit and loss account which is included under contribution to funds.

Particulars	2015-16	2014-15
Employer's contribution to Provident Fund	4,815,985	3,548,328
ESIC	34,297	26,526

**33. Segment information as per Accounting Standard 17 on Segment Reporting for the year ended 31<sup>st</sup> March 2016****a. Information about Primary Business Segment:**

Amount in ₹ (Figures for P.Y. are given in brackets)

PARTICULARS	BUSINESS SEGMENTS		Unallocated	GRAND TOTAL
	Fresh Fruits	Processed Fruits & Vegetables		
<b>Segment Revenue</b>				
External Revenue	830,405,993 (897,718,249)	359,784,242 (307,271,520)	- -	1,190,190,235 (1,204,989,769)
Inter-segment Revenue	- (-)	- (-)	- (-)	- (-)
<b>Total Revenue</b>	<b>830,405,993 (897,718,249)</b>	<b>359,784,242 (307,271,520)</b>	<b>- (-)</b>	<b>1,190,190,235 (1,204,989,769)</b>
<b>Results</b>				
Segment Result	157,125,291 (169,744,929)	10,312,493 (6,077,063)	- (-)	167,437,784 (175,821,992)
Unallocated Expenses	- (-)	- (-)	28,606,235 (2,80,85,143)	28,606,235 (-2,80,85,143)
<b>Operating Profit/(Loss)</b>	<b>157,125,291 (169,744,929)</b>	<b>10,312,493 (6,077,063)</b>	<b>-28,606,235 (-2,80,85,143)</b>	<b>138,831,549 (147,736,849)</b>
Less: Finance Cost	- (-)	- (-)	13,103,150 (19,365,681)	13,103,150 (19,365,681)
Add: Other Income	- (-)	- (-)	257,998 (370,180)	257,998 (370,180)
Less: Income Tax (including Deferred Tax)	- (-)	- (-)	45,488,649 (48,171,185)	45,488,649 (48,171,185)
Less: Exceptional Items	- (-)	- (-)	- (4,705,358)	- (4,705,358)
<b>Net Profit/(Loss)</b>	<b>157,125,291 (169,744,929)</b>	<b>10,312,493 (6,077,063)</b>	<b>-86,940,036 (-9,99,57,187)</b>	<b>80,497,748 (75,864,805)</b>
<b>Segment Assets</b>	630,881,825 (457,918,146)	453,340,575 (429,976,560)	- (-)	1,084,222,400 (887,894,706)
Unallocated Corporate Assets	- (-)	- (-)	29,562,480 (31,593,417)	29,562,480 (31,593,417)
<b>Total Assets</b>	<b>630,881,825 (457,918,146)</b>	<b>453,340,575 (429,976,560)</b>	<b>29,562,480 (31,593,417)</b>	<b>1,113,784,879 (919,488,123)</b>

<b>Segment Liabilities</b>	422,979,750 <b>(290,213,874)</b>	131,443,342 <b>(130,073,499)</b>	- <b>(-)</b>	554,423,092 <b>(420,287,372)</b>
Unallocated Corporate liabilities	- <b>(-)</b>	- <b>(-)</b>	93,553,505 <b>(99,272,736)</b>	93,553,505 <b>(99,272,736)</b>
<b>Total Liabilities</b>	<b>422,979,750</b> <b>(290,213,874)</b>	<b>131,443,342</b> <b>(130,073,499)</b>	<b>93,553,505</b> <b>(99,272,736)</b>	<b>647,976,597</b> <b>(519,560,108)</b>
<b>Capital Expenditure</b>	15,027,568 <b>(28,638,577)</b>	6,031,864 <b>(77,046,057)</b>	234,500 <b>(103,500)</b>	21,293,932 <b>(105,788,133)</b>
<b>Depreciation Impairment and amortization</b>	14,065,500 <b>(13,888,919)</b>	23,443,775 <b>(22,540,591)</b>	1,388,079 <b>(1,485,760)</b>	38,897,354 <b>(37,915,270)</b>

The Company has disclosed business segment as primary segment. Segments have been identified and reported taking into account the nature of the products the different risks and returns the organization structure and the internal reporting systems. The main business segments are (i) Fresh Fruits which consist of Fresh Grapes Pomegranates and Mangoes (ii) Processed Fruits and Vegetables consist of Mango Pulp Guava Pulp Pomegranates Concentrate and Tomato Paste & Puree.

**b. Information about Secondary Segment**

In respect of secondary segment information the Company has identified its geographical segments as (i) India and (ii) Outside India. The secondary segment information has been disclosed accordingly:

<b>Amount in ₹</b>		
<b>Geographical Segment</b>	<b>2015-16</b>	<b>2014-15</b>
<b>Revenue by Geographical segment – Turnover</b>		
Domestic Operations	214,232,738	211,904,042
External Operations	922,503,245	924,157,495
<b>Total</b>	<b>1,136,735,983</b>	<b>1,136,061,537</b>
<b>Carrying Amount of Segment Assets</b>		
Domestic Operations	909,494,438	825,802,003
External Operations	204,290,441	93,686,120
<b>Total</b>	<b>1,113,784,879</b>	<b>919,488,123</b>
<b>Segment Capital Expenditure</b>		
Domestic Operations	21,293,932	105,788,133
External Operations	Nil	Nil
<b>Total</b>	<b>21,293,932</b>	<b>105,788,133</b>

- Revenue from external operations comprises of income from sale of products, and other operating revenues.
- Carrying amount of segment assets comprises of non-current assets and current assets identified to the respective segments. However Segments assets in India also includes certain common assets used to generate revenue in both segments but not feasible of allocation.
- Capital expenditure during the year represents net additions to Tangible and Intangible assets and movement in Capital work in progress.



**34. Value of Imports calculated on CIF basis :**

Particulars	2015-16	2014-15
Packing Material	29,295,355	23,837,170
Consumables	627,430	932,195
Capital Goods	582,364	38,565,580
Others	303,773	223,247

**35. Expenditures in Foreign Currency**

Particulars	2015-16	2014-15
Foreign Selling Expenses	10,580,895	28,357,062
Foreign Travelling Expenses	2,294,142	2,539,764
Foreign Sea Freight	49,620,304	53,424,419
Other Expense	792,952	2,002,348

**36. Earning In Foreign Currency**

Particulars	2015-16	2014-15
Sales of Fresh Fruits	782,182,781	829,328,532
Sales of Processed Fruits	140,320,464	94,828,963

**37. Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006 are provided as under for the year 2015-16, to the extent the Company has received intimation from the "Suppliers" regarding their status under the Act.**

	As At 31-03-2016	As At 31-03-2015
a. Principal and interest amount remaining unpaid	-	-
b. Interest due thereon remaining unpaid	-	-
c. Interest paid by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day	-	-
d. Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding interest specified under the Micro, Small and Medium Enterprises Act, 2006	-	-
e. Interest accrued and remaining unpaid	-	-
f. Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises	-	-

**38. Corporate Social Responsibility Expenses**

- a). Gross amount required to be spent by the Company during the year 2015-16 – ₹17.60 lacs  
(Previous year – ₹9.50 lacs)

**b). Amount Spent During the year****(₹ In Lakhs)**

	2015-16			2014-15		
	In Cash*	Yet to be paid in cash	Total	In Cash*	Yet to be paid in cash	Total
i) Construction / Acquisition of any Assets	-	-	-	-	-	-
ii) Purposes other than (i) above	13.5	4.1	17.6	5.49	4.01	9.5

\*Represents actual outflow during the year.

**39. Previous year's figures have been rearranged and reclassified wherever necessary to correspondence with current year.**

As per our report of even date attached  
For, **MAYANK SHAH & ASSOCIATES**  
*Chartered Accountants*  
(Firm Reg. No. 106109W)

**(M. S. Shah)**  
*Partner*  
M. No. 44093

Place : Ahmedabad  
Date : 26.05.2016

For and on behalf of the Board

**(Ashok Motiani)**  
Chairman and Managing Director  
DIN No. : 00124470

**(Ashish Parekh)**  
Chief Financial Officer

Place : Ahmedabad  
Date : 26.05.2016

**(Nanita Motiani)**  
Executive Director  
DIN No. : 00787809

**(Jignesh Gandhi)**  
Company Secretary

## **FRESHTROP FRUITS LIMITED**

Regd. Office : A-603, Shapath IV, Opp. Karnavati Club, S G Road, Ahmedabad - 380015.

Email : investor@freshtrop.com • Website : www.freshtrop.com

CIN: L15400GJ1992PLC018365

### **ATTENDANCE SLIP**

DP ID\* : \_\_\_\_\_ Folio / Client ID : \_\_\_\_\_

Client ID\* : \_\_\_\_\_ No. of Shares held : \_\_\_\_\_

Name and Address of the Shareholder(s): \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

I hereby record my presence at the Annual General Meeting held at at Sindhu Sewa Samaj, Sindhu Bhavan, Sindhu Bhavan Marg, Opp Pakwan, Off S.G. Road, Ahmedabad - 380059 on Thrusday, 29<sup>th</sup> September, 2016 at 11.00 a.m.

**Signature of Attending Member / Proxy / Representative:** \_\_\_\_\_

#### **Notes:**

- 1) Please complete and sign this attendance slip and handover at the entrance of the Meeting Hall.
- 2) Only Member(s) or their Proxies with this attendance slip will be allowed entry to the Meeting.

\* Applicable for investors holding shares in electronic (demat) form.

## FRESHTROP FRUITS LIMITED

Regd. Office : A-603, Shapath IV, Opp. Karnavati Club, S G Road, Ahmedabad - 380015.

CIN: L15400GJ1992PLC018365

Form No. MGT-11

### FORM OF PROXY

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

Name of the member(s)	
Registered address	
E-mail ID	
Folio No / Client ID	
DP ID	

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

- Name : \_\_\_\_\_ Address : \_\_\_\_\_  
E-mail ID : \_\_\_\_\_ Signature : \_\_\_\_\_ or failing him
- Name : \_\_\_\_\_ Address : \_\_\_\_\_  
E-mail ID : \_\_\_\_\_ Signature : \_\_\_\_\_ or failing him
- Name : \_\_\_\_\_ Address : \_\_\_\_\_  
E-mail ID : \_\_\_\_\_ Signature : \_\_\_\_\_

As my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 24<sup>th</sup> Annual General Meeting of the Company, to be held on Thursday, the 29<sup>th</sup> day of September, 2016 at 11.00 A.M. at Sindhu Sewa Samaj, Sindhu Bhavan, Sindhu Bhavan Marg, Opp Pakwan, Off S.G. Road, Ahmedabad - 380059 and at any adjournment thereof in respect of such resolutions as are indicated below :

Resolution No.	Description of Resolution
<b>Ordinary Business</b>	
1.	Adoption of Annual Accounts of the Company as on March 31, 2016 (Ordinary Resolution)
2.	Declaration of Dividend on Equity Shares (Ordinary Resolution)
3.	Re-appointment of Mrs. Nanita Motiani (DIN:00787809) who retires by rotation (Ordinary Resolution)
4.	Re-appointment of M/s Mayank Shah & Associates, Chartered Accountants, as Statutory Auditors of the Company and fixing their remuneration (Ordinary Resolution).
<b>Special Business</b>	
5.	Re-Appointment of Mr. Ashok Motiani (DIN:00124470) as a Managing Director for a further period of three years w.e.f 01.08.2016 (Special Resolution)
6.	Adoption of new Article of Association of the Company (Special Resolution)

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2016

Signature of Shareholder : \_\_\_\_\_

Signature of Proxy holder(s) : \_\_\_\_\_

Affix  
₹ 1/-  
Revenue  
Stamp

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

Map of the AGM Venue



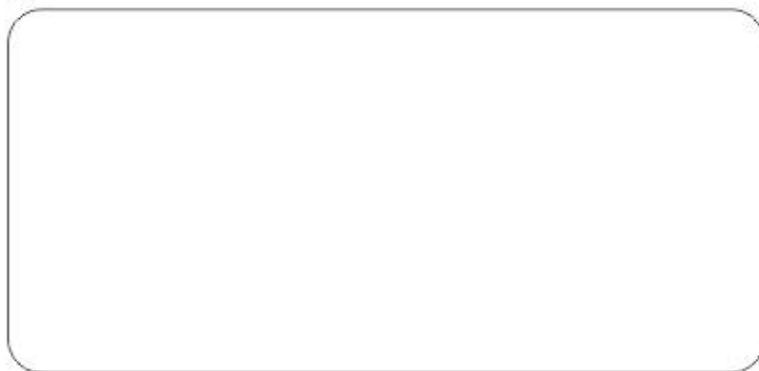
## NOTES

[illegible]





To,



*If undelivered, please return to:*

## **FRESHTROP FRUITS LIMITED**

CIN: L15400GJ1992PLC018365

Regd. Office: A-603, Shapath IV,  
Opp. Karnavati Club, S.G. Road,  
Ahmedabad - 380 015, Gujarat, INDIA.

Tel: +91-79-40307050-57 (8 lines),  
[www.freshtrop.com](http://www.freshtrop.com), [info@freshtrop.com](mailto:info@freshtrop.com)