

10TH ANNUAL REPORT 2018-2019



Euro India Fresh Foods Ltd

AWARDS



**BEST COMPANY OF THE YEAR
INDIA 2017**



**ESQR'S QUALITY
CHOICE PRIZE**



**INTERNATIONAL STAR FOR
QUALITY AWARD - GENEVA-2015**



**FASTEST GROWING
INDIAN COMPANY
EXCELLENCE AWARD**



**ASIA'S FASTEST GROWING
MARKETING BRANDS, WCRC-2014**

Euro India Fresh Foods is proud to be recognized and felicitated by the above & many more international as well as domestic awards.



CHAIRMAN & MANAGING DIRECTOR MESSAGE

**Dear Shareholders,
Greeting of the Day!**



At the outset, I on behalf of entire Euro Family take this opportunity to thank all of you sparing your valuable time for this occasion. Further it gives me immense pleasure to present share with you the Annual Report of your Company for the F.Y. 2018-19. The attainment of every dreamt dream is an outcome of the external support we have received from our Suppliers, employees, Customers, Bankers and the Shareholders of course! Here's the heartfelt gratefulness of us being at the receiving end of this support in the coming decades as well.

Euro India Fresh Foods Limited" the Company known for their commitment to deliver quality in products with affordable price band. We also strive to come with innovative products matching the Indian taste buds. This encourage us to continue delivering best products to our Customers. The Company know for manufacturing of Potato Chips, Extruded Products, Fruit Juices, Namkeens, Water etc.

Your company has increase the revenue of Rs. 7158 Lakhs in 2018-19 from Rs. 5588 Lakhs in 2017-18. The Company has drastically improving their performances day by day for achieving the sales goals. The Company has their outlets in majority of all the cities such as Ahmedabad, Surat, Mumbai, Bhavnagar etc having in compliances with the requisite licenses and permissions from their respective authorities. It has obtained technical knowledge and know how in this business and has acquired a reputation and goodwill for its brand name and trade mark. Your company is also exporting their products in various countries.

Company's Vision:

Innovative company.

Leading brand in FMCG Industry.

Best in taste and quality.

Company's Mission:

Quality of Product.

Value for money.

Healthy snacks and beverages.

Premium quality products and customer satisfaction.

Change and adaptability is the key to successes in the ever evolving food industry. I am confident that if we are able to adapt to the changing market, the future will be extremely rewarding for all our stakeholders.

I take this opportunity to thank all our partners and stakeholders for their immense support and I look forward to an exciting journey ahead together.

Thank you!

**MANHARBHAI JIVANBHAI SANSPARA
CHAIRMAN & MANAGING DIRECTOR**



ABOUT EURO

As it is rightly said by Mark Graban "EVERY ACTION IS AN OPPORTUNITY TO IMPROVE"

Our Company established in the year 2009 as a Private Limited Company. In the year 2017 our company got listed on the NSE EMERGE stock exchange. We are recognized by ISO 22000:2005 and our mantra for success is to create the freshest snacks of the highest quality. We are continuously working with dedication towards creating soul-satisfying and tailor-made products are what has earned us high recognition.

The trust and acceptance of the consumers in India, as well as the international market, has helped us grow by leaps and bounds.

Amongst the plethora of snacks that we manufacture, the most loved ones include Chips, Wheels, Getmore, Namkeen, Lemoni our mango - based drink Fresh and many among others. With the wide range of products, we ensure that you will kill those hunger pangs with our products.





CONTENTS

SR. NO.	PARTICULARS	PAGE NO.
1.	Corporate Information.	02
2.	Notice of A.G.M.	04
3.	Route map to the venue of A.G.M.	08
4.	Director's Report.	14
5.	Management Discussion & Analysis Report.	30
6.	Report on Corporate Governance.	32
7.	Secretarial Audit Report.	42
8.	Declaration from C.E.O. & C.F.O.	46
9.	Independent Auditor's Report.	47
10.	Balance Sheet as on March 31, 2019.	54
11.	Profit and Loss A/c for the year ended on March 31, 2019.	56
12.	Cash Flow Statement for the period ended on March 31, 2019.	57
13.	Notes forming part of Balance sheet And Profit & Loss Account.	59
14.	Attendance Form & Proxy Form.	73
15.	Proxy Form.	74



CORPORATE INFORMATION

<u>BOARD OF DIRECTORS</u>	DIN NUMBER	NAME OF DIRECTORS	DESIGNATION
	02623366	Mr. Manharbhai J. Sanspara	Chairman & Managing Director
	02623367	Mr. Dineshbhai J. Sanspara	Joint Managing Director
	02623368	Mr. Mahesh Kumar V. Mavani	Executive Director
	07890494	Mr. Dipesh D. Sanspara	Executive Director
	07601393	Mrs. Maya D. Sanspara	Non-Executive Director
	07583294	Mr. Ghanshyam A. Patel	Independent Director
	07584098	Mr. Parth V. Saspara	Independent Director
	07584295	Mr. Snehal M. Patel	Independent Director
	07595049	Mr. Paresh B. Lathiya	Independent Director
	08086052	Mrs. Manjula K. Mehta	Independent Director
<u>CIN</u>		L15400GJ2009PLC057789	
<u>Registered Office</u>		Plot No. A-22/1, Ichhapore G.I.D.C., Hazira-Magdalla Road, Surat-394510, Gujarat, India.	
<u>Corporate Office</u>		501, 5 th Floor, The Summit Business Bay, Andheri Kurla Road, Near Cinemax Theater, Andheri (E), Mumbai- 400059, Maharashtra, India.	
<u>Chief Executive Officer (CEO)</u>		Mr. Mukeshbhai A. Navadia (Dr.)	
<u>Company Secretary and Compliance Officer (CS)</u>		Mr. Jay B. Pansuria	
<u>Chief Financial Officer (CFO)</u>		Mr. Shaileshbhai M. Shardhara	
<u>Statutory Auditor</u>		J N Shah & Co. CA Jignesh N. Shah-Proprietor. Add: 404, Tirupati Plaza, Wing- B, Near Collector's Office, Athwagate, Surat-395001, Gujarat, India. E-mail: jignesh@jnsca.com Tel: 0261- 2471400/ 3013400.	
<u>Secretarial Auditor</u>		PCS Dhiren R. Dave. Add: B-103, International Commerce Centre, Near Kadiwala School, Ring Road, Surat- 395002, Gujarat, India. E-mail: drd@drdcs.net Tel: 0261- 2460903.	
<u>Internal Auditor</u>		M/S Sejal Maniar & Co. CA Sejal S. Shah. Add: 2057, 4th Floor , westfield, Opp. Suryakiran, Ghod-Dod Road, Surat-395007, Gujarat, India. E-mail: ca.sejalmaniar@gmail.com Tel: +91-9825925312.	
<u>Banker</u>		Central Bank of India The Surat Peoples Co-operative Bank Ltd.	
<u>Registrar and Share Transfer Agent</u>		Karvy Fintech Private Limited Add: "Karvy Selenium Tower-B", Plot No. 31 & 32, Financial District, Nanakramguda, Gahibowli, Hyderabad-500032, Telengana, India. E-mail: support@karvy.com ; Tel- 040-67162222.	
<u>Recognized Stock Exchange</u>		National Stock Exchange [NSE Emerge]	



<u>Audit Committee</u>	Mr. Parth V. Saspara	Chairman
	Mr. Paresh B. Lathiya	Member
	Mr. Maheshkumar V. Mavani	Member
<u>Nomination and Remuneration Committee</u>	Mr. Ghanshyam A. Patel	Chairman
	Mr. Snehal M. Patel	Member
	Mr. Paresh B. Lathiya	Member
<u>Stakeholder and Shareholder Committee</u>	Mr. Paresh B. Lathiya	Chairman
	Mr. Ghanshyam A. Patel	Member
	Mr. Maheshkumar V. Mavani	Member
<u>Day & Date</u> <u>Time</u> <u>Venue of 10th Annual General Meeting</u>	Wednesday, September 25, 2019. 10.00 A.M. Plot No. A-22/1, Ichhapore G.I.D.C., Hazira-Magdalla Road, Surat-394510, Gujarat, India.	



NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that **10th (Tenth) Annual General Meeting** of the members of **EURO INDIA FRESH FOODS LIMITED** will be held on Wednesday, September 25, 2019 at Plot No. A-22/1, Ichhapore G.I.D.C., Hazira- Magdalla Road, Surat- 394510, Gujarat, India at 10:00 A.M. to transact the following business:

ORDINARY BUSINESS:

1. To consider and adopt the Audited Financial Statements of the company for the financial year ended on March 31, 2019, and the reports of the Board of Directors and Auditor thereon and in this regard pass the following resolution as Ordinary Resolution:

“RESOLVED THAT the Audited Financial Statement of the Company for the financial year ended March 31, 2019 and the report of Board of Directors and Auditors thereon laid before this meeting, be and are hereby consider and adopted.”

2. To appoint Mr. Mahesh Vallabhbhai Mavani (DIN: 02623368), who retire by rotation as a Director and in this regard pass the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provision of Section 152 of the Companies Act, 2013 Mr. Mahesh Vallabhbhai Mavani (DIN: 02623368) who retires by rotation at this meeting be and is hereby re-appointed as a Director of the Company.”

SPECIAL BUSINESS:

3. Re-appointment of Mr. Manhar J. Sanspara (DIN: 02623366) as Chairman and Managing Director of Company for a tenure of 3(Three) years.

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

“RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof), read with Schedule V to the Companies Act, 2013 and rule 7(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Articles of Association of the Company, the consent of the Members of the Company be and is hereby accorded to re-appoint **Mr. Manhar J. Sanspara (DIN : 02623366)**, as Chairman and Managing Director of the Company for a period of 3 Years commencing from September 01, 2019 on the remuneration, terms and conditions as recommended by the nomination and remuneration committee and as set out in the explanatory statement annexed to the notice.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to alter or vary the scope of remuneration of Mr. Manhar J. Sanspara (DIN: 02623366), Chairman and Managing Director including the monetary value thereof, to the extent recommended by the Nomination and Remuneration Committee from time to time as may be considered appropriate, subject to the overall limits specified by this resolution and the Companies Act, 2013.

RESOLVED FURTHER THAT any one of the Directors or Company Secretary of the Company be and are hereby authorized to do all necessary acts, deeds and things, which may be usual, expedient or proper to give effect to the above resolution.”

4. Re-appointment of Mr. Dinesh J. Sanspara (DIN: 02623367) as Joint Managing Director of Company for a tenure of 3(Three) years.

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



“RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof), read with Schedule V to the Companies Act, 2013, and rule 7(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Articles of Association of the Company, the consent of the Members of the Company be and is hereby accorded to re-appoint **Mr. Dinesh J. Sanspara (DIN: 02623367)**, as Joint Managing Director of the Company for a period of 3 Years commencing from September 01, 2019 on the remuneration, terms and conditions as recommended by the nomination and remuneration committee and as set out in the explanatory statement annexed to the notice.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to alter or vary the scope of remuneration of Mr. Dinesh J. Sanspara (DIN: 02623367), Joint Managing Director including the monetary value thereof, to the extent recommended by the Nomination and Remuneration Committee from time to time as may be considered appropriate, subject to the overall limits specified by this resolution and the Companies Act, 2013.

RESOLVED FURTHER THAT any one of the Directors or Company Secretary of the Company be and are hereby authorized to do all necessary acts, deeds and things, which may be usual, expedient or proper to give effect to the above resolution.”

Surat, August 23, 2019.

For, EURO INDIA FRESH FOODS LIMITED

Registered Office:

A-22/1, Icchhapore, GIDC,
Hazira-Magdalla Road,
Surat-394510, Gujarat, India.

SD/-
JAY B. PANSURIA
COMPANY SECRETARY
M.SHIP: A52641.

Notes:

1. An Explanatory Statement pursuant to section 102(1) of the Companies Act, 2013 for item no. 3 and 4 are annexed herewith.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON POLL ON HIS/HER BEHALF. AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.
Pursuant to section 105 of Companies Act, 2013, a person can act as proxy on behalf of not more than 50(Fifty) members holding in aggregate, not more than ten percent of the total share capital of the company. Members holding more than ten percent of the total share capital of the company may appoint a single person as a proxy for any other member. The instrument in proxy, in order to be effective, should be deposited at the registered office of the company duly completed and signed, not later than 48 (forty eight) hours before the commencement of the meeting. A Proxy form is annexed to this report. Proxies submitted on behalf of limited Companies, Societies, etc. Must be supported by an appropriate resolution/ Authority, as applicable.
3. Corporate Members Intending to send their authorized representative to attend the Annual General Meeting, pursuant to section 113 of the Companies Act, 2013 are requested to send to the Company, a certified copy of relevant Board resolution together with the respective specimen signatures of those representative(s) authorized under the said resolution to attend and vote on their behalf at the meeting.
4. The Register of Directors and Key Managerial Personnel and their Shareholding, Register of Charge, maintained under Companies Act, 2013 will be available for inspection by the members at the Annual General Meeting.



5. In case of joint holders attending the meeting, only such joint holder who is higher in order of names will be entitled to vote.
6. In terms of Section 152 of the Companies Act, 2013 Mr. Maheshkumar V. Mavani retires by rotation at the meeting. Nomination and Remuneration Committee and the Board of Directors of the Company recommended his re-appointment.
7. The requirement to place the matter relating to appointment of Auditors for ratification by members at every Annual General Meeting is done away with vide notification dated May 7, 2018 issued by the Ministry of Corporate Affairs, New Delhi. Accordingly, no resolution is proposed for ratification of appointment of Auditors, who were appointed in the Annual General Meeting held on 25th September, 2017.
8. Pursuant to Section 91 of the Companies Act, 2013 and Regulation 42 of SEBI (LODR) Regulations, 2015, The Register of Members and Share Transfer Books of the company shall remain closed from Thursday, September 19, 2019 to Wednesday, September 25, 2019 (both days inclusive).
9. The members whose names appears as on Wednesday, September 18, 2019 in the Register of Members are entitled for voting in the meeting.
10. All documents referred in the notice and accompany explanatory statements are open for inspection at the Registered office of the Company during office hours on all days except Saturday-Sunday & Public Holidays between 11:00 A.M. to 5:00 P.M up to the date of Annual General Meeting.
11. The Company has appointed Karvy Fintech Private Limited (KFPL), Hyderabad as its Registrar and Share Transfer Agents for rendering the entire range of services to the Shareholders of the Company. Accordingly all documents, transfer, Demat request, change of address intimation and other communication in relation thereto with respect to shares in electronic and physical form should be address to Registrar directly quoting folio no., full name and name of Company as Euro India Fresh Foods Limited.
12. Kindly bring Hard Copy of Annual Report at the Annual General Meeting of the Company.
13. Members are willing to require information about financials to be explained at the meeting are requested to write a request letter to the company at least ten (10) day in advance of the Annual General Meeting.
14. Members holding shares in dematerialized mode are requested to intimate all changes with respect to their bank details, mandate, nomination, power of attorney, change of address, e-mail address, change in name etc. to their Depository Participant. These changes will be automatically reflected in the Company's record which will help the Company to Provide Efficient and Better Service to the members.
15. Members holding shares in physical form are requested to intimate all change with respect to their bank details, mandate, nomination, power of attorney, change of address, e-mail address, change in name etc. immediately to the Company/ RTA.
16. SEBI has issued a circular dated June 8, 2018 that securities of listed companies can be transferred only in dematerialized form. In view of the above and to avail various benefits of dematerialization, members are advised to dematerialize shares held by them in physical form.
17. Notice of AGM along with attendance slip, proxy form and annual report is being sent to all the members whose name appears in the Register of Members as on August 23, 2019 at the Email Ids registered with the Company/Depository Participate(s). For members who request for a hard copy and for those who have not registered their email address, physical copies of the same are being sent through the permitted mode.
18. **Instructions for e-voting:** A separate sheet containing the complete details of the instructions for e-voting is being sent to all the shareholders along with the Annual Report for the year 2018-19 to enable then to cast their votes through e-voting.
19. The details of directors appointment and re-appointment as required under regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) regulation, 2015 is as below:

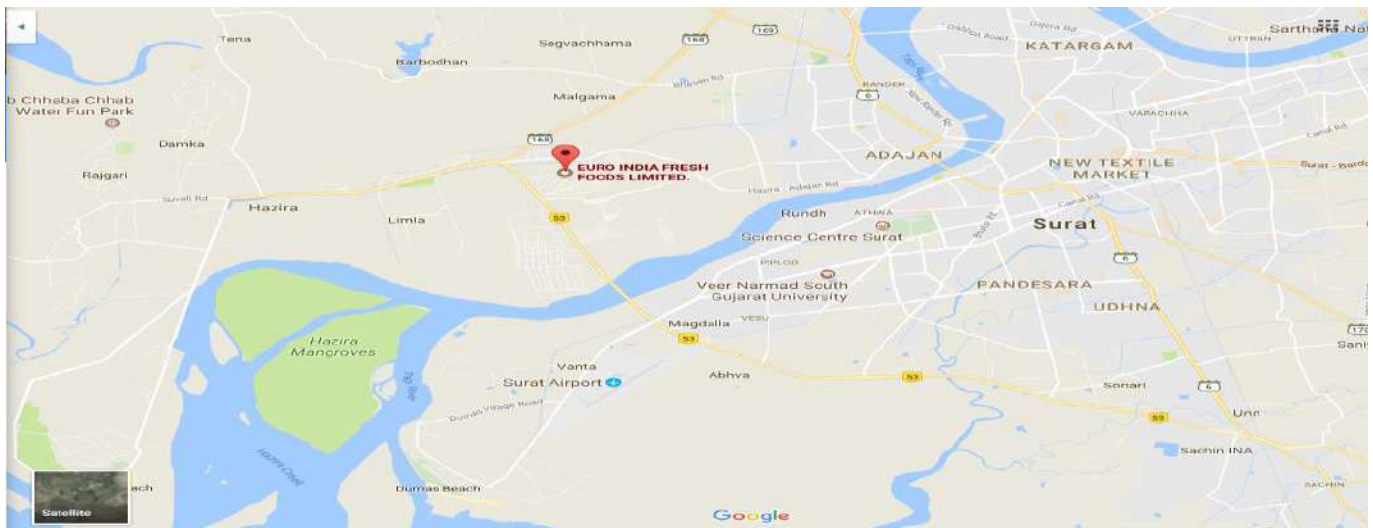


**DETAILS OF MANAGING DIRECTOR's AND NON EXECUTIVE DIRECTOR RETIRING BY ROATA
TION AND RE-APPOINTMENT's:**

Name of Director (Designation)	Manhar J. Sanspara (Managing Director)	Dinesh J. Sanspara (Managing Director)	Mahesh V. Mavani (Director)
DIN	02623366	02623367	02623368
Date of Birth	07/10/1967	04/06/1969	15/07/1977
Brief Resume	Manhar Sanspara aged 50 years is currently Managing Director of our company. He has been Director of our Company since Incorporation.	Dinesh Sanspara aged 47 years is currently Joint Managing Director of our Company. He has been Director of our Company since Incorporation.	Mahesh Kumar Mavani aged 42 years is currently Director of our Company. He has been Director of our Company since Incorporation.
Nature of his Expertise in Specific Functional areas	His area of work includes handling and procurement of plant & machinery, costing, developing new products, financial analysis, production Planning and handling other affairs of the company.	His area of work includes handling overall sales and marketing, advertising planning, product, promotion, sales teams handling and development, distribution of sales target, funds arrangement through sales.	His area of work includes working capital arrangement, secure and unsecure loan arrangements, fund flow management of the business of the Company.
Disclosure of Relationship	Promoter and Brother of Mr. Dinesh J. Sanspara.	Promoter and Brother of Mr. Manhar J. Sanspara, Husband of Mrs. Maya D. Sanspara – Director and Father of Mr. Dipesh Sanspara – Director.	NIL
Name of other Entities in which person holds the Directorship as on March 31, 2019.	1. Euro Nextech Pvt. Ltd. 2. JMDC Foods & Beverages LLP (Defunct w.e.f 10.01.2019)	1. Euro Nextech Pvt. Ltd. 2. JMDC Foods & Beverages LLP (Defunct w.e.f 10.01.2019)	1. Euro Nextech Pvt. Ltd. 2. JMDC Foods & Beverages LLP (Defunct w.e.f 10.01.2019)
Name of other Entities in which person holds membership of committees of the Board as on March 31, 2019	NIL	NIL	NIL
Shareholding as on March 31, 2019.	8461098	8217700	1440000



20. The Map and Venue of AGM: Euro India Fresh Foods Limited, Plot No. A-22/1 Ichhapore, G.I.D.C., Hazira Magdalla Road, Surat-394510, Gujarat are as follows:



EXPLANATORY STATEMENT IN RESPECT OF SPECIAL BUSINESS PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013.

ITEM 3:

The Company has appointed Mr. Manhar J. Sanspara as Chairman and Managing Director of the Company for a period of three years from September 1, 2016. The Members has subsequently approved the said appointment and terms of his remuneration.

Mr. Manhar J. Sanspara aged 50 years is a Chairman and Managing Director of the Company and having a vast experience in Foods and Beverages Industries.

During the F.Y. 2018-19 Mr. Manhar J. Sanspara has attended 9 Meetings of Board of Directors. He is a Director of the following Companies:-

1. Euro Nextech Private Limited. And 2. JMDC Foods and Beverages LLP -Defunct w.e.f 10.01.2019)

His current term of appointment as the Chairman and Managing Director of the Company expired on August 31, 2019. Considering his knowledge of various aspects relating to the Company's affairs and long business experience, the Board of Directors is of the opinion that for smooth and efficient running of the business, the service of Mr. Manhar J. Sanspara should be available to the Company for a further period of 3 (Three) years with effect from September 01, 2019.

In terms of the provisions of the Act and the Articles of Association of the Company, the Nomination and Remuneration Committee of the Board and the Board of Directors have at their meeting held on August 23, 2019 re-appointed him as Chairman and Managing Director of the Company for a further period of 3 (Three) years with effect from September 01, 2019.

The main terms and conditions for the re-appointment of Mr. Manhar J. Sanspara as Chairman and Managing Director (MD) are as follow:

I. Period: 3 (Three) years from September 01, 2019 to August 31, 2022.

II. A. Remuneration:

a. Salary:

Current Salary of Rs. 50000/- per month. But voluntarily for the betterment of Company Mr. Manhar J. Sanspara has reduce his Salary by 30% w.e.f. September 01, 2018 up to the end of his tenure as Chairman and Managing Director of the Company.



The new Salary will be based on the recommendation of the Nomination and Remuneration Committee (hereinafter called the “NRC”) and will be performance-based and take into account the Company’s performance as well, within the said maximum amount.

b. Benefits, Perquisites and Allowances:

Details of Benefits, Perquisites and Allowances are as follows:

- Car facility as per Rules of the Company.
- Telecommunication facility as per Rules of the Company.
- Reimbursement of Actual and Out of Pocket Expenses incurred on behalf of Company.

B. Minimum Remuneration:

Notwithstanding anything to the contrary herein contained, where in any financial year during the currency of the tenure of Mr. Manhar J. Sanspara the Company has no profit or its profits are inadequate, the Company will pay remuneration for a period of 3 years by way of Salary, Benefits, Perquisites and Allowances and Performance linked bonus as specified above, subject to further approvals as required under Schedule V of the Act or any modification(s) thereto.

III. Nature of Duties:

The Chairman and Managing Director shall devote his whole time and attention to the business of the Company and carry out such duties as may be entrusted to him by the Board from time to time and separately communicated to him and such powers as may be assigned to him, subject to superintendence, control and directions of the Board in connection with and in the best interests of the business of the Company and the business of any one or more of its associated companies and/or subsidiaries, including performing duties as assigned by the Board from time to time by serving on the Boards of such associated companies and/or subsidiaries or any other executed body or any committee of such a company.

IV. Other terms of Appointment

- I. The terms and conditions of the appointment of the Chairman and Managing Director may be altered and varied from time to time by the Board/its committee as it may, in its discretion, deem fit, irrespective of the limits stipulated under Schedule V of the Act, or any amendments made hereinafter in this regard in such manner as may be agreed between the Board/its committee and the Managing Director, subject to such approvals as may be required.
 - II. Either party may terminate this agreement by giving to the other party 3 months’ notice of such termination or by surrendering 3 months remuneration in lieu thereof.
 - III. The employment of the Chairman and Managing Director may be terminated by the Company without notice or payment in lieu of Notice:
 - a. If the Chairman and Managing Director is found guilty of any gross negligence, default or misconduct in connection with or affecting the business of the Company or any subsidiary or associated company to which he is required to render services; or
 - b. In the event of any serious repeated or continuing breach (after prior warning) or non-observance by the Chairman and Managing Director of any the stipulations contained in the agreement to be executed between the Company and the Chairman and Managing Director; or
 - c. In the event the Board of Directors expresses its loss of confidence in the MD
 - IV. In the event the Chairman and Managing Director is not in a position to discharge his official duties due to physical or mental incapacity, the Board of Directors shall be entitled to terminate his contract on such terms as the Board of Directors may consider appropriate in the circumstances.
 - V. All Personnel Policies of the Company and the related Rules, which are applicable to other employees of the Company, shall also be applicable to the Managing Director, unless specifically provided otherwise.
- In accordance with the provisions of Sections 196, 197 and other applicable provisions of the Act, read with Schedule V of the said Act, the proposed appointment and the terms of remuneration payable to Mr. Manhar J. Sanspara require approval of members by passing Special resolution. Hence the members are requested to pass the Special Resolution accordingly.



The Board recommends the Resolution at Item No. 3 for approval of the Shareholders.

Except Mr. Manhar J. Sanspara, Mr. Dinesh J. Sanspara, Mr. Dipesh D. Sanspara and Mrs. Maya D. Sanspara; none of the Directors, Key Managerial Personnel of the Company or their relatives are deemed to be interested or concerned in the said resolution.

The particulars of the Information, pursuant to the provisions of Schedule V, Part II, Section II, clause (A) of the Act are as under:

1. General Information:

- Nature of Industry: Foods and Beverages (FMCG)
- Date or expected date of commencement of Commercial Production: Not applicable (Company is an existing company).
- In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus: Not applicable.
- Financial performance based on given indicators:

Particulars	2018-19	2017-18
Revenue from Operation	726,454,706	558,809,654
EBIDTA	8,816,029	15,973,044
Net Profit	8,816,029	15,973,045

- Foreign Investments or collaborations, if any: Not Applicable.

2. Information about the appointee:

- Background details: Mr. Manhar J. Sanspara was the Chairman and Managing Director of the Company since Incorporation.
- Past remuneration:

Period	Total Rs. (PA)
2017-18	490,000
2018-19	483,000

- Job Profile and his suitability: His current term of appointment as a Chairman and Managing Director of the Company will expire on August 31, 2019. Considering his knowledge of various aspects relating to the Company's affairs and long business experience, the Board of Directors is of the opinion that for smooth and efficient running of the business, the services of Mr. Manhar J. Sanspara should be available to the Company.
- Remuneration proposed: As mentioned above.

Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any: Mr. Manhar J. Sanspara has a relationship with the Company as Chairman and Managing Director only. He holds 8461098 number of shares in the Company and is brother of Mr. Dinesh J. Sanspara.

ITEM 4:

The Company has appointed Mr. Dinesh J. Sanspara as Joint Managing Director of the Company for a period of three years from September 1, 2016. The Members has subsequently approved the said appointment and terms of his remuneration.

Mr. Dinesh J. Sanspara aged 47 years is a Joint Managing Director of the Company and having a vast experience in Foods and Beverages Industries.

During the F.Y. 2018-19 Mr. Dinesh J. Sanspara has attended 5 Meetings of Board of Directors. He is a Director of the following Companies:-

1. Euro Nextech Private Limited and 2. JMDC Foods and Beverages LLP (Defunct w.e.f. 10.01.2019)



His current term of appointment as the Joint Managing Director of the Company expired on August 31, 2019. Considering his knowledge of various aspects relating to the Company's affairs and long business experience, the Board of Directors is of the opinion that for smooth and efficient running of the business, the service of Mr. Dinesh J. Sanspara should be available to the Company for a further period of 3 (Three) years with effect from September 01, 2019.

In terms of the provisions of the Act and the Articles of Association of the Company, the Nomination and Remuneration Committee of the Board and the Board of Directors have at their meeting held on August 23, 2019 re-appointed him as Managing Director of the Company for a further period of 3 (Three) years with effect from September 01, 2019.

The main terms and conditions for the re-appointment of Mr. Dinesh J. Sanspara as Joint Managing Director (MD) are as follow:

I. Period: 3 (Three) years from September 01, 2019 to August 31, 2022.

II. A. Remuneration:

a) Salary:

Current Salary of Rs. 50000/- per month. But voluntarily for the betterment of Company Mr. Dinesh J. Sanspara has reduce his Salary by 30% w.e.f. September 01, 2018 up to the end of his tenure as Joint Managing Director.

The new Salary will be based on the recommendation of the Nomination and Remuneration Committee (hereinafter called the "NRC") and will be performance-based and take into account the Company's performance as well, within the said maximum amount.

b) Benefits, Perquisites and Allowances:

Details of Benefits, Perquisites and Allowances are as follows:

- Car facility as per Rules of the Company.
- Telecommunication facility as per Rules of the Company.
- Reimbursement of Actual and Out of Pocket Expenses incurred on behalf of Company.

B. Minimum Remuneration:

Notwithstanding anything to the contrary herein contained, where in any financial year during the currency of the tenure of Mr. Dinesh J. Sanspara the Company has no profit or its profits are inadequate, the Company will pay remuneration for a period of 3 years by way of Salary, Benefits, Perquisites and Allowances and Performance linked bonus as specified above, subject to further approvals as required under Schedule V of the Act or any modification(s) thereto.

III. Nature of Duties;

The Joint Managing Director shall devote his whole time and attention to the business of the Company and carry out such duties as may be entrusted to him by the Board from time to time and separately communicated to him and such powers as may be assigned to him, subject to superintendence, control and directions of the Board in connection with and in the best interests of the business of the Company and the business of any one or more of its associated companies and/or subsidiaries, including performing duties as assigned by the Board from time to time by serving on the Boards of such associated companies and/or subsidiaries or any other executed body or any committee of such a company.

IV. Other terms of Appointment

- The terms and conditions of the appointment of the Joint Managing Director may be altered and varied from time to time by the Board/its committee as I may, in its discretion, deem fit, irrespective of the limits stipulated under Schedule V of the Act, or any amendments made hereinafter in this regard in such manner as may be agreed between the Board/its committee and the Managing Director, subject to such approvals as may be required.
- Either party may terminate this agreement by giving to the other party 3 months' notice of such termination or by surrendering 3 months remuneration in lieu thereof.
- The employment of the Joint Managing Director may be terminated by the Company without notice or payment in lieu of Notice:
 - If the Joint Managing Director is found guilty of any gross negligence, default or misconduct in connection with or affecting the business of the Company or any subsidiary or associated company to which he is required to render services; or



- b) In the event of any serious repeated or continuing breach(after prior warning) or non-observance by the Joint Managing Director of any the stipulations contained in the agreement to be executed between the Company and the Joint Managing Director; or
- c) In the event the Board of Directors expresses its loss of confidence in the Joint Managing Director.

IV. In the event the Managing Director is not in a position to discharge his official duties due to physical or mental incapacity, the Board of Directors shall be entitled to terminate his contract on such terms as the Board of Directors may consider appropriate in the circumstances.

V. All Personnel Policies of the Company and the related Rules, which are applicable to other employees of the Company, shall also be applicable to the Managing Director, unless specifically provided otherwise.

In accordance with the provisions of Sections 196, 197 and other applicable provisions of the Act, read with Schedule V of the said Act, the proposed appointment and the terms of remuneration payable to Mr. Dinesh J. Sanspara require approval of members by passing Special resolution. Hence the members are requested to pass the Special Resolution accordingly.

The Board recommends the Resolution at Item No. 4 for approval of the Shareholders.

Except Mr. Manhar J. Sanspara, Mr. Dinesh J. Sanspara, Mr. Dipesh D. Sanspara and Mrs. Maya D. Sanspara; none of the Directors, Key Managerial Personnel of the Company or their relatives are deemed to be interested or concerned in the said resolution.

The particulars of the Information, pursuant to the provisions of Schedule V, Part II, Section II, clause (A) of the Act are as under:

1.General Information:

- a. Nature of Industry: Foods and Beverages (FMCG)
- b.Date or expected date of commencement of Commercial Production: Not applicable (Company is an existing company).
- c. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus: Not applicable.
- d.Financial performance based on given indicators:

Particulars	2018-19	2017-18
Revenue from Operation	726,454,706	558,809,654
EBIDTA	8,816,029	15,973,044
Net Profit	8,816,029	15,973,045

- e. Foreign Investments or collaborations, if any: Not Applicable.

2.Information about the appointee:

- a. Background details: Mr. Dinesh J. Sanspara was the Joint Managing Director of the Company since Incorporation.
- b. Past remuneration:

Period	Total Rs. (PA)
2017-18	420,000
2018-19	414,000

- c. Job Profile and his suitability: His current term of appointment as a Managing Director of the Company will expire on August 31, 2019. Considering his knowledge of various aspects relating to the Company's affairs and long business experience, the Board of Directors is of the opinion that for smooth and efficient running of the business, the services of Mr. Dinesh J. Sanspara should be available to the Company.

- d. Remuneration proposed: As mentioned above.



e. Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any: Mr. Dinesh J. Sanspara has a relationship with the Company as Managing Director only. He holds 8217700 number of shares in the Company and is brother of Mr. Manhar J. Sanspara, husband of Mrs. Maya D. Sanspara, Director and Father of Mr. Dipesh D. Sanspara, Director.

Surat, August 23, 2019.

For, EURO INDIA FRESH FOODS LIMITED

Registered Office:

A-22/1, Icchhapore, GIDC,
Hazira-Magdalla Road,
Surat-394510, Gujarat, India.

SD/-

**JAY B. PANSURIA
COMPANY SECRETARY
M.SHIP: A52641.**



DIRECTOR'S REPORT

To
The Members
EURO INDIA FRESH FOODS LIMITED.

Your directors have pleasure to present their **10TH ANNUAL REPORT** along with the Audited Statement of Accounts for the year ended on March 31, 2019.

1. FINANCIAL RESULTS:

(Rs. In Lakhs)

Particulars	For the year Ended March 31, 2019.	For the year Ended March 31, 2018.
Earnings Per Share (Basic and Diluted)	0.36	0.64
Less: Deferred Tax	-45.76	-1.60
Less: Exceptional Items	0	0
Less: Income Tax	25.40	33.8
Less: MAT Credit Availd	-25.40	-33.8
Less: Total Expenses (Incl. deprecation)	7130.62	5426.77
Other Income	106.74	80.98
Profit after Taxation (PAT)	88.16	159.73
Profit before Exceptional Items and tax	133.92	161.33
Profit Before Taxation (PBT)	133.92	161.33
Revenue from Operation	7157.81	5507.12
Total Revenue	7264.55	5588.10

2. PERFORMANCE OF THE COMPANY:

During the year under preview, the Company has earned sales Income Rs.7157.81 Lakh (Previous Year Rs.5507.12 Lakh) and other Income Rs.106.74 Lakh (Previous year Rs.80.98 Lakh). The Total revenue Rs. 7264.55 Lakh (Previous year Rs. 5588.10 Lakh).

Profit before Tax (PBT) was review Rs. 133.92 Lakh and Profit after Tax (PAT) was review Rs. 88.16 Lakh (Previous year Rs. 159.73 Lakh).

3. DIVIDEND:

The Board of Directors of your Company, after considering holistically the relevant circumstances and keeping in view to the financial expansion and future growth's perspective of the Company and Stakeholders, has decided that it would be prudent, not to recommend any Dividend for year under review.

Note: Dividend Distribution Policy is not applicable to our Company.

4. MATERIAL CHANGES:

There have been no material changes and commitments affecting the financial position of the Company which have occurred between the end of financial year to which the financial statements relate and the date of this report.

5. SHARE CAPITAL:

The Company's paid up Equity Capital as on March 31, 2019 was Rs. 248,000,000 comprising of 24,800,000 Equity Shares of Rs. 10/- each fully paid up. During the F.Y. 2018-2019 the Company has neither issued shares with differential voting rights as to dividends, voting or otherwise nor issued shares (including sweat equity shares) to the employees or directors of the company under any scheme such as bonus, right issue, private placement, preferential allotment or by any other mode as per Companies Act, 2013.



No disclosure is required under section 67(3)(c) of the Companies Act, 2013 read with Rule 16(4) of the Companies (Share Capital and Debentures) Rules, 2014, in respect of voting rights not exercised directly by the employees of the Company as the provisions of the said section are not applicable.

6. **EXTRACT OF ANNUAL RETURN:**

An Extract of the Annual Return as of March 31, 2019 pursuant to the sub-section (3) of Section 92 of the Companies Act, 2013 and Rule 12 of the companies (Management and Administration) Rules, 2014 in Form MGT- 9 is annexed as “Annexure-A” and is available on the Company website at the below mentioned link: <http://euroindiafoods.com/annual-report/> ”

7. **CREDIT REATING:**

During the Year under review, Your Company has received the Credit Rating of the Bank Loan Facilities. The Rating for Long term is BWR BB- (Pronounced as BWR Double B Minus)/Stable and for Short term is BWR A4 (Pronounced as BWR A Four).

The rating was assigned by Brickwork Ratings India Pvt Ltd.

8. **DETAILS OF BOARD OF DIRECTORS:**

The Board of Directors Comprises of Ten (10) Directors including Two (2) Women Director. The Chairperson of the Board is an Executive Director. The Composition of the Board is as below:

NAME	DESIGNATION	CATEGORY
Mr. Manharbhai J. Sanspara (DIN: 02623366)	Chairman & Managing Director	Executive Director
Mr. Dinesh J. Sanspara (DIN: 02623367)	Joint Managing Director	Executive Director
Mr. Maheshkumar V. Mavani (DIN: 02623368)	Director	Executive Director
Mr. Dipesh D. Sanspara (DIN: 07890494)	Director	Executive Director
Mrs. Maya D. Sanspara (DIN: 07601393)	Director	Non-Executive Director
Mr. Ghanshyam A. Patel (DIN: 07583294)	Director	Independent Director
Mr. Parth V. Saspara (DIN: 07584098)	Director	Independent Director
Mr. Snehal M. Patel (DIN: 07584295)	Director	Independent Director
Mr. Paresh B. Lathiya (DIN: 07595049)	Director	Independent Director
Mrs. Manjula K. Mehta (DIN: 08086052)	Director	Independent Director

During the year under review, your Company has not appointment any Directors nor any of the Directors has been ceased or resign from the Company.

During the year under review none of the Directors have been disqualified under the various applicable provisions of Companies Act, or SEBI Act or SEBI (LODR) or any other applicable Act's.



9. DETAILS OF KEY MANGERIAL PERSONNEL:

The Key Managerial Personnel's (KMPs) of the Companies in accordance with the provisions of Section 2(51) and Section 203 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) for the time being in force) are as follows:

NAME	DESIGNATION
Mr. Manhar J. Sanspara	Chairman and Managing Director
Mr. Dinesh J. Sanspara	Joint Managing Director
Mr. Mukesh A. Navadia (Dr.)	Chief Executive Officer
Mr. Jay B. Pansuria*	Company Secretary and Compliance Officer
Mr. Shailesh M. Sardhara	Chief Financial Officer

During the year under review, Ms. Nikki K. Shah has tendered her resignation due to her family arrangements w.e.f. June 14, 2018 from the post of Company Secretary and Compliance officer of your Company.

*Mr. Jay B. Pansuria was appointed as Company Secretary and Compliance officer of your Company w.e.f. August 23, 2018.

10. MEETINGS OF THE COMPANY'S BOARD OF DIRECTOR'S:

During the year under review, the Board has conducted Nine (09) Board Meetings. The details are as below:

Sr. No.	Date of Meeting	Board's Strength	No. of Director's Present
1.	23.04.2018	10	8
2.	09.05.2018	10	8
3.	13.06.2018	10	8
4.	23.08.2018	10	10
5.	18.09.2018	10	5
6.	29.09.2018	10	6
7.	13.11.2018	10	10
8.	21.12.2018	10	7
9.	25.01.2019	10	10

The Board of Director has taken consent of all the directors by circular Dt. March 29, 2019 for the agenda which was urgent in nature but meeting was not possible. The resolution passed by circular mode was in accordance with Companies Act, 2013.

11. NAMES OF COMPANIES WHICH HAVE BECOME OR CEASED TO BE ITS SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES DURING THE YEAR:

During the year under review, no entity became or ceased to be the subsidiary, joint venture or associate of the Company.

12. DIRECTORS RESPONSIBILITY STATEMENT:

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

(a) that in the preparation of the Annual Accounts for the year ended March 31, 2019, the applicable Accounting standards have been followed and that there are no material departures;



- (b) that appropriate accounting policies have been selected and applied consistently and judgments and estimates that are reasonable and prudent have been made so as to give a true and fair view of the state of affairs as at March 31, 2019 and of the profit of the Company for the Financial year ended March 31, 2019;
- (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 accounts for the year ended March 31, 2019 have been prepared on a going concern basis;
- (e) that they had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- (f) That they had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

13. DECLARATION BY INDEPENDENT DIRECTOR(S) AND RE APPOINTMENT, IF ANY:

Mr. Ghanshyam A. Patel, Mr. Parth V. Saspara, Snehal M. Patel, Paresh B. Lathiya, Manjula K. Mehta Independent Directors of the Company as on March 31, 2019 pursuant to the provisions of Section 149(10) of the Companies Act, 2013.

The Board of Directors of the Company hereby confirms that all the Independent Directors duly appointed by the Company have given the declaration and they meet the criteria of Independence as provided under Section 149(6) of the Companies Act, 2013 read with SEBI Listing Regulations so as to qualify themselves to be appointed as Independent Directors under the provisions of the Companies Act, 2013 and SEBI Listing Regulations.

14. POLICY ON DIRECTOR'S APPOINTMENT AND REMUNERATION:

The Company's policy on Director's appointment and remuneration and other matters provided in Section 178 of the Companies Act, 2013 has been disclosed in the Corporate Governance Report.

15. STATUTORY AUDITOR:

M/s J N Shah & Co., Chartered Accountants (Firm Registration No. 118020W) were appointed as Statutory Auditor of the Company for a term of 5(Five) consecutive years, at the Annual General Meeting held on 25th September, 2017. They have confirmed that they are not disqualified from continuing as Auditor of the Company.

The Notes on financial statement referred to in the Auditors' Report are self-explanatory and do not call for any further comments. The Auditors' Report does not contain any qualification, reservation, adverse remark or disclaimer.

16. DEPOSITS:

During the year under review, your company has not accepted any deposits under Section 73 of the Companies Act, 2013 and therefore not required to furnish information as per Rule 8(5)(V) and (vi) of the Companies (Accounts) Rules, 2014.

Companies has taken unsecured loans from their Directors, the Company has also received a Declaration from directors stating that funds or money given are from their owned funds and not from borrowed funds.

17. LOANS, GUARANTEE OR INVESTMENTS UNDER SECTION 186:

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

The Loans, Guarantees and Investments mentioned in the notes to the Financial Statements are within the ambit of Section 186 of the Companies Act, 2013.

18. CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

With reference to section 134(3)(h) of the Companies Act, 2013, all contracts and arrangements with related parties under section 188 of the Companies Act, 2013 entered by the company during the financial year, were in ordinary



course of business and at arm's length basis. Details of the related party transactions made during the year are annexed below as “**Annexure-B**” in form AOC-2.

The Company has adopted and approved Related Party Transactions Policy.

The Related Party Transaction Policy had uploaded on our Company's website the link is mentioned below:

<http://euroindiafoods.com/wp-content/uploads/2017/05/Related-Party-Transaction-Policy.pdf>

19. CONVERSATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREGIN EXCHANGE EARNING AND OUTGO:

The information relates to the conversation of energy, Technology absorption and foreign exchange earnings and outgo as per provision under Section 134(3) (m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is annexed below as “**Annexure-C**”.

20. CORPORATE SOCIAL RESPONSIBILITY

The Company has not developed and implemented any Corporate Social Responsibility initiatives and Corporate Social Responsibility Committee; as the company does not fall in the criteria of section 135 of the Companies Act, 2013.

21. MANAGEMENT DISUCUSSION AND ANALYSIS REPORT

As per Regulation 34 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 the Management Discussion and Analysis Report is annexed as “**Annexure - D**”.

22. CORPORATE GOVERANCE

Your Company was listed on NSE Emerge Platform on March 31, 2017, as per the provision of Regulation 15(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the company was not came under the ambit of the said regulation and it is not mandatory for the SME Listed companies to comply with the provisions of the Regulation 27 (2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Company prepared the Corporate Governance report on voluntary basis for the Investor's for their convince and thorouly knowledge about the company, the same is annexed as “**Annexure - E**”.

23. RISK MANAGEMENT

Risk is in itself sound as a huge responsibility for the organization to identify, evaluate, access, formulate and reduce it. It is the internal as well as external part of the Organization, Risk factor works in the day to day operations of the Company. There are different kinds of Risk to evaluate and reduce i.e. Market risk, Liquidity Risk, Operation Risk, Management Risk, Interest rate risk etc. The Company has taken necessary steps to overcome the Risk factor and helps the organization to run smoothly.

The Company has adopted and approved Risk Management Policy.

The Risk Management Policy had uploaded on our Company's website the link is mentioned below:

<http://euroindiafoods.com/wp-content/uploads/2017/05/Risk-Management-Policy.pdf>

24. AUDIT COMMITTEE

Your Company has constituted an Audit Committee (“Audit Committee”), as per section 177 of the Companies Act, 2013 and Regulation 18 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, vide resolution passed at the meeting of Board of Directors held on 9th September, 2016.

Composition of Audit Committee:

Name of Director	Status in Committee	Nature in Directorship
Mr. Parth V. Saspara	Chairman	Independent Director
Mr. Paresh B. Lathiya	Member	Independent Director
Mr. Maheshkumar V. Mavani	Member	Executive Director

Meeting Held and attended during the year:

Sr. No.	Date of Meeting	Committee Strength	Members Present
1	09.05.2018	3	3
2.	23.08.2018	3	3
3.	13.11.2018	3	3
4.	25.01.2018	3	3

25. NOMINATION AND REMUNERATION COMMITTEE

Your Company has constituted a Nomination and Remuneration Committee, as per section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, vide resolution passed at the meeting of Board of Directors held on 9th September, 2016.

Composition of Nomination and Remuneration Committee:

Name of Director	Status in Committee	Nature in Directorship
Mr. Ghanshyam A. Patel	Chairman	Independent Director
Mr. Snehal M. Patel	Member	Independent Director
Mr. Paresh B. Lathiya	Member	Independent Director

Meeting Held and attended during the year:

Sr. No.	Date of Meeting	Committee Strength	No. of Members Present
1	23.08.2018	3	3
2.	25.01.2019	3	3

26. STAKEHOLDERS AND INVESTOR GRIVENCES COMMITTEE

Your Company has constituted a Stakeholder and Investor Grievance Committee, as per section 178(5) of the Companies Act, 2013 and Regulation 20 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, vide resolution passed at the meeting of Board of Directors held on 9th September, 2016.

Composition of Stakeholders and Investor Grievances Committee:

Name of Director	Status in Committee	Nature in Directorship
Mr. Paresh B. Lathiya	Chairman	Independent Director
Mr. Ghanshyam A. Patel	Member	Independent Director
Mr. Maheshkumar V. Mavani	Member	Executive Director

Meeting Held and attended during the year:

Sr. No.	Date of Meeting	Committee Strength	No. of Members Present
1	23.08.2018	3	3
2.	25.01.2019	3	3

27. VIGIL MECHANISM

Your Company has established a vigil mechanism as pursuant Section 177(9) of Companies Act, 2013 and Regulation 22 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, to tackle the circumstances occurred in the organization such as fraud, misrepresentation etc. The vigil mechanism shall provide for adequate safeguards against victimization of Director(s) or employee(s) or any other person who avail the mechanism and also provide for direct access to the chairperson of the audit committee.

The Company has also adopted a Vigil Mechanism/ Whistle Blower Policy. The Policy was approved by the Board and same was uploaded on the Company's website:

<http://euroindiafoods.com/wp-content/uploads/2017/05/Vigil-Mechanism-Whistle-Blower-Policy.pdf>



28. **BOARD EVALUATION**

Your Company evaluates the board in the different committee pursuant to the provision of the Companies Act, 2013 and the Regulation 17(10) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, the board has carried out an annual performance evaluation of its own performances. The Company delegates the responsibilities in the committee formulated by the company such as Audit Committee, nomination and remuneration Committee and Stakeholder Grievance Committee.

The Company has also adopted a Performance Evaluation Policy. The Policy was approved by the Board and same was uploaded on the Company's website:

<http://euroindiafoods.com/wp-content/uploads/2017/05/Performance-Evaluation-Policy.pdf>

29. **REMUNERATION POLICY**

The Remuneration paid to the Executive directors of the Company is recommended by the Nomination and Remuneration Committee of the Company and then the Board of the company approve in their duly held meeting. The remuneration of executive directors are decided by considering various criteria like Qualification, experience, responsibilities, value addition to the company and financial position of the company. Board is taking permission of the members if required at any time for paying remuneration to executive directors.

Company is not paying any remuneration to non-executive and independent directors of the company.

The Company has also adopted a Remuneration Committee Policy. The Policy was approved by the Board and same was uploaded on the Company's website:

<http://euroindiafoods.com/wp-content/uploads/2017/05/Remuneration-Committee-Policy.pdf>

30. **CODE OF CONDUCT**

The Board has laid down a code of Conduct for all Board Members and Senior Management of the Company. All the Board Members and Senior Management Personnel have affirmed compliance with the Code on an annual basis.

31. **INSIDER TRADING**

The Board has in consultation with the Stakeholder's Relationship Committee laid down the policy to regulate and monitor Insider Trading. The Committee regularly analyses the transactions and monitors them to prevent Insider Trading.

The Company has also adopted a Prohibition of Insider trading Policy. The Policy was approved by the Board and same was uploaded on the Company's website:

<http://euroindiafoods.com/wp-content/uploads/2017/05/Prohibition-Insider-trading-Policy.pdf>

32. **SECRETARIAL AUDITOR AND REPORT**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Mr. Dhiren R. Dave, Practicing Company Secretary of Surat, to conduct the Secretarial Audit of the Company for the Financial Year 2018-19.

The Secretarial Audit Report is annexed herewith as "Annexure - F". The Secretarial Audit Report does not contain any qualifications, reservation or adverse remarks.

33. **INTERNAL AUDITOR**

Pursuant to the provisions of Section 138 of the Companies Act, 2013, the Board had appointed M.s Sejal Maniar & Co., as An Internal Auditor of the Company.

34. **COST AUDIT**

Pursuant to the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Amendment Rule, the activity of your company does not fall under any sectors as specified under Rule 3 of Companies (Cost Records and Audit) Rules, 2014 and hence, maintenance of cost records as well as the cost audit, as the case may be has not applicable to the company for the Financial Year 2018-19.



35. **PARTICULAR OF EMPLOYEES AND RELATED DISCLOSURES**

None of the employee has received remuneration exceeding the limit as stated in section 197 of the companies' act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

36. **DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION PROHIBITION AND REDRESSAL) ACT, 2013.**

The Company had not received any case related to sexual harassment of women at workplace. The Senior Management monitoring in the matter relates to the women's safety at workplace. If the Complaint received by any women employee to senior management, the senior management have to convey directly to Chairman and Managing Director relates to any Complaints in matter to sexual Harassment.

37. **ACKNOWLEDGEMENT**

The Board of Directors would like to express their sincere appreciation for the assistance and co-operation received from the financial institutions, banks, Government authorities, customers, vendors and members during the year under review. The Board of Directors also wish to place on record its deep sense of appreciation for the committed services by the Company's executives, staff and workers.

For and on Behalf of Board of Directors

Surat, August 23, 2019

**Sd/-
Manhar J. Sanspara
Chairman & Managing Director
DIN: 02623366**

**Sd/-
Dinesh J. Sanspara
Joint Managing Director
DIN: 02623367**



“Annexure A”

MGT-9
EXTRACT OF ANNUAL RETURN

As on the Financial Year ended March 31, 2019.

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

1. REGISTRATION AND OTHER DETAILS:

I	CIN	L15400GJ2009PLC057789
II	Registration Date	August 13, 2009
III	Name of the Company	Euro India Fresh Foods Limited (Formerly known as Euro India Fresh Foods Pvt Ltd.)
IV	Category of the Company	Limited Company
V	Sub- Category of the Company	Limited by Shares
VI	Address of the Registered Office	Plot No A. 22/1, Ichhapore G.I.D.C, Hazira –Magdalla Road, Surat-394510. Gujarat
VII	Whether Listed Company	Yes(NSE EMERGE)
VIII	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Karvy Fintech Private Limited (KFPL) Add: “Karvy Selenium Tower” B, Plot No. 31 & 32, Financial District, Nanakramguda, Gahibowli, Hyderabad- 500032. E-mail: support@karvy.com Tel: 040- 67162222, 33211000 Fax:040- 23420814

2. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

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

Sr. No.	Name and Description of Product/ services	NIC Code of the product/ services	%to total turnover of the Company
1	Manufacture of fruit or vegetable juices and their concentrates, squashes and powder.	10304	13.39
2.	Other semi-processed, processed or instant foods	10799	69.26

3. PARTICULARS OF HOLDING, SUBSIDIARY & ASSOCIATE COMPANIES: NIL

4. SHAREHOLDING PATTERN (Equity Share Capital Break up as percentage of total Equity):

I. Category-wise Share Holding:

Category of Shareholder	No of shares held at the beginning of the year (as on 01.04.2018)				No of shares held at the end of the year (as on 31.03.2019)				% during the year
	Demat	Physical	Total	% of total Shares	De mat	Physical	Total	% of total Shares	(9-5)
1	2	3	4	5	6	7	8	9	10
A. Promoters									
I. Indian									

Individual/ HUF	18,228,798	0	18,228,798	73.50	18,228,798	0	18,228,798	73.50	0.00
Central Govt(s).	0	0	0	0.00	0	0	0	0.00	0.00
State Govt(s).	0	0	0	0.00	0	0	0	0.00	0.00
Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
Financial Institutions / Banks	0	0	0	0.00	0	0	0	0.00	0.00
Any other (specify)	0	0	0	0.00	0	0	0	0.00	0.00
Sub-Total (A) (I)	18,228,798	0	18,228,798	73.50	18,228,798	0	18,228,798	73.50	0.00
II. Foreign	0	0	0	0.00	0	0	0	0.00	0.00
Non-Resident Individuals	0	0	0	0.00	0	0	0	0.00	0.00
Other Individuals	0	0	0	0.00	0	0	0	0.00	0.00
Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
Any Other (specify)	0	0	0	0.00	0	0	0	0.00	0.00
Sub-Total (A) (II)	0	0	0	0.00	0	0	0	0.00	0.00
Total Shareholding of Promoter (A) = (A)(I)+(A)(II)	18,228,798	0	18,228,798	73.50	18,228,798	0	18,228,798	73.50	0.00
B. Public Shareholding									
I. Institutions									
Mutual Funds	0	0	0	0.00	0	0	0	0.00	0.00
Financial Institutions / Banks	0	0	0	0.00	0	0	0	0.00	0.00
Central Govt(s).	0	0	0	0.00	0	0	0	0.00	0.00
State Govt(s).	0	0	0	0.00	0	0	0	0.00	0.00
Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
Foreign Institutional Investors	0	0	0	0.00	0	0	0	0.00	0.00
Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
Any Other (Specify)	0	0	0	0.00	0	0	0	0.00	0.00
Sub-Total (B) (I)	0	0	0	0.00	0	0	0	0.00	0.00
II. Non-Institutions	0	0	0	0.00	0	0	0	0.00	0.00
Non-Institutions									
Bodies Corporate	3,69,982	0	3,69,982	1.49	4,76,307	0	4,76,307	1.92	0.43
i) Indian									
ii) overseas									
Individuals									
Individual Shareholders holding nominal Share Capital up to Rs.1 Lakh	4,70,018	2	4,70,020	1.90	4,85,399	2	4,85,401	1.96	0.06
Individual Shareholders holding nominal Share Capital in excess of Rs.1 Lakh	56,93,600	0	56,93,600	22.96	52,69,600	0	52,69,600	21.25	-1.71
Any Other (Specify)									

Clearing Member	15,200	0	15,200	0.06	35,200	0	35,200	0.14	0.08
Overseas Corporate Bodies	0	0	0	0.00	0	0	0	0.00	0.00
Non Resident Indians	22,400	0	22,400	0.09	3,04,694	0	3,04,694	1.23	1.14
Sub-total (B) (II)	65,71,200	2	65,71,202	26.50	65,71,200	2	65,71,202	26.50	0.00
Total Public Shareholding (B) = (B)(I)+(B)(II)	6571200	2	6571202	26.50	6571200	2	6571202	26.50	0.00
TOTAL (A)+(B)	24799998	2	24800000	100.00	24799998	2	24800000	100.00	

II. Shareholding of Promoter's and Promoter's Group:

Sr. No	Shareholders Name	Shareholding at the beginning of the year (as on 01.04.2018)			Shareholding at the end of the year (as on 31.03.2019)			% change in shareholding during the year
		No. of Shares	% of total Shares of the Company	% of shares pledged/encumbered to total shares	% of total Shares of the Company	% of total Shares of the Company	% of shares pledged/encumbered to total shares	
1.	Manhar J. Sanspara	8461098	34.12	0	8461098	34.12	0	0.00
2.	Dinesh J. Sanspara	8217700	33.14	0	8217700	33.14	0	0.00
3.	Mahesh V. Mavani	1440000	5.81	0	1440000	5.81	0	0.00
4.	Sapnaben M. Sanspara	50000	0.20	0	50,000	0.20	0	0.00
5.	Maya D. Sanspara	25,000	0.10	0	25,000	0.10	0	0.00
6.	Dipesh D. Sanspara	25,000	0.10	0	25,000	0.10	0	0.00
7.	Mukesh V. Mavani	10,000	0.04	0	10,000	0.04	0	0.00

III. Change in Promoters' Shareholding (please specify, if there is no change): No Change.

IV. Shareholding Pattern of top ten Shareholders:

(Other than Directors, Promoters, and Holders of GDRs and ADRs):

Sr. No.	Name of the Shareholder	Date	Shareholding of the year	% of Shareholding
1	Vallabhbhai Premjibhai Savani			
	At the Beginning	01.04.2018	393600	1.59
	At the End	31.03.2019	393600	1.59
2.	Jugal Kishor Garg			
	At the Beginning	01.04.2018	291200	1.17
	At the End	31.03.2019	00	0.00
3.	Ritesh Agarwal			
	At the Beginning	01.04.2018	291,200	1.17
	At the End	31.03.2019	00	0.00
4.	Dinesh M Lakhani			
	At the Beginning	01.04.2018	291,200	1.17
	At the End	31.03.2019	291,200	1.17
5.	Rajesh Labhubhai Lakhani			
	At the Beginning	01.04.2018	291,200	1.17
	At the End	31.03.2019	291,200	1.17

6.	Vallabhbhai Shamjibhai Patel			
	At the Beginning	01.04.2018	291,200	1.17
	At the End	31.03.2019	291,200	1.17
7.	Pantomath Stock Brokers Private Limited			
	At the Beginning	01.04.2018	284,800	1.15
	At the End	31.03.2019	309,000	1.25
8.	Manjulaben Dharmeshbhai Patel			
	At the Beginning	01.04.2018	232,000	0.94
	At the End	31.03.2019	232,000	0.94
9.	Janki Girish Patel			
	At the Beginning	01.04.2018	232,000	0.94
	At the End	31.03.2019	232,000	0.94
10.	Gautam Babubhai Bhayani			
	At the Beginning	01.04.2018	20,800	0.08
	At the End	31.03.2019	209,494	0.84

V. Shareholding of Director's & Key Managerial Personnel:

Sr. No.	Particulars	Designation	Shareholding at the beginning of the year (as on 01.04.2018)		Shareholding at the end of the year (as on 31.03.2019)	
			No. of Shares	% of holding	No. of Shares	% of holding
1.	Mr. Manhar J. Sanspara	CMD	8461098	34.12	8,461,098	34.12
2.	Mr. Dinesh J. Sanspara	Jt. MANAGING DIRECTOR	8217700	33.14	8,217,700	33.14
3.	Mr. Mahesh V. Mavani	DIRECTOR	1440000	5.81	1,440,000	5.81
4.	Mr. Dipesh D. Sanspara	DIRECTOR	25,000	0.10	25,000	0.10
5.	Mrs. Maya D. Sanspara	DIRECTOR	25,000	0.10	25,000	0.10
6.	Mr. Ghanshyam A. Patel	INDEPENDENT DIRECTOR	0	0	0	0
7.	Mr. Parth V. Saspara	INDEPENDENT DIRECTOR	0	0	0	0
8.	Mr. Snehal M. Patel	INDEPENDENT DIRECTOR	0	0	0	0
9.	Mr. Paresh B. Lathiya	INDEPENDENT DIRECTOR	0	0	0	0
10.	Mrs. Manjula K. Mehta	INDEPENDENT DIRECTOR	0	0	0	0
11.	Mr. Mukesh A. Navadia	CEO	3200	0.01	3,200	0.01
12.	Mr. Shailesh M. Sardhara	CFO	0	0	0	0
13.	Mr. Jay B. Pansuria	CS	0	0	0	0

VI. Indebtedness:

Particulars	Un Secured Loans	Secured Loans excluding deposits	Deposits	Total Indebtedness
Indebtedness at the beginning of the year				
I. Principle Amount	4,728,690	158,057,424	00	162,786,114
II. Interest due but not paid	00	00	00	00
III. Interest accrued but not due	00	00	00	00
Total (I+II+III)	4,728,690	158,057,424	00	162,786,114
Change in Indebtedness during the F.Y.				
Additions	-	14,328,174	-	14,328,174

Reduction	198,690	19,052,106	-	19,250,796
Net Change	4,530,000	4,723,932	00	4,922,622
Indebtedness at the end of the F.Y.				
I. Principle Amount	4,530,000	153,333,492	00	157,863,492
II. Interest due but not paid	00	00	00	00
III. Interest accrued but not due	00	00	00	00
Total (I+II+III)	4,530,000	153,333,492	00	157,863,492

VII. Remuneration of Directors and Key Managerial Personnel:

A. Remuneration to Managing Director, Whole Time Director and/or Manager

Sr. No.	Particulars	Name of Managing Director		Total Amount
1	Gross Salary	Manhar J. Sanspara CMD	Dinesh J. Sanspara Jt. M.D	
a.	Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	4,83,000 P.A.	4,14,000 P.A.	8,97,000 P.A.
b.	Value of perquisites u/s 17(2) of Income Tax Act, 1961	NIL	NIL	NIL
c.	Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	NIL	NIL	NIL
2.	No. of Stock option	NIL	NIL	NIL
3.	Sweat Equity	NIL	NIL	NIL
4.	Commission			
	As % of profit	NIL	NIL	NIL
	Others (specify)	NIL	NIL	NIL
5.	Others, please specify	NIL	NIL	NIL
	Total	4,83,000 P.A.	4,14,000 P.A.	8,97,000 P.A.
	Celling as per the Act (Section 198)	[Rs. 88.16 Lakh i.e. 10% of net profit of F.Y 2018-19]		

B. Remuneration to other Directors:

Sr. No.	Particulars	Name of Directors								Total Amount
1.	Exe. & Independent Directors	Mahesh V. Mavani	Dipesh D. Sanspara	Maya D. Sanspara	Ghanshyam A. Patel	Parth V. Saspara	Snehal M. Patel	Paresh B. Lathiya	Manjula K. Mehta	
		Exe. Director	Exe. Director	Non-Exe. Director	Independent Director	Independent Director	Independent Director	Independent Director	Independent Director	
a.	Fees for attending Board/ Committee meetings	NIL	NIL	-	NIL	NIL	NIL	NIL	NIL	NIL
b.	Commission	NIL	NIL	-	NIL	NIL	NIL	NIL	NIL	NIL
c.	Others	NIL	NIL	-	NIL	NIL	NIL	NIL	NIL	NIL
	Total(1)	NIL	NIL	-	NIL	NIL	NIL	NIL	NIL	NIL
2.	Other Non-Executive Director	-	-	NIL	-	-	-	-	-	-

a.	Fees for attending Board/ Committee meetings	-	-	NIL	-	-	-	-	-	-
b.	Commission	-	-	NIL	-	-	-	-	-	-
c.	Others	-	-	NIL	-	-	-	-	-	-
	Total(2)	-	-	NIL	-	-	-	-	-	-
	Total (1+2)			NIL						
	Total Managerial Remuneration			NIL						
	Overall Managerial Remuneration			NIL						
	Celling as per the Act (section 198)			[Rs. 88.16 Lakh i.e. 10% of net profit of F.Y 2018-19]						

C. Remuneration to Key Managerial Personnel other than MD/MANAGER/WTB:

Sr. No.	Particulars	Name of CEO/CFO/CS			Total Amount
1	Gross Salary	Mukesh A. Navadia	Shailesh M. Sardhara	Jay B. Pansuria	
		CEO	CFO	CS	
a.	Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	13,65,000 P.A.	5,05,050 P.A.	2,65,621 P.A.	2,145,893 P.A.
b.	Value of perquisites u/s 17(2) of Income Tax Act, 1961	NIL	NIL	NIL	NIL
C.	Profits in lieu if salary under section 17(3) of the Income Tax Act, 1961	NIL	NIL	NIL	NIL
2.	No. of Stock option	NIL	NIL	NIL	NIL
3.	Sweat Equity	NIL	NIL	NIL	NIL
4.	Commission	NIL	NIL	NIL	NIL
	As % of profit	NIL	NIL	NIL	NIL
	Others (specify)	NIL	NIL	NIL	NIL
5.	Others, please specify	NIL	NIL	NIL	NIL
	Total	13,65,000 P.A.	5,05,050 P.A.	2,65,621 P.A.	2,145,893 P.A.

VIII. Penalties/Punishment/Compounding of offences: NIL

FORM NO. AOC-2

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

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

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

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

Sr. No.	Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements / transactions	Duration of the contracts/ arrangements / transactions	Salient term of the contracts or arrangements or transactions including the value, if any	Date(s) if approval by the Board, if any	Amount paid as advances, if any
1.	M/s Euro India Beverages	Job Work Expenses	continuous	66,98,145	-	-
2.	M/s Euro Snacks	Job Work Expenses	continuous	28,16,386	-	-
3.	M/s Euro India Foods	Job Work Expenses	continuous	25,99,652	-	-
4.	M/s JR Enterprise	Sales	continuous	86,697,367	-	-
5.	M/s Sarthak Packaging	Sales	continuous	00	-	-
6.	M/s Delisha Enterprises	Sales	continuous	32,843,485	-	-
7.	Unibite Foods LLP	Sales	Continuous	3,216,324	-	-
7.	M/s Euro India Beverages	Rent Income	continuous	121,800	-	-
8.	M/s Euro Snacks	Rent Income	continuous	195,300	-	-
9.	M/s Euro India Foods	Rent Income	continuous	336,000	-	-
10.	M/s JR Enterprise	Sales Promotion Expenses	continuous	00	-	-
11.	M/s Sarthak Packaging	Purchase	continuous	22,791,922	-	-

AS PER RULE 8 OF COMPANIES (ACCOUNTS) RULES, 2014

Information under Section 134(3) (m) of the Companies Act, 2013 read with rule 8(3) the Companies (Accounts) Rules, 2014 and forming part of the Report of the Directors.

A. CONVERSATION OF ENERGY:

Sr. No.	Particular	2018-19	2017-18
1.	Power & Fuel Consumption	30,708,735	24,458,485

B. TECHNOLOGY ABSORPTION:

Sr. No.	Particular	2018-19	2017-18
1.	CIF Value of Imports		
	a. Raw Materials	-	-
	b. Components and Spare Parts		-
	c. Capital Goods	-	4,14,006

C. FOREIGN EXCHANGE EARNINGS AND OUTGO:

Sr. No.	Particular	2018-19	2017-18
1.	Earnings in Foreign Currency (F.O.B Value of Export)	17,270,173	50,70,011
2.	Foreign Exchange outgo	20,040	1,88,124
3.	Dividend Remitted in Foreign Currency	-	-

MANAGEMENT DISCUSSION AND ANALYSIS REPORT:-

Pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosures Requirements), Regulations, 2015, the Listed Companies are required to furnish Management Discussion and Analysis Report (MDAR) as a part of Director's Report to the Shareholders.

As per Schedule V of SEBI (Listing Obligations and Disclosures Requirements), Regulations, 2015, Annual Report shall contain the below points in the Management Discussion and Analysis Report (MDAR):

- ✓ Industry Structure and developments.
- ✓ Opportunities and Threats.
- ✓ Segment- Wise or Product- wise performance.
- ✓ Outlook.
- ✓ Risk and Concern.
- ✓ Internal Control System and their adequacy.
- ✓ Discussion on Financial performance with respect to operational performance.
- ✓ Material developments in Human Resources/ Industrial Relations front, including number of people employed.

1. INDUSTRY STRUCTURE AND DEVELOPMENTS.

The Indian food industry is poised for huge growth, increasing its contribution to world food trade every year. In India, the food sector has emerged as a high-growth and high-profit sector due to its immense potential for value addition, particularly within the food processing industry. The Government of India has been instrumental in the growth and development of the food processing industry. The government through the Ministry of Food Processing Industries (MoFPI) is making all efforts to encourage investments in the business. It has approved proposals for joint ventures (JV), foreign collaborations, industrial licenses, and 100 per cent export oriented units.

The Indian food and grocery market is the world's sixth largest, with retail contributing majority of the sales. The Indian food processing industry accounts for moderate per cent of the country's total food market, one of the largest industries in India and is ranked in higher number in terms of production, consumption, export and expected growth. It contributes around 8.80 and 8.39 per cent of Gross Value Added (GVA) in Manufacturing and Agriculture respectively, 13 per cent of India's exports and six per cent of total industrial investment. The Indian gourmet food market is currently valued at US\$ 1.3 billion and is growing at a Compound Annual Growth Rate (CAGR) of 20 per cent. India's organic food market is expected to increase by three times by 2020.

2. OPPORTUNITIES AND THREATS

2.1 Opportunities:

- Indian and multinational FMCG players can leverage India as a strategic sourcing hub for cost-competitive product development and manufacturing to cater to international markets.
- Indian consumers are highly adaptable to new and innovative products.
- Creating strong distribution networks and skills to deliver to the last mile.
- Low penetration levels offer room for growth across consumption categories.
- Increasing demand for healthier foods.
- Major players are focusing on rural markets to increase their penetration in those areas.

2.2 Threats:

- Spending on advertisements is aggressive.
- Huge investments in setting up distribution network and promoting brands.
- Saturated fast food markets in the developed economies.



3. SEGMENT WISE OR PRODUCT WISE PERFORMANCE.

The Company is engaged in the business of manufacturing and selling of processed food and beverages which is considered to be the only reportable business segment on Segment Reporting. The Company mainly operates in India and there is no other significant geographical segment.

4. OUTLOOK:

FMCG is the fourth largest sector in the Indian economy. FMCG Market is very much expand day by day in the country like India. The Food sector depends on its taste and Quality, the FMCG known for the Fastest Moving consumer goods. The company had drastically improving their performance day by day for achieving the sales goals. The Company has its own outlet in majority of the cities such as Surat, Ahmedabad, Bhavnagar, Mumbai and many mores. The Company export in U.K., USA, Singapore, Quvair etc.

5. RISK AND CONCERN:

Risk is in itself sound as a huge responsibility for the organization to identify, evaluate, access, formulate and reduce it. It is the internal as well as external part of the Organization, Risk factor works in the day to day operations of the Company. There are different kinds of Risk to evaluate and reduce i.e. Market risk, Liquidity Risk, Operation Risk, Management Risk, Interest rate risk etc. The Company has taken necessary steps to overcome the Risk factor and helps the organization to run smoothly.

6. INTERNAL CONTROL SYSTEM

The Company has in place an adequate system of internal control commensurate with its size and nature of its business. These have been designed to provide reasonable assurance that all assets are safeguarded and protected against loss from unauthorized use or disposition and that all transactions are authorized, recorded and reported correctly and the business operations are conducted as per the prescribed policies and procedures of the Company. The Audit committee and the management have reviewed the adequacy of the internal control systems and suitable steps are taken to improve the same.

7. FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

During the year under preview, the Company has earned sales Income Rs.7157.81 Lakh (Previous Year Rs.5507.12 Lakh) and other Income Rs.106.74 Lakh (Previous year Rs.80.98 Lakh). The Total revenue Rs. 7264.55 Lakh (Previous year Rs. 5588.10 Lakh).

Profit before Tax (PBT) was review Rs. 133.92 Lakh and Profit after Tax (PAT) was review Rs. 88.16 Lakh (Previous year Rs. 159.73 Lakh).

8. HUMAN RESOURCES DEVELOPMENT AND INDUSTRIAL RELATIONS

Your Company firmly believes that its human resources are the key enablers for the growth of the Company and important asset. Hence, the success of the Company is closely aligned to the goals of the human resources of the Company. Taking into this account, your Company continued to Invest in developing its human capita and establishing its brand on the market to attract and retain the best talent. Employee relations during the period under review continued to be healthy, cordial and harmonious at all levels and your Company is committed to maintain good relations with the employees.



CORPORATE GOVERNANCE REPORT

According to the Regulation 27(2) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, the Corporate Governance report generated by Euro India Fresh Foods Limited and the same is present below:

***Note:** As per Regulation 15 of SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015, the Corporate Governance Report is not applicable to Listed Companies which are listed on SME or Emerge Platform of Recognized Stock Exchange. The Report is prepared and present on voluntary basis and only for Investors and Shareholders convenience and thoroughly knowledge about the company.

1. COMPANY’S PHILOSOPHY ON CODE OF GOVERNANCE:

Your Company stands committed to good corporate governance practices based on principal such as accountability, transparency in dealing with our Stakeholder, emphasis on communication and transparent reporting. They have complied with the requirements of the applicable regulations, in respect of corporate governance including constitution of the Board and Committee therefore. The Corporate Governance framework is based on an effective independent Board, the Board’s Supervisory role from the executive management team and constitution of the Board Committee, as required under law. Currently your Board has 10(Ten) Directors out of which 5(Five) are Independent Directors.

2. BOARD OF DIRECTORS:

The Board of Directors of the company (Board) has optimum Combination of Executive and Non-Executive Directors comprising Four Executive Directors, One Non-Executive Director and Five Independent Directors.

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

MATRIX OF SKILLS/EXPERTISE/COMPETENCIES OF THE BOARD:

In order to effectively discharge its duties, it is necessary that collectively the Board holds the appropriate balance of skills and experience. The Board seeks a complementary diversity of skills and experience across its members. The table below summarized the key qualifications, skills and attributes which are taken into consideration while nominating a person to serve on the Board.

Skills / Expertise /Competencies	Detail for such Skills / Expertise / Competencies
Knowledge	Understanding of the Company’s business, policies and culture (including its mission, vision, values, goals, current strategic plan, governance structure, major risks and threats and potential opportunities) and knowledge of the industry in which the company operates.
Strategic Leadership	Significant leadership experience to think strategically and develop effective strategies to drive Change and growth in context of the Company’s overall objectives.
Financial expertise	Qualification and / or experience in accounting and/or finance coupled with ability to analyze the key financial statements; critically assess financial viability and performance; contribute to financial Planning; assess financial controls and oversee capital management and funding arrangements.
Diversity	Representation of gender, cultural or other such diversity that expand the Board’s understanding and
Corporate Governance, risk & Compliance	Experience in developing and implementing good corporate governance practices, maintaining board and management accountability, managing stakeholders’ interests and company’s responsibilities towards customers, employees, suppliers,

	regulatory bodies and the communities in which it operates including establishing risk and compliance frameworks, identifying and monitoring key risks.
Behavioral Skills	Attributes and the competencies to use their knowledge and skills to function well as team members and to interact with key stakeholders;

(a) Composition of the Board:

Sr. No.	NAME	CATEGORY
1	Mr. Manhar J. Sanspara	Chairman and Managing Director
2	Mr. Dinesh J. Sanspara	Joint Managing Director
3	Mr. Mahesh Kumar V. Mavani	Executive Director
4	Mr. Dipesh D. Sanspara	Executive Director
5	Mrs. Maya D. Sanspara	Non-Executive Director
6	Mr. Ghanshyam A. Patel	Independent Director
7	Mr. Parth V. Saspara	Independent Director
8	Mr. Snehal M. Patel	Independent Director
9	Mr. Paresh B. Lathiya	Independent Director
10	Mrs. Manjula K. Mehta	Independent Director

(b) Attendance of Each Director at the meeting of Board of Directors and last Annual General Meeting:

Name	Designation	No. of Board Meeting held during the year	No. of Board Meeting attended by directors during the year	Attendance of Last Annual General Meeting
Mr. Manhar J. Sanspara	CMD	10	9	Yes
Mr. Dinesh J. Sanspara	Joint M.D.	10	5	Yes
Mr. Mahesh V. Mavani	Executive Director	10	6	Yes
Mr. Dipesh D. Sanspara	Executive Director	10	7	Yes
Mrs. Maya D. Sanspara	Non-Executive Director	10	6	Yes
Mr. Ghanshyam A. Patel	Independent Director	10	5	No
Mr. Parth V. Saspara	Independent Director	10	9	No
Mr. Snehal M. Patel	Independent Director	10	9	No
Mr. Paresh B. Lathiya	Independent Director	10	8	No
Mrs. Manjula K. Mehta	Independent Director	10	8	No

(c) Number of other Board of Directors or Committee in which a directors is a member or Chairman:

Name	Other Board of Directors	Audit Committee (Chairman or Member)	NR Committee (Chairman or Member)	Stakeholder and Shareholder Committee (Chairman or Member)
Mr. Manharbhai J. Sanspara	1	0	0	0
Mr. Dinesh J. Sanspara	1	0	0	0
Mr. Maheshkumar V. Mavani	1	1 (Member)	0	1 (Member)
Mr. Dipesh D. Sanspara	1	0	0	0
Mrs. Maya D. Sanspara	0	0	0	0
Mr. Ghanshyam A. Patel	0	0	1 (Chairman)	1 (Member)
Mr. Parth V. Saspara	0	1 (Chairman)	0	0

Mr. Snehal M. Patel	0	0	1 (Member)	0
Mr. Paresh B. Lathiya	0	1 (Member)	1 (Member)	1 (Chairman)
Mrs. Manjula K. Mehta	0	0	0	0

(d) Number of meetings of the Board of Directors held and dates on which held:

During the Financial year 2018-19, The Board of Directors meeting held **Nine (09)** times. The details are given as below:

(1) 23.04.2018 (2) 09.05.2018 (3) 13.06.2018 (4) 23.08.2018 (5) 18.09.2018 (6) 29.09.2018 (7) 13.11.2018 (8) 21.12.2018 (9) 25.01.2019.

During the year under review Independent Director met on 25.01.2019.

(e) Disclosure of relationships between the Directors Inter-se:

Promoter and Promoter Group	Director	Relationship
Mr. Manhar J. Sanspara (P)	Mr. Dinesh J. Sanspara	Brother
Mr. Dinesh J. Sanspara (P)	Mrs. Maya D. Sanspara	Wife
Mr. Maheshkumar V. Mavani (P)	-	-
Mrs. Sapna M. Sanspara (P.G.)	Mr. Manhar J. Sanspara	Husband
Mr. Dipesh D. Sanspara (P.G.)	Mr. Dinesh J. Sanspara & Mrs. Maya D. Sanspara	Son
Mrs. Maya D. Sanspara (P.G.)	Mr. Dinesh J. Sanspara & Mr. Dipesh D. Sanspara	Husband Son
Mr. Mukeshbhai V. Mavani (P.G.)	Mr. Maheshkumar V. Mavani	Brother

P- Promoter.

P.G. – Promoter Group.

(f) Number of Shares and convertible instruments held by Non-executive Directors:

Name	No. of Shares
Mrs. Maya D. Sanspara	25,000
Mr. Ghanshyam A. Patel	-
Mr. Parth V. Saspara	-
Mr. Snehal M. Patel	-
Mr. Paresh B. Lathiya	-

(g) Web link where details of familiarization programs imparted to independent director is disclosed:

In compliance with the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has put in place a policy for familiarization programme for the Independent Directors to familiarize them with their role, rights and responsibility as Directors, the working of the Company, nature of the industry in which the Company operates, business model etc. However Company has not conducted any familiarize programme in this financial year. The policy for the same has been on the website of our Company and the web link is:

<http://euroindiafoods.com/wp-content/uploads/2017/05/Familiarization-policy-of-IDs.pdf>

3. AUDIT COMMITTEE

(a) Brief Description of terms of reference:

The Audit committee of Euro India Fresh Foods Limited consists of One (1) Executive Director and Two (2) Non Executive Independent Directors. All the members of the Audit committee have good knowledge of finance,

accounting and taxation. The audit Committee always advise the management on the area where internal control system can be improved.

The term of reference of Audit Committee is as below:

- Recommendation for appointment, remuneration and terms of appointment of auditors of the company.
- Review and monitor the auditor's independence and performance, and effectiveness of audit process.
- Examination of the financial statement and auditor's report thereon.
- Approval or any subsequent modification of transactions of the company with related parties.
- Scrutiny of inter-corporate loans and investments.
- Valuation of undertakings or assets of the company, wherever it is necessary.
- Evaluation of internal financial controls and risk management systems.
- Monitoring the end use of funds raised through public offers and related matters.
- The Audit Committee may call for the comments of the auditors about internal control system, the scope of audit, including the observations of the auditors and review of the financial statement before their submission to the Board and may also discuss any related issue with the internal and statutory auditors and the management of the company.
- The Audit Committee shall have authority to investigate into any matter in relation to the items specified above in (i) to (iv) or referred to it by the Board and for this purpose shall give power to obtain professional advice from external sources and have full access to information contained in the records of the company.
- The auditors of a company and the key managerial personnel shall have a right to be heard in the meetings of the Audit Committee when it considers the auditor's report but shall not have the right to vote. The Board's report under sub-section (3) of section 134 shall disclose the composition of Audit Committee and where the Board had not accepted any recommendation of the Audit Committee, the same shall be disclosed in such report along with the reasons thereof.
- The victims/persons who use vigil mechanism can direct access to the chairperson of the Audit Committee in appropriate or exceptional cases.

(b) The Composition of Audit Committee is as follow:

Name of Director	Status in Committee	Nature in Directorship
Mr. Parth V. Saspara	Chairman	Independent Director
Mr. Paresh B. Lathiya	Member	Independent Director
Mr. Maheshkumar V. Mavani	Member	Executive Director

(c) Meetings and attendance during the year:

Sr. No.	Date of Meeting	Committee Strength	No. of Members Present
1	09.05.2018	3	3
2.	23.08.2018	3	3
3.	13.11.2018	3	3
4.	25.01.2019	3	3

4. NOMINATION AND REMUNERATION COMMITTEE

(a) Brief Description of terms of reference:

Your Company has formulated nomination and remuneration committee comprising three (3) Non-Executive Independent directors composition of the Committee is as follows:

The term of reference of Nomination & Remuneration Committee is as below:

- To identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every Director's performance.
- To formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration for the Directors, Key Managerial Personnel and other employees.

- The Nomination and Remuneration Committee shall, while formulating the policy ensure that:
 - (1) The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully;
 - (2) Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
 - (3) Remuneration to Directors, Key Managerial Personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals;
- Regularly review the Human Resource function of the Company.
- Discharge such other function(s) or exercise such power(s) as may be delegated to the Committee by the Board from time to time.
- Make reports to the Board as appropriate.
- Review and reassess the adequacy of this charter periodically and recommend any proposed changes to the Board for approval from time to time.
- Any other work and policy, related and incidental to the objectives of the committee as per provisions of the Act and rules made there under.

(b) Composition of Nomination and Remuneration Committee:

Name of Director	Status in Committee	Nature in Directorship
Mr. Ghanshyam A. Patel	Chairman	Independent Director
Mr. Snehal M. Patel	Member	Independent Director
Mr. Paresh B. Lathiya	Member	Independent Director

(c) Meetings and attendance during the year

Sr. No.	Date of Meeting	Committee Strength	No. of Members Present
1	23.08.2018	3	3
2.	25.01.2019	3	3

5. REMUNERATION, SALARY OF DIRECTORS AND KEY MANAGERIAL PERSONS:

During the year company has paid following remuneration or setting fees to the directors as follows:

Name	Category	Remuneration
Mr. Manhar J. Sanspara	Chairman and Managing Director	4,83,000 P.A.
Mr. Dinesh J. Sanspara	Joint Managing Director	4,14,000 P.A.
Mr. Maheshkumar V. Mavani	Executive Director	NIL
Mr. Dipesh D. Sanspara	Executive Director	NIL
Mrs. Maya D. Sanspara	Non-Executive Director	NIL
Mr. Ghanshyam A. Patel	Independent Director	NIL
Mr. Parth V. Sanspara	Independent Director	NIL
Mr. Snehal M. Patel	Independent Director	NIL
Mr. Paresh B. Lathiya	Independent Director	NIL
Mrs. Manjula K. Mehta	Independent Director	NIL
Mr. Mukesh A. Navadia	Chief Executive officer	13,65,000 P.A.
Mr. Shailesh M. Sardhara	Chief Financial Officer	5,05,050 P.A.
Mr. Jay B. Pansuria	Company Secretary	2,65,621 P.A.

6. STAKEHOLDERS/ INVESTOR'S GRIEVANCES COMMITTEE

To solve the investor's grievances, Company has formulated Stakeholder's and Investor Grievance Committee. Composition of the Committee is as follows:



(a) Composition of Stakeholders, Shareholders'/ Investor's Grievances Committee

Name of Director	Status in Committee	Nature in Directorship
Mr. Paresh B. Lathiya	Chairman	Independent Director
Mr. Ghanshyam A. Patel	Member	Independent Director
Mr. Maheshkumar V. Mavani	Member	Executive Director

(b) Name and Designation of the Compliance Office:

Name: Jay B. Pansuria

Designation: Company Secretary

Address: Plot No. A-22/1 Ichhapore, G.I.D.C., Hazira Magdalla Road, Surat-394510.

(c) Meetings and attendance during the year:

Sr. No.	Date of Meeting	Committee Strength	No. of Members Present
1	23.08.2018	3	3
2.	25.01.2019	3	3

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

(d) Number of Shareholder's Complaints received so far:

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

7. GENERAL BODY MEETINGS

The last 3(three) Annual General Meetings of the Company were held as under:

Year	Day, Date & Time	Venue
2017-18	Tuesday, September 25, 2018 at 11.00 A.M.	Plot No. A-22/1 Ichhapore, G.I.D.C., Hazira Magdalla Road, Surat-394510.
2016-17	Monday, September 25, 2017 at 11.00 A.M.	Plot No. A-22/1 Ichhapore, G.I.D.C., Hazira Magdalla Road, Surat-394510.
2015-16	Thursday, September 8, 2016 at 11:00 A. M	Plot No. A-22/1 Ichhapore, G.I.D.C., Hazira Magdalla Road, Surat-394510.

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

Date of AGM	Resolution	Ordinary / Special	Favor		Against	
			Ballot	E-voting	Ballot	E-voting
September 25, 2018.	Adoption of Annual Accounts, Auditor's Report and Directors Report	Ordinary	18390798	NA	0	NA
	Re-appointment of Mr. Manhar J. Sanspara as a Managing Director	Ordinary	18390798	NA	0	NA

	Regularizing of appointment of Mr. Dipesh D. Sanspara	Ordinary	18390798	NA	0	NA
	Regularizing of appointment of Mrs. Manjula K. Mehta	Ordinary	18390798	NA	0	NA
September 25, 2017	Adoption of Annual Accounts, Auditor's Report and Directors Report	Ordinary	18228798	NA	0	NA
	Re-appointment of Mr. Dinesh J. Sanspara as a Joint Managing Director	Ordinary	18228798	NA	0	NA
	Ratify the appointment of M/s JN Shah & Co., as Auditor	Ordinary	18228798	NA	0	NA
	Appointment of Mrs. Maya D. Sanspara as Non-Executive Director	Special	18228798	NA	0	NA
	Appointment of Mr. Ghanshyam A. Patel as Independent Director	Special	18228798	NA	0	NA
	Appointment of Mr. Parth V. Sanspara as Independent Director	Special	18228798	NA	0	NA
	Appointment of Mr. Snehal M. Patel as Independent Director	Special	18228798	NA	0	NA
	Appointment of Mr. Paresh B. Lathiya as Independent Director	Special	18228798	NA	0	NA
September 8, 2016	Adoption of Annual Accounts, Auditor's Report and Directors Report	Ordinary	20000000	NA	0	NA
	Re-appointment Mr. Maheshkumar Vallabhbhai Mavani as a Director	Ordinary	20000000	NA	0	NA
	Ratify the appointment of M/s JN Shah & Co., as Auditor	Special	20000000	NA	0	NA
	Appointment of Manhar Jivanbhai Sanspara as Chairman and Managing Director	Special	20000000	NA	0	NA



	Appointment of Dinesh Jivanbhai Sanspara as Joint Managing Director	Special	20000000	NA	0	NA
	Authority for Initial Public Offering	Special	20000000	NA	0	NA

8. MEANS OF COMMUNICATION

The Company “Euro India Fresh Foods Limited” was listed on NSE Emerge platform on March 31, 2017. The Company has submitted half yearly financial results to the Stock Exchange in accordance with the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 and the same was uploaded on the company’s website www.euroindiafoods.com

The official news release, presentation that may be made to the Shareholders at the Annual General meeting and the presentation as may be done to the analysts will be posted on the company’s Website- www.euroindiafoods.com

9. GENERAL SHAREHOLDER INFORMATION

Sr. No.	Topic	Particulars		
	Company Registration Details	The Company is registered in the state of Gujarat, India. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L15400GJ2009PLC057789.		
(a)	Annual General Meeting (Day, Date, Time and Venue)	Wednesday, September 25, 2019 at 10:00 A.M. Plot No. A-22/1 Ichhapore, G.I.D.C., Hazira Magdalla Road, Surat-394510		
(b)	Financial Calendar <ul style="list-style-type: none">First half year results (April to September)Second half year results (October to March)	The Financial Year of the company is for a period of 12 months from April 1 to March 31. Mid of November. Last week of May.		
	Book Closure	Thursday September 19, 2019 to Wednesday, September 25, 2019 (Both days inclusive)		
(c)	Dividend payment Date	N.A.		
(d)	Name and Address of Stock Exchange	NSE EMERGE (ISIN: INE546V01010) National Stock Exchange of India Limited Exchange Plaza, Bandra Kurla Complex Bandra (East), Mumbai – 400051.		
(E)	Stock Code	EIFFL		
(F)	Market price data-high, low, during each month in last financial year	Listed on 31 st March, 2017.		
Month	Share Price (NSE EMERGE)		VOLUME	
	High (Rs.)	Low (Rs.)	High	Low
April’18	144.75	133.00	8000	42400
May’18	99.95	88.00	14400	8000
June’18	107.00	97.00	16000	4800
July’18	157.00	104.75	11200	12800
Aug’18	162.45	128.65	1600	17600
Sept’18	152.50	127.75	25600	9600
Oct’18	146.40	116.00	12800	11200



Nov'18	160.90	130.40	1600	24000
Dec'18	153.70	131.50	19200	20800
Jan'19	153.20	130.00	16000	16800
Feb'19	149.00	133.00	4800	8800
Mar'19	146.00	111.00	8800	8000
(G)	In case the securities are suspended from trading, the directors report shall the reason therefore;		NA	
(H)	Registrar to an issue and share transfer agents		Karvy Fintech Private Limited Add: "Karvy Selenium Tower B", Plot No. 31 & 32, Financial District, Nanakramguda, Gahibowli, Hyderabad- 500032. E-mail: support@karvy.com Tel: 040- 67162222, 33211000.	
(I)	Share Transfer System		All shares are in Demat Form	

(k) Distribution of Shareholding March 31, 2019.

Share Holding of Nominal Value Rs.	Number of Shareholders	Percentage of Total	Share Amount Rs.	Percentage of Total
1-5000	4	1.32	6,020	0.00
5001-10000	32	10.53	255,990	0.10
10001-20000	60	19.74	956,000	0.39
20001-30000	11	3.62	264,000	0.11
30001-40000	25	8.22	832,000	0.34
40001-50000	9	2.96	432,000	0.17
50001-100000	34	11.18	2,448,000	0.99
100001 & above	129	42.43	242,805,990	97.91
Total:	304	100.00	248,000,000	100.00

(l) Dematerialization of Shares and Liquidity

The Company has 24,800,000 Equity shares, in which Two (2) Equity shares are in Physical Shares and remaining 24,799,998 Equity shares are in Dematerialized Form.

(m) Outstanding GDRs/ADRs/ Warrants or any Convertible Instruments: NIL

(n) Commodity price risk or foreign exchange risk and hedging activities: The foreign exchange risk depends on market fluctuation.

(o) Plant Location: Plot No. A-22/1 Ichhapore, G.I.D.C., Hazira Magdalla Road, Surat-394510.

(p) Address of Location:

Registrar to an issue and share transfer agents	Karvy Fintech Private Limited Add: "Karvy Selenium Tower B", Plot No. 31 & 32, Financial District, Nanakramguda, Gahibowli, Hyderabad- 500032.
Registered office of Company	Plot No. A-22/1, Ichhapore GIDC, Hazira-Magdalla Road, Surat-394510.

10. DISCLOSURES

(a) Related Party Transaction

The list of related party transactions entered by the Company during the year 2018-2019 is mentioned in Note-28 of significant accounting notes to the financial statement. All related party transactions are monitored by Audit Committee of the Company. The Policy has been disseminated on the website of the company

(b) Statutory Compliance, Penalties and Structures



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

(c) Whistle Blower Policy/Vigil Mechanism Policy

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

(d) Mandatory & Non Mandatory Requirements:

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

11. DISCRETIONARY REQUIREMENTS

(a) The Board

The chairperson of the company is an Executive Director.

(b) Shareholder Rights

Half yearly declaration of financial performance is uploaded on the website of the company as soon as it is intimated to the stock exchange.

(c) Modified opinion(s) in audit report

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

(d) Separate posts of chairperson and chief Executive Officer

The Company has appointed Executive director as a Chairman and Managing Director. The company has appointed Chief Executive Officer of the company though he is not the Director of the company. Hence, there is the Separate position held to Chairperson and chief Executive Officer

(e) Reporting of Internal Auditor

The Internal Auditor directly reports to the Audit Committee.

Surat, August 23, 2019

Sd/-
Manhar J. Sanspara
Chairman & Managing Director
DIN: 02623366

Sd/-
Dinesh J. Sanspara
Joint Managing Director
DIN: 02623367



Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ARCH 31, 2019

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

To,
The Members

M/s EURO INDIA FRESH FOODS LIMITED

PLOT NO. A 22/1 G.I.D.C. ICHHAPORE

SURAT – 394510, GUJARAT, INDIA

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s Euro India Fresh Foods 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 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 **31.03.2019**, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. 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 **31.03.2019** according to the provisions of:

- (i) The Companies Act, 2013 (**the Act**) and the Rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 (**‘SCRA’**) and the Rules made there under
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under
- (iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings– Not Applicable for the year under review
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (**‘SEBI Act’**) to the extent applicable to the Company :-
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011– Not Applicable for the year under review.
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 and The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 notified with effect from May 15, 2015
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009
 - d. The Securities and Exchange Board of India (Employees Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 - Not Applicable for the year under review
 - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008- Not Applicable for the year under review
 - 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 for the year under review



- h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 – Not Applicable for the year under review.
- i. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 notified with effect from December 1, 2015.
 - (vi) The Factories Act, 1948
 - (vii) Industrial Disputes Act, 1947
 - (viii) The Payment of Wages Act, 1936
 - (ix) The Minimum Wages Act, 1948
 - (x) The Employees' Provident Fund and Miscellaneous Provisions Act, 1952
 - (xi) The Payment of Bonus Act, 1965
 - (xii) The Payment of Gratuity Act, 1972
 - (xiii) The Maternity Benefit Act, 1961
 - (xiv) The Employees Compensation Act, 1923
 - (xv) The Apprentices Act, 1961
 - (xvi) Equal Remuneration Act, 1976
 - (xvii) Competition Laws
 - (xviii) The Environment (Protection) Act, 1986 [Read With The Environment (Protection) Rules, 1986]
 - (xix) The Hazardous Wastes (Management, Handling And Trans boundary Movement) Rules, 2008
 - (xx) The Water (Prevention & Control of Pollution) Act, 1974 [Read with Water (Prevention & Control of Pollution) Rules, 1975]
 - (xxi) The Air (Prevention & Control of Pollution) Act, 1981 [Read with Air (Prevention & Control of Pollution) Rules, 1982]
 - (xxii) and all other laws applicable to the company not mentioned hereinabove.

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

1. Secretarial Standards issued by The Institute of Company Secretaries of India.
2. Listing Agreement with NSE Emerge Exchange.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, Listing Agreements etc mentioned above.

2. 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.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

3. 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.
4. I further report that during the audit period the company has not taken any actions or enter into events having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.

Place: SURAT
Date: 23.08.2019

Sd/-
DHIREN R DAVE
COMPANY SECRETARY
FCS: 4889
CP: 2496



To,
The Members
M/s EURO INDIA FRESH FOODS LIMITED
PLOT NO. A 22/1 G.I.D.C. ICHHAPORE
SURAT – 394510, GUJARAT, INDIA

My 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. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, I 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. My 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.

Place: SURAT
Date: 23.08.2019

Sd/-
DHIREN R DAVE
COMPANY SECRETARY
FCS: 4889
CP: 2496

Annexure G

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

The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer and Company Secretary during the financial year 2018-19, ratio of the remuneration of the employees of the Company for the financial year 2018-19 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

Sr. No.	Name Of Director/KMP And Designation	Remuneration Of Director/KMP For F.Y. 18-19	% Increase In Remuneration In The F.Y. 18-19.	Ratio Of Remuneration Of Each Director/To Median Remuneration Of Employees
1.	Mr. Manhar Sanspara Chairman & Managing Director	4,83,000	(1.45)	5:1
2.	Mr. Dinesh Sanspara Jt. Managing Director	4,14,000	(1.45)	4:1
3.	Mr. Mahesh Mavani Director	NIL	NIL	NIL
4.	Mrs. Maya Sanspara Director	NIL	NIL	NIL
5.	Mr. Ghanshyam Patel Independent Director	NIL	NIL	NIL
6.	Mr. Parth Saspara Independent Director	NIL	NIL	NIL
7.	Mr. Snehal Patel Independent Director	NIL	NIL	NIL
8.	Mr. Paresb Lathiya Independent Director	NIL	NIL	NIL
9.	Mr. Mukesh Navadia Chief Executive Officer	13,65,000	1.32	13:1
10.	Mr. Sailesh Sardhara Chief Financial Officer	5,05,050	0.38	5:1
11.	Mr. Jay Pansuria* Company Secretary	2,65,621	NIL	NIL

*During the year under review, Ms. Nikki K. Shah has tendered her resignation due to her family arrangements w.e.f. June 14, 2018 from the post of Company Secretary and Compliance officer of your Company.

(a) The median remuneration of employees of the Company during the Financial Year 2018-19 was Rs. 102960/-

(b) In the Financial year, the median remuneration of employees is Increase/ (decrease) by (1.2) %.

(c) There were 417 Permanent employees (including permanent labors) on the rolls of the Company as on March 31, 2019;

(d) Average percentage Increase/ (decrease) made in the salaries of employees other than the managerial personnel in comparison of the last financial year is (1.2) %. The remuneration of KMP in F.Y 2017-18 was NIL and in F.Y 2018-19 it was increase/ (decrease) as mentioned in the above table.

(e) The remuneration of KMP is as per the recommendations of the Nomination & Remuneration Committee.

(f) It is hereby affirmed that the remuneration paid is as per the remuneration policy for Directors, Key Managerial Personnel and other Employees.



“Annexure H”

Chief Executive Officer and Chief Financial Officer Compliance Certification in accordance with Regulation 17(8) and 33(2) (a) of SEBI (LODR), 2015.

- A. We have reviewed Audited Financial Statements and cash flow statement for the year 2018-19 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 listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the listed entity during the year which are fraudulent, illegal or violative of the listed entity's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the listed entity pertaining to financial reporting and have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

We have indicated to the auditors and the Audit committee

1. Significant changes in internal control over financial reporting during the year;
2. Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
3. Instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the listed entity's internal control system over financial reporting.

For and on Behalf of Board of Directors

Surat, August 23, 2019

**Sd/-
Shailesh M. Sardhara
C.F.O**

**Sd/-
Mr. Mukesh A. Navadia (Dr.)
C.E.O**



INDEPENDENT AUDITOR'S REPORT

To,
The Members of
Euro India Fresh Foods Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **EURO INDIA FRESH FOODS LIMITED** ("the Company"), which comprise the Balance Sheet as at **March 31, 2019**, the Statement of Profit and Loss and the statement of cash flow then ended, and a summary of the significant accounting policies and other explanatory information.

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

(a) In the case of the Balance Sheet, of the state of the affairs of the Company as at 31st March, 2019;

(b) In the case of the Statement of Profit and Loss, of the **Profit** for the year ended on that date.

(c) In the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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

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

The Board of Directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility

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

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

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

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure "A" statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by section 143(3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the 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, the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid standalone financial statements comply with the 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 March 31, 2019, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.;
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure "B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the company's internal financial controls over financial reporting.
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. the Company has disclosed the impact of pending litigations on its financial position in its 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 were no amounts, which were required to be transferred, to the Investor Education and Protection Fund by the Company.

For **J N SHAH & CO**
Chartered Accountants
Firm Registration No. : 118020W

Sd/-
CA Jignesh N Shah
Proprietor
Membership No. : 102627

Surat, 25th May, 2019



**ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT
OF
EURO INDIA FRESH FOODS LIMITED**

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

Report on Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the companies Act, 2013 ("the Act")

1. In respect of Fixed Assets :

- a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets;
- b) Fixed assets were physically verified by the management at reasonable intervals and according to the information and explanations given to us, no material discrepancies were noticed on such verification.
- c) According to the information and explanation given to us and the records examined by us and based on the examination of the title deed provided to us, we report that, the title deeds, comprising all the immovable properties in respect of land and building are held in the name of the company as at balance sheet date.

2. In respect of Inventories :

The inventories of the Company have been physically verified by the Management at reasonable intervals and the procedures of physical verification of inventory followed by the Management are reasonable in relation to the size of the Company and nature of its business. The discrepancies noticed on such physical verification of inventories as compared to book records were not material.

3. In respect of Loans granted by the company :

According to the records and information and explanations made available to us, the Company has not granted any loans, secured or unsecured, to companies, firms, LLP or other parties covered in the register maintained under section 189 of the Act, accordingly paragraph 3(iii) of the Order is not applicable.

4. In respect of compliance u/s 185 & 186 :

In our opinion and according to the information and explanations given to us, the company has complied with the provisions of sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.

5. In respect of public deposits :

According to the information and explanation provided to us, the Company has not accepted any deposits from the public during the year. Therefore, the provisions of Clause (v) of paragraph 3 of the CARO 2016 are not applicable to the Company.

6. In respect of cost records :

Reporting under clause 3(vi) of the order is not applicable as the company's business activities are not covered under Companies (Cost Records and Audit) Rules, 2014.

7. In respect of statutory dues :

- (a) According to the information and explanations provided to us and on the basis of our examination of the records of the Company, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' State Insurance, income tax, Goods and Service tax, sales tax, service tax, duty of customs, duty of excise, value added tax, octroi, cess and other material statutory dues have been regularly deposited during the year by the Company 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, octroi, cess and other material statutory dues were in arrears as at 31 March 2019 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, the dues outstanding with respect to, income tax, sales tax, service tax, Goods and Service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues applicable to it, on account of any dispute, is as follow



Nature of dues	Amount (Rs in Lacs)	Period to which the amount relates	Forum where dispute is pending
Excise Duty	89.00	August 2013 to June 2017	Customs, Excise & Service Tax Appellate Tribunal, Ahmadabad

8. In respect of repayment of financial dues :

According to the information and explanations provided to us and on the basis of our examination of the records of the company, the Company has not defaulted in the repayment of loans and borrowings to banks or financial institutions. The Company does not have any loans or borrowings from government and has not issued any debentures.

9. In respect of Public Issues :

The company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause 3(ix) of the order is not applicable.

10. In respect of Frauds :

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

11. In respect of managerial remuneration :

In our opinion and according to the information and explanations given to us the company has paid or provided managerial remuneration in accordance with the requisite approval mandated by the provisions of section 197 read with schedule V of the Companies Act, 2013.

12. In respect of applicability of any special statutes :

According to the information and explanations provided to us, the Company is not a chit fund or a nidhi / mutual benefit fund / society and hence reporting under clause 3(xii) of the order is not applicable.

13. In respect of compliance u/s section 177 & 188 :

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

14. In respect of Preferential Allotment :

During the year, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause 3(xiv) of the order is not applicable.

15. In respect non cash transaction with directors :

According to the information and explanations provided to us, during the year the company has not entered into any non-cash transactions with its directors or persons connected with him so the provisions of section 192 of Companies Act, 2013 are not applicable hence reporting under clause 3(xv) of the order is not applicable.

16. In respect of Registration u/s 45-IA :

The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **J N SHAH & CO.**

Chartered Accountants

Firm Registration No. : 118020W

Sd/-

CA Jignesh N Shah

Proprietor

Membership No.: 102627

Surat, 25th May, 2019



ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT OF EURO INDIA FRESH FOODS LIMITED

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls 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 **EURO INDIA FRESH FOODS LIMITED** ('the Company') as of March 31, 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note on Audit of internal financial controls over financial reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note"). 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 Standards on Auditing prescribed under section 143(10) of the Companies Act, 2013 and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by ICAI, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

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



company are being made only in accordance with authorizations of management and directors of the company; and

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, 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, 2019, 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 J N SHAH & CO.

Chartered Accountants

Firm Registration No. : 118020W

Sd/-

CA Jignesh N Shah

Proprietor

Membership No. : 102627

Surat, 25th May, 2019



EURO INDIA FRESH FOODS LIMITED
CIN NO.: L15400GJ2009PLC57789
BALANCE SHEET AS AT 31ST MARCH, 2019

PARTICULARS	Note No.	As At 31.03.2019	As At 31.03.2018
		INR	INR
I. <u>EQUITY AND LIABILITIES</u>			
1. Shareholder's Funds			
(a) Share Capital	1	248,000,000	248,000,000
(b) Reserves & Surplus	2	352,771,259	343,909,953
		600,771,259	591,909,953
2. Non- Current Liabilities			
(a) Long Term Borrowings	3	21,714,578	40,965,374
(b) Deferred Tax Liabilities (Net)		16,568,158	11,991,881
(c) Other Long Term Liabilities	4	1,047,611	2,929,944
(d) Long Term Provisions	5	1,812,934	2,857,590
		41,143,281	58,744,789
3. Current Liabilities			
(a) Short Term Borrowings	6	136,148,914	121,820,740
(b) Trade Payables	7	90,855,328	41,854,133
(c) Other Current Liabilities	8	58,461,005	58,014,790
(d) Long Term Provisions	9	-	1,405,317
		285,465,247	223,094,979
TOTAL		927,379,787	873,749,722
II. <u>ASSETS</u>			
1. Non-Current Assets			
(a) Fixed Assets	10		
(i) Tangible Assets		298,337,007	310,357,052
(ii) Capital Work in Progress		6,196,742	6,196,742
(iii) Intangible Assets Under Development		635,032	859,082
(b) Long Term Loans & Advances	11	21,454,400	16,819,399
(c) Non-Current Investments	12	10,217,749	13,862,855
		336,840,930	348,095,130
2. Current Assets			
(a) Inventories	13	361,347,633	289,376,022
(b) Trade Receivables	14	210,839,767	217,692,071
(c) Cash & Bank Balance	15	6,932,325	2,544,156
(d) Short Term Loans & Advances	16	5,993,486	9,648,642
(e) Other Current Assets	17	5,425,646	6,393,700
		590,538,857	525,654,591
TOTAL		927,379,787	873,749,722
Significant Accounting Policies	26		



The accompanying notes are an integral part of financial statements.

For and on behalf of the Board

Sd/-

Manharbhai Sanspara - Chairman and Managing Director

DIN: 02623366

Sd/-

Maheshkumar Mavani – Director

DIN: 02623368

Sd/-

Dr. Mukeshbhai Navadia-Chief Executive Officer

Sd/-

Shaileshbhai Sardhara-Chief Financial Officer

Sd/-

Jay Pansuria – Company Secretary

Surat, 25th May, 2019.

As per our annexed report of even date

For J N SHAH & CO.

Chartered Accountants

Firm Registration No 118020W

Sd/-

CA Jignesh N Shah

Proprietor

Membership No. 102627

Surat, 25th May, 2019



EURO INDIA FRESH FOODS LIMITED

CIN NO.: L15400GJ2009PLC57789

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

PARTICULARS		Note No.	As At 31.03.2019	As At 31.03.2018
			INR	INR
I.	Revenue From Operation	18	715,780,657	550,711,636
II.	Other Income	19	10,674,049	8,098,018
III.	Total Revenue (I+II)		726,454,706	558,809,654
IV.	Expenses			
	Cost of Material Consumed	20	424,097,382	325,866,394
	Change in Inventory of Finished Goods	21	(15,992,156)	(11,119,605)
	Employee Benefit Expense	22	56,500,337	51,143,818
	Finance Costs	23	20,339,275	18,656,956
	Depreciation	10	22,801,171	20,567,462
	Other Expense	24	215,316,390	137,561,797
	Total Expense		713,062,400	542,676,823
V.	Profit before Exceptional Items and Tax (III-IV)		13,392,306	16,132,831
VI.	Exceptional Items		-	-
VII.	Profit before Tax (V-VI)		13,392,306	16,132,831
VIII.	Tax Expense-			
	(1) Current Tax		2,540,495	3,380,000
	(2) MAT Credit Aailed		(2,540,495)	(3,380,000)
	(3) Deferred Tax		4,576,277	159,787
			4,576,277	1597,87
IX.	Profit for the period from continuing Operations(VII-VIII)		8,816,029	15,973,045
	Earning Per Equity Share of face Value of Rs. 10/-	29		
	Basic		0.36	0.64
	Diluted		0.00	0.00
	Significant Accounting Policies	26		
<p>The accompanying notes are an integral part of financial statements. For and on behalf of the Board Sd/- Manharbhai Sanspara - Chairman and Managing Director DIN: 02623366 Sd/- Maheshkumar Mavani – Director DIN: 02623368 Sd/- Dr. Mukeshbhai Navadia-Chief Executive Officer Sd/- Shaileshbhai Sardhara-Chief Financial Officer Sd/- Jay Pansuria – Company Secretary Surat, 25th May, 2019.</p>			<p>As per our annexed report of even date For J N SHAH & CO. Chartered Accountants Firm Registration No 118020W Sd/- CA Jignesh N Shah Proprietor Membership No. 102627 Surat, 25th May, 2019</p>	



EURO INDIA FRESH FOODS LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31-03-2019

	31-Mar-19		31-Mar-18	
A. CASH FLOW ARISING FROM OPERATING ACTIVITIES				
Net Profit Before Tax and Exceptional items		13,392,306		16,132,831
Add:-				
a) Depreciation and Amortization	22,801,171		20,567,462	
b) Finance Costs	20,339,275		17,887,200	
		43,140,446		38,454,662
		56,532,752		54,587,493
Less:-				
a) Profit on Sale of Investment	5,809,906		2,556,714	
b) Dividend Income	7,373		208,153	
c) Subsidy Receivable	1,044,656	6,861,935	-	2,764,867
		49,670,817		51,822,626
Operating Profit before Working Capital Changes				
Add/ Less:-				
a) (Increase)/Decrease in Trade Receivables	6,852,304		(50,110,566)	
b) (Increase)/Decrease in Inventories	(71,971,611)		(29,060,324)	
c) (Increase)/Decrease in Loans & Advances	2,528,704		(2,959,143)	
d) Increase/(Decrease) in Short term borrowings	14,328,175		2,453,118	
e) Increase/(Decrease) in Other Current Liabilities	446,215		9,726,458	
f) Increase/(Decrease) in Trade Payables	49,001,195	1,184,981	(50,946,411)	(120,896,868)
		50,855,798		(69,074,241)
B. Cash Inflow (+)/Outflow(-) from Operations				
Add/Less:				
a) Income Tax Paid / (Refund received)	3,900,535	3,900,535	3,561,213	3,561,213
Net Cash Inflow/(Outflow) in course of Operating Activities		46,955,263		(72,635,455)
CASH FLOW ARISING FROM INVESTING ACTIVITIES				
Out Flow				
a) Acquisition of Fixed Assets		10,557,076		32,210,941
b) Investment in FD		7,463,368		-
c) Acquisition of Shares		-		17,256,443
Less:-				
In Flow				
a) Sale of Shares		16,918,381		7,213,724
b) Dividend Income		7,373		208,153
c) Maturity Proceeds from FD		-		1,525,764
Net Cash Inflow (+)/Outflow(-) in course of Investing Activities		(1,094,691)		(40,519,713)

C. CASH FLOW ARISING FROM FINANCING ACTIVITIES				
In Flow				
a) Proceeds from Issue of Share Capital		-		-
Less:-				
Out Flow				
a) Repayments of Long Term Borrowings	21,133,129		238,953,942	
b) Finance Cost	20,339,275	41,472,404	17,887,200	256,841,141
Net Cash Inflow in course of Financing Activities		(41,472,404)		(256,841,141)
Net Increase (+)/Decrease in Cash & Cash Equivalents		4,388,168		(369,996,339)
Add: Balance at the beginning of the year		2,544,156		372,540,495
CASH/CASH EQUIVALENT OF THE CLOSE OF THE YEAR		6,932,325		2,544,156
<p>The accompanying notes are an integral part of financial statements. For and on behalf of the Board</p> <p>Sd/- Manharbhai Sanspara - Chairman and Managing Director DIN: 02623366</p> <p>Sd/- Maheshkumar Mavani – Director DIN: 02623368</p> <p>Sd/- Dr. Mukeshbhai Navadia-Chief Executive Officer</p> <p>Sd/- Shaileshbhai Sardhara-Chief Financial Officer</p> <p>Sd/- Jay Pansuria – Company Secretary</p> <p>Surat, 25th May, 2019.</p>		<p>As per our annexed report of even date For J N SHAH & CO. Chartered Accountants Firm Registration No 118020W</p> <p>Sd/- CA Jignesh N Shah Proprietor Membership No. 102627</p> <p>Surat, 25th May, 2019</p>		



EURO INDIA FRESH FOODS LIMITED
CIN NO.: L15400GJ2009PLC57789

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

PARTICULARS	Note No.	As At 31.03.2019	As At 31.03.2018
		INR	INR
NOTE - 1 - SHARE CAPITAL			
1.1 Authorized :			
25,000,000 (20,000,000) Equity Shares of Rs. 10 each		250,000,000	250,000,000
1.2 Issued, Subscribed and Paid Up :			
24,800,000 (24,800,000) Equity Shares of Rs.10/- each fully paid up (Out of above, 51,77,000 Equity Shares issued at Rs.10/- each, 48,00,000 Equity Shares of Rs. 10/- each issued at Share Premium of Rs. 68/- each and 1,48,23,000 Equity Shares at Rs. 10/- each on		248,000,000	248,000,000
Total		248,000,000.	248,000,000.
1.3.Reconciliation of the number of shares outstanding			
		31-Mar-19	
		Numbers	Amount
<u>Equity Shares</u>			
At the beginning of the period		24,800,000	248,000,000
Add : Allotted during the period		-	-
Outstanding at the end of the period		24,800,000	248,000,000
		31-March-18	
<u>Equity Shares</u>		Numbers	Amount
At the beginning of the period		24,800,000	248,000,000
Add : Allotted during the period		-	-
Outstanding at the end of the period		24,800,000	248,000,000
1.4 Details of the Shareholders holding more than 5% Shares			
		31-Mar-19	
		Numbers	% holding in the class
Manharbhai J Sanspara		8,461,098	34.12%
Dinesh J Sanspara		8,217,700	33.14%
Mahesh Kumar V Mavani		1,440,000	5.81%
		31-Mar-18	
		Numbers	% holding in the class
Dinesh J Sanspara		8,461,098	34.12%
Maheshkumar V Mavani		8,217,700	33.14%
Manharbhai J Sanspara		1,440,000	5.81%
1.5 The Company has only one class of equity shares. Each shareholder is eligible for one vote per share.			
1.6 The Company does not have any holding company.			
1.7 There are no bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date.			

1.8 There are no shares reserved for issue under option of control or commitments for sale of shares / disinvestment.		
1.9 There are no unpaid calls from any Director and officer.		
NOTE - 2 - RESERVES & SURPLUS :		
Surplus in Statement of Profit and Loss		
As Per Last Balance Sheet	28,650,157	12,537,697
Add : Transfer from Statement of Profit and Loss	8,816,029	15,973,045
Adjustment of MAT Credit Difference	-	-
Excess Provision for Income Tax	45,277	139,416
Closing Balance	37,511,463	28,650,157
Securities Premium Reserve		
As Per Last Financial Statement	315,259,796	315,633,796
Less : Initial Public Offer Expenses of previous year	-	(374,000)
	315,259,796	315,259,796
Total	352,771,259	343,909,953
NOTE - 3 - LONG TERM BORROWINGS		
Secured Loans :		
Term Loans -		
From Banks	17,184,578	36,236,684
	17,184,578	36,236,684
Unsecured Loans :		
From Directors	4,530,000	2,350,000
From Corporates	-	2,378,690
	4,530,000	4,728,690
Total	21,714,578	40,965,374
Note :		
3.1 Term Loans of Rs. 372.42 lacs from The Surat People's Cooperative Bank Limited, secured by a first pari passu charge created on movable and immovable assets of Company's Plant at Surat, both present and future. Further the loans are secured by the personal guarantee given by the directors.		
3.2 Term Loan of Rs. 11.55 lacs from Yes Bank is secured by hypothecation of vehicle.		
3.3 Term Loan of Rs. 14.26 lacs from Yes Bank is secured by hypothecation of vehicle.		
3.4 Term Loan of Rs. 20.06 lacs from Yes Bank is secured by hypothecation of vehicle		
3.5 Term Loan of Rs. 20.06 lacs from Yes Bank is secured by hypothecation of vehicle		
3.6 Unsecured Loans of Rs. 45.30 lacs from directors are interest free and repayable on demand.		
NOTE - 4 - OTHER LONG TERM LIABILITIES		
Trade Deposits	1,047,611	2,929,944
Total	1,047,611	2,929,944
NOTE - 5 - LONG TERM PROVISIONS		
Provision for Employee Benefits	1,812,934	2,857,590
Total	1,812,934	2,857,590
NOTE - 6 - SHORT TERM BORROWINGS		
Secured Loan :		
Repayable on demand from Bank	136,148,914	121,820,740
Total	136,148,914	121,820,740
Note:		

Represent Working Capital borrowings secured by hypothecation of stocks and book debts and mortgage of immovable assets of Company's Plant at Surat, both present and future. Further the loans are secured by the personal guarantee given by the directors.

NOTE - 7 - TRADE PAYABLES

Due to Micro, Small and Medium Enterprise	2,541,619	3,750,144
Others	88,312,709	38,103,989
Total	90,855,328	41,854,133

NOTE - 8 - OTHER CURRENT LIABILITIES

Statutory Dues Payable	3,893,954	3,996,305
Liability for Expenses	25,169,351	26,435,868
Others	24,555,511	25,990,495
Advance Received from customers	4,842,189	1,592,121
Total	58,461,005	58,014,790

NOTE - 9 - SHORT TERM PROVISIONS

Provision for Tax	-	1,405,317
Total	-	1,405,317

NOTE- 10 – FIXED ASSETS

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 01/04/2018	Addition	Deduction / Adjustment	As at 31/03/2019	As at 01/04/2018	For the year	Deduction / Adjustment	As at 31/03/2019	As at 31/03/2019	As at 31/03/2018
TANGIBLE ASSETS										
Lease Land	6,685,852	-	-	6,685,852	-	-	-	-	6,685,852	6,685,852
Factory Building	141,449,415	174,836	-	141,624,251	15,523,354	3,509,188	-	19,032,442	122,591,809	125,926,161
Plant & Machinery	186,834,336	5,114,311	-	191,948,647	46,692,620	12,221,432	-	58,914,052	133,034,595	140,141,716
Office Equipment	844,667	1,685,813	-	2,530,480	159,844	290,963	-	450,807	2,079,673	684,823
Computer System	2,573,933	55,501	-	2,629,434	2,051,470	233,976	-	2,285,446	343,988	522,463
Furniture & Fixture	32,783,208	3,526,615	-	36,309,822	10,104,657	3,214,905	-	13,319,562	22,990,260	22,678,551
Vehicle	22,556,511	-	-	22,556,511	8,839,024	3,106,657	-	11,945,681	10,610,830	13,717,487
SUB TOTAL...	393,727,921	10,557,076	-	404,284,997	83,370,869	22,577,121	-	105,947,990	29,8337,007	310,357,052
..										
INTANGIBLE ASSETS										
Software	1,534,174	-	-	1,534,174	675,092	224,050	-	899,142	635,032	859,082
SUB TOTAL...	1,534,174	-	-	1,534,174	675,092	224,050	-	899,142	635,032	859,082
..										
Capital Work-in-Progress	6,196,742	-	-	6,196,742	-	-	-	-	6,196,742	6,196,742
	6,196,742	-	-	6,196,742	-	-	-	-	6,196,742	6,196,742
Intangible Assets Under	117,978	-	117,978	-	-	-	-	-	-	117,978

Development										
	117,978	-	117,978	-	-	-	-	-	-	117,978
TOTAL	401,458,837	10,557,076	-	412,015,913	84,045,961	22,801,171	-	106,847,132	305,168,781	317,412,876
.....										
Previous Year....	369,247,896	33,463,101	1,252,160	401,458,837	63,478,499	20,567,462	-	84,045,961	317,412,876	305,769,397

NOTE - 11 – LONG TERM LOANS & ADVANCES

[Unsecured considered goods]

Deposits	10,164,963	8,070,187
MAT Credit Entitlement	11,289,707	8,749,212
Total	21,454,400	16,819,399

NOTE - 12 – NON CURRENT INVESTMENTS

Investment in Fixed Deposit	8,726,790	1,263,422
[Investment in Equity Shares]		
Zota Healthcare Limited (76000 share F.V. of Rs. 10 each)	-	10,169,770
Beta Drugs Limited (6400 share F.V. of Rs. 10 each)	654,049	654,049
Hudco Limited (255 share F.V. of Rs. 10 each)	15,300	15,300
Lexus Granito (India) Limited (9000 share F.V. of Rs. 10 each)	-	938,705
Worth Peripherals Limited (12000 share F.V. of Rs. 10 each)	821,595	821,595
[Investment in Mutual Fund]		
Liquid Bees	14	14
Total	10,217,749	13,862,856

Aggregate Amount of Quoted Investment	1,490,944	12,599,419
Market Value of Quoted Investment	1,317,655	19,092,507

NOTE-13-INVENTORIES

Raw Materials	277,891,437	222,141,452
Finished Goods	80,449,155	64,456,999
Others	3,007,042	2,777,571
Total	361,347,633	289,376,022

NOTE – 14- TRADE RECEIVABLES

[Unsecured, Considered Good]

Outstanding for a period exceeding six months from due date	62,682,740	144,998,346
Others	148,157,027	72,693,725
Total	210,839,767	217,692,071

NOTE -15 –CASH & BANK BALANCES

Balance with Banks:

In Current Accounts	708,932	18,340
Cash on Hand	6,223,393	2,515,817
Total	6,932,325	2,544,156
NOTE – 16- SHORT TERM LOANS AND ADVANCES [Unsecured, Considered Good]		
Unsecured recoverable in cash or in kind, or for value to be received	1,330,501	6,401,032
Balance with Revenue Authorities	3,193,872	2,427,405
Prepaid Expense	1,467,012	818,104
Others	2,101	2,101
Total	5,993,486	9,648,642
NOTE -17 – OTHER CURRENT ASSETS		
Subsidy Receivables	5,255,564	6,393,700
DGVCL Interest Receivable	170,082	-
Total	5,425,646	6,393,700



EURO INDIA FRESH FOODS LIMITED
CIN NO.: L15400GJ2009PLC57789

PARTICULARS	Year Ended 31 March 2018	Year Ended 31 March 2017
NOTE -18 –REVENUE FROM OPERATIONS		
Sales		
Domestic	686,266,114	545,641,625
Export	17,270,173	5,070,011
Other Operating Revenue		
-Job Work Income	12,244,369	-
Total	715,780,657	550,711,636
NOTE -19–OTHER INCOME		
Interest Income	689,523	97,719
Rent Income	653,100	653,100
Net Gain on Sale of Investment	5,809,906	653,100
Dividend Income	7,373	208,153
Excess Provision of Gratuity Reversed	1,044,656	-
Sundry Balance Written off	2,469,491	2,345,752
Interest Subsidy	-	2,235,321
Exchange Rate Gain	-	1,260
Total	10,674,049	8,098,018
NOTE -20–COST OF MATERIAL CONSUMED		
Opening Stock	222,141,452	204,363,297
Add: Purchase	479,847,367	343,644,550
	701,988,819	548,007,847
Less: Closing Stock	277,891,437	222,141,452
Total	424,097,382	325,866,394
NOTE -21– CHANGES IN INVENTORY OF FINISHED STOCK		
Opening Stock		
Manufactured Goods	64,456,999	53,337,394
Closing Stock		
Manufactured Goods	80,449,155	64,456,999
Total	(15,992,156)	(11,119,605)
NOTE -22- EMPLOYEE BENEFITS EXPENSE		
Salaries, Wages, Etc.	31,391,884	34,259,197
Director Remuneration	897,000	910,000
Contribution to Provident & Other Fund	3,548,923	4,719,360
Welfare Expenses	10,662,530	11,255,261
Total	46,500,337	51,143,818
NOTE -23- FINANCE COST		
Interest Expenses	18,311,532	17,887,200
Bank Charges	2,027,743	769,756
Total	20,339,275	18,656,956



NOTE -24-OTHER EXPENSES		
Consumption of Store & Spares	-	202,363
Power & Fuel Expenses	33,575,232	24,458,485
Labor Charges	33,708,735	23,192,491
Rent	2,750,557	3,328,838
Repair & Maintenance Expense- Machinery	9,709,407	6,947,609
Repair & Maintenance Expense- Building	629,964	229,891
Insurance	1,192,578	947,719
Freight	37,880,365	30,437,984
Job work Expense	14,358,499	15,985,451
Rates & Taxes	3,382,367	3,602,660
Payment to Auditor	250,000	250,000
Sales and Distribution Expenses	45,454,608	105,174
Miscellaneous Expenses		
- Operating Expense	8,254,723	5,439,088
- Other	27,169,357	22,434,045
Total	215,316,390	137,561,797

NOTE – 25:-

CORPORATE INFORMATION

Euro India Fresh Foods Limited was originally incorporated as a Private Limited Company under the provisions of the Companies Act, 2013 (erstwhile Companies Act, 1956) vide Certificate of Incorporation dated August 13, 2009 bearing Corporate Identity Number UI5400GJ2009PTC057789 issued by the Registrar of Companies, Gujarat. Subsequently, Company was converted into Public Limited Company pursuant to Shareholders resolution passed at the Extraordinary General Meeting of Company held August 19, 2016 and a fresh Certificate of Incorporation consequent upon conversion from Private Company to Public Company dated September 07, 2016 was issued by the Registrar of Companies, Ahmedabad. The shares of company got listed on NSE Emerge on March 31, 2017.

The Company is engaged in the business of manufacturing and selling of processed food and beverages.

The financial statements as at March 31, 2019 present the financial position of the Company.

The functional and presentation currency of the Company is Indian Rupee which is the currency of the primary economic environment in which the Company operates.

The financial statements for the year ended March 31, 2019 were approved by the Board of Directors and authorized for issue on May 25, 2019.

NOTE – 26:-

SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies applied by the Company in the preparation of its financial statements are listed below. Such accounting policies have been applied consistently to all the periods presented in these financial statements.

1) Basis of Accounting

The financial statements have been prepared under historical cost convention on accrual basis in compliance with the Generally Accepted Accounting Principles in India (Indian GAAP), including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and relevant provisions of the Companies Act, 2013 except as disclosed in the financial statements and notes thereto. The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

The Preparation of Financial Statements requires the management of company to make estimates and assumptions that affect the reported balances of asset and liabilities and disclosures relating to the contingent liabilities as at the date of the financial statements and reported amounts of income and expense during the year. Management believes that the estimates used in the preparation of financial statements are prudent and reasonable. Examples of estimates are provisions of



employee benefits, provision of income taxes. Future result could differ due to changes in these estimates and the difference between actual result and the estimates are recognized in the period in which the results are known/materialized.

2) Use of Estimates

The preparation of financial statements in conformity with accounting standards requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

3) Property, Plant and Equipment

Property, Plant and Equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises of purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts, rebates and Input tax credit are deducted in arriving at the purchase price.

Subsequent expenditure related to an item of property, plant and equipment is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing Property, Plant and Equipment including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

Expenditure during erection period is included under capital work – in progress and is allocated to the respective fixed assets on completion of erection.

4) Depreciation on Property, Plant and Equipment

Depreciation on fixed assets has been provided using Straight Line Method over their useful lives and in the manner prescribed under Part "C" of Schedule II of The Companies Act 2013.

5) Leases

The Company determines whether an arrangement contains a lease by assessing whether the fulfillment of a transaction is dependent on the use of a specific asset and whether the transaction conveys the right to use that asset to the Company in return for payment. Where this occurs, the arrangement is deemed to include a lease and is accounted for either as finance or operating lease.

Leases are classified as finance leases where the terms of the lease transfers substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Company has acquired land under lease from Gujarat Industrial Development Corporation for a period of 99 years and thus lease is classified as Finance Lease as the substantial risks and rewards of ownership are transferred.

6) Valuation of Inventories

Inventories are valued after providing for obsolescence, wherever necessary, as under -

- (a) Raw Materials are stated at average cost.
- (b) Finished Goods are stated at lower of cost and net realizable value.
- (c) Stores and spare parts are carried at lower of cost and net realizable value.

7) Foreign Currency Transactions –

All foreign transactions are recorded in reporting currency i.e. in Indian Currency by applying the customs / notional rate of exchange prevailing on the date of transaction, to the foreign currency.

8) Cash and Cash equivalents

Cash and cash equivalents comprise cash in hand and cash at bank. These balances with banks are unrestricted for withdrawal and usage.



9) Recognition of Revenue

Income and Expenditure are recognized and accounted on accrual basis as and when they are earned or incurred. Revenue from following transactions is recognized to the extent it is probable that the economic benefits associated with the concerned transactions will flow to the Company and amount can be reliably measured-

(a) Sale of Goods

Revenue from sale transaction is recognized as and when significant risks and rewards attached to ownership in the good is transferred to the buyer. The Company collects Goods and Service taxes (GST) on behalf of the government, and, therefore, these are not economic benefits flowing to the Company. Hence, they are excluded from revenue.

(b) Rental Income

Rent income is accounted on accrual basis.

(c) Interest income

Interest income is accrued on a time proportion basis, by reference to the principal outstanding and the effective interest rate applicable

(d) Dividend income

Dividend income from investments is recognized when the shareholder's rights to receive payment have been established.

(e) Job Work Income

Income from job work is accounted as per agreed terms on dispatch of bills.

10) Grants and Subsidies

Grants and Subsidies from the Government are recognized when there is reasonable certainty that the grant / subsidy will be received and all the attaching conditions will be complied with. Revenue grants are recognized in the statement of profit and loss on accrual basis.

11) Borrowing Costs

Interest on borrowings, if any, attributable to acquisition of qualifying assets are capitalized and included in the cost of the assets, as appropriate. Other Borrowing Cost is charged to statement of Profit & Loss.

12) Employee Benefits

All applicable Employee Benefit payable by the company under the employment contract in respect of service rendered during the year is charged to Statement of Profit & Loss of the year.

(a) Defined Contribution Plans -

Company's contributions paid / payable during the year to Provident Fund are recognized in the Statement of Profit and Loss.

(b) Defined Benefit Plans -

Company's liabilities towards gratuity are provided in the books of accounts.

(c) Short Term Employee Benefits -

Short term employee benefits which are payable within 12 months after the end of the period in which the employees render service are accounted on accrual basis.

13) Investments

Long term investments are stated at cost.

In the opinion of the Board of Directors, assets other than fixed assets and non-current investments have a value on realization in the ordinary course of business at least equal to the amount at which they are stated. The provisions for all known determined liabilities are adequate and not in excess of the amount reasonably required.



14) Taxes on Income

Income tax expense comprises Current Tax and Deferred Tax. Provision for current tax is made on the assessable income tax the rate applicable to the relevant assessment year.

The deferred tax asset and deferred tax liability is calculated by applying tax rate and tax laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax liability arising mainly on account of unabsorbed depreciation under tax laws, are recognized only if there is a virtual certainty of their realization. Deferred tax liabilities on account of other timing differences are recognized, only to the extent there is a reasonable certainty of its realization.

15) Provisions, Contingent Liabilities and Contingent Assets -

Provisions is recognized in the accounts when there is a present obligation as a result of past event(s) and it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Contingent liabilities are disclosed unless the possibility of outflow of resources is remote.

Contingent assets are neither recognized nor disclosed in the financial statements.

16) Impairment of Assets

The carrying amounts of assets are reviewed at Balance Sheet date. There is no indication of impairment based on internal / external factors.

17) Research and Development Expenditure

Revenue Expenditure is charged to the profit and loss account as and when incurred for development and improvement in product requirement.

18) Ind. AS is not applicable to the Company in view of clause (ii) of sub – rule (1) of Rule 4 of the Companies (Indian Accounting Standards) Rules, 2015.

19) Previous year's figures have been reworked, regrouped, rearranged and reclassified wherever necessary to confirm with current year's figures.

20) Figures have been rounded off to the nearest rupee.

NOTE – 27:-

CONTINGENT LIABILITIES

Contingent Liabilities not provided in respect of -

(Rs in lacs)

	Particulars	As at 31.03.2019	As at 31.03.2018
(a)	Bank Guarantee issued by Bank	30.00	50.00
(b)	Duty saved against Advance Authorization / EPCG (net of BG issued against the same)	9.62	9.62
(c)	Claim against the company not acknowledged as debts		
(i)	In respect of Income Tax	4.68	4.68
(ii)	In respect of Excise Duty	89.01	7.89
(iii)	In respect of Civil Case	60.52	60.52
(iv)	In respect of VAT	50.26	0.00

NOTE - 28:-

RELATED PARTY DISCLOSURES FOR THE YEAR ENDED MARCH 31, 2019:

(a) Related party and their relationship



Key Management Personnel (Director)	Manharbhai Sanspara Dineshbhai Sanspara
Key Management Personnel (Others)	Dr. Mukeshbhai Navadia – CEO Shaileshbhai Sardhara – CFO Jay Pansuria – CS
Enterprises in which any Director or Relative of Director owning, directly or indirectly, an interest in the voting power with which Company has transactions	M/s Euro Snacks M/s Euro India Foods M/s Euro India Beverages M/s J R Enterprise (Prop. Mukeshbhai Mavani) Delisha Enterprises Sarathak Packaging Unibite Foods LLP

Notes:

- The related party relationships have been determined by the company on the basis of the requirements of the Accounting Standard (AS)-18 “Related Party Disclosures”
- The relationships as mentioned above pertain to those related parties with whom transactions have taken place during the current year/previous year.

(b) Transactions with the related parties :

Nature of Transaction	Name of Related Party	Amount	
		2018-19	2017-18
Job Work Expenses	M/S Euro India Beverages	66,98,145	1,08,26,032
Job Work Expenses	M/S Euro Snacks	28,16,386	30,30,660
Job Work Expenses	M/S Euro India Foods	25,99,652	40,04,347
Sales	M/S J R Enterprise	8,66,97,367	7,10,52,626
Sales	M/S Sarathak Packaging	0	11,80,895
Sales	M/S Delisha Enterprises	3,28,43,485	1,31,85,772
Sales	Unibite Foods LLP	32,16,324	8,48,087
Rent Income	M/S Euro India Beverages	1,21,800	1,21,800
Rent Income	M/S Euro Snacks	1,95,300	1,95,300
Rent Income	M/S Euro India Foods	3,36,000	3,36,000
Sales Promotion Expenses	M/S J R Enterprise	0	23,074
Purchase	M/S Sarathak Packaging	2,27,91,922	1,68,04,537

(c) Balances with Related Parties (as at March 31, 2019)

Name of Related Party	Amount Payable/(Receivable)
M/S Euro India Beverages	(20,42,227)
M/S Euro Snacks	12,72,959
M/S Euro India Foods	16,99,113
M/s Delisha Enterprise	(2,68,52,008)
M/s J R Enterprise	(3,83,20,270)
M/S Sarathak Packaging	56,32,889
Dinesh Sanspara	26,64,000
Manharbhai Sanspara	21,90,000
Jayantibhai J Sanspara	(1168)
Unibite Foods Limited Liability Partnership	1,44,584

(d) Salary, Remuneration paid to Key Managerial Persons and Directors:

Name of Key Managerial Person	Position/Status	Amount paid during the year
Manharbhai Jivanbhai Sanspara	Chief Managing Director	4,83,000
Dineshbhai Jivanbhai Sanspara	Managing Director	4,14,000
Dr. Mukeshbhai Navadia	Chief Executive Officer	13,65,000
Shaileshbhai Sardhara	Chief Financial Officer	5,05,050
Jay B Pansuria	Company Secretary	2,65,621

NOTE – 29:-

EARNING PER SHARE

Basic Earnings per Share is calculated by dividing the Net Profit after tax attributable by the number of weighted average equity shares outstanding during the year.

Particular	Year Ended 31 March 2019	Year Ended 31 March 2018
Net Profit After Tax	88,16,029	1,59,73,045
Number of Shares outstanding at the beginning of the year	2,48,00,000	2,48,00,000
Number of Shares outstanding at the end of the year	2,48,00,000	2,48,00,000
Weighted Average Number of Equity Shares	2,48,00,000	2,48,00,000
Earnings Per Share Before and After Exceptional Items (Face Value of Rs.10)		
Basic	0.36	0.64
Diluted	0.00	0.00

NOTE – 30:-

DEFERRED TAX LIABILITES (NET)

Pursuant to the accounting standard on 'Accounting for Taxes on Income' (AS-22), deferred tax liability / (assets) are as under -

	As at 31.03.2019	As at 31.03.2018
Deferred Tax Liability related to Fixed Assets	2,28,83,359	2,09,83,833
Deferred Tax Assets		
a. Expenses / Provision Allowable	5,77,577	7,35,829
b. Unabsorbed depreciation / loss	57,37,624	82,56,124
Deferred Tax Liability / (Asset) – Net	1,65,68,158	1,19,91,880

NOTE – 31:-

VALUE OF IMPORTED AND INDIGENOUS RAW MATERIALS, SUB- ASSESMBLIES AND COMPONENTS, STORES AND SPARE PARTS CONSUMED

PARTICULARS	Year Ended 31 March 2019	Year Ended 31 March 2018
RAW MATERIALS CONSUMED		
Potato	8,42,45,510	5,16,71,007
Oil	7,53,27,654	4,29,60,961
Packing Material	11,56,79,226	15,33,71,209

Others	14,88,44,992	7,78,63,217
	42,40,97,382	32,58,66,394
Indigenous	42,40,97,382	32,58,66,394
% of Total	100.00%	100.00%
Imported	-	-
% of Total	-	-

NOTE - 32:-

AUDITORS' REMUNERATION

PARTICULARS	Year Ended 31 March 2019	Year Ended 31 March 2018
PAYMENT TO AUDITORS		
As Auditor		
Statutory Audit Fees	1,50,000	1,50,000
Tax Auditor	40,000	40,000
Certification / Other services	60,000	60,000
Total	2,50,000	2,50,000

NOTE – 33:-

PARTICULARS	Year Ended 31 March 2019	Year Ended 31 March 2018
A. CIF VALUE OF IMPORTS		
(a) Raw Materials	-	-
(b) Components and Spare Parts	-	-
(c) Capital Goods	-	4,14,006
B. EXPENDITURE IN FOREIGN CURRENCY	20,040	1,88,124
C. DIVIDEND REMITTED IN FOREIGN CURRENCY	-	-
D. EARNING IN FOREIGN CURRENCY		
(a) F.O.B. value of Exports	1,72,70,173	50,70,011

NOTE – 34:-

The details of amount outstanding under the Micro, Small and Medium Enterprise Development Act, 2006 (MSMED Act) to the extent of information available with the company are as under:

PARTICULARS	Year Ended 31 March 2019	Year Ended 31 March 2018
Amount due and remaining unpaid	25,42,619	37,50,144

There are no specific claims from suppliers under the Micro, Small and Medium Enterprises Development Act, 2006 during the year.



NOTE – 35:-

SEGEMENT REPORTING -

The Company is engaged in the business of manufacturing and selling of processed food and beverages which is considered to be the only reportable business segment as per Accounting Standard 17 on Segment Reporting. The Company mainly operates in India and there is no other significant geographical segment.

As per our annexed report of even date

For **J N SHAH & CO**

Chartered Accountants

Firm Registration No.: 118020W

Sd/-

CA Jignesh N Shah

Proprietor

Membership No. : 102627

For and on Behalf of the Board of Directors

Euro India Fresh Foods Limited

Sd/-

Manharbhai Sanspara

Chairman and Managing Director

DIN: 02623366

Sd/-

Maheshkumar Mavani

Director

DIN: 02623368

Sd/-

Shailshbhai Sardhara

Chief Financial Officer

Sd/-

Dr. Mukesh Navadia

Chief Executive Officer

Sd/-

CS Jay Pansuria

Company Secretary



EURO INDIA FRESH FOODS LIMITED

(Formally Known as Euro India Fresh Foods Private Limited)

CIN: L15400GJ2009PLC057789

Registered Office: Plot No. A-22/1, Ichhapore G.I.D.C, Hazira-Magdalla Road, Surat-394510.

Email: info@euroindiafoods.com cs@euroindiafoods.com Website: www.euroindiafoods.com

Tel No: (0261) 2931021/41.

ATTENDANCE SLIP

For 10th Annual General Meeting held on Wednesday September 25, 2019.

Name of the Shareholder	
Registered Address of Shareholder	
No. of Shares held	
Folio No.	
D.P ID/ Client ID	

I hereby record my presence at the 10th Annual General Meeting of the Company held on Wednesday, September, 25 2019 at 10.00 A.M. at Plot No. A-22/1, Ichhapore G.I.D.C, Hazira-Magdalla Road, Surat-394510.

Signature of Shareholder

*Note:

1. Kindly fill the attendance slip and hand it over at the entrance of venue.
2. Members Signature should be the same as mention in the Register of Members of the Company.



EURO INDIA FRESH FOODS LIMITED

(Formally Known as Euro India Fresh Foods Private Limited)

Registered Office: Plot No.A-22/1, Ichhapore G.I.D.C, Hazira - Magdalla Road, Surat-394510, Gujarat, India. CIN: L15400GJ2009PLC057789. Email: info@euroindiafoods.com, cs@euroindiafoods.com Website: www.euroindiafoods.com Tel No: (0261) 2931021/41.

FORM MGT-11

PROXY FORM

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

Name of the Shareholder	
Registered Address of Shareholder	
No. of Shares held	
Folio No.	
D.P ID / Client ID	

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

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

as my/our proxy to attend and vote (on a poll) for me/us and my/our behalf at the 10th Annual General Meeting of the Company, to be held on Wednesday September 25, 2019 at 10:00 A.M at A-22/1, Ichhapore G.I.D.C, Hazira-Magdalla Road, Surat-394510 and at any adjournment thereof in respect of such resolutions as are indicated below:

Sr. No.	Resolution(s)	For	Against
ORDINARY BUSINESS (Ordinary Resolution)			
	Adoption of Annual Accounts, Auditor's & Director's Report.		
	Re-appointment of Mr. Maheshkumar V. Mavani, as a Director, retire by rotation.		
SPECIAL BUSIENSS (Special Resolution)			
	Appoint Mr. Manhar J. Sanspara as a Chairman and Managing Director of the Company		
	Appoint Mr. Dinesh J. Sanspara as a Joint Managing Director of the Company		

Signed this day of 2019.

Signature of Shareholder

Signature of Proxy Holder(s)

Affix
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.

Euro Health Funda

- All the products are 100% vegetarian
- Prepared in less oil
- No Artificial Colours, No Monosodium Glutamate (MSG) and No Gelatin are added to the products
- 0% Cholesterol
- 0% Trans Fat Acid
- No trace of Genetically Modified Organisms – Certified GMO FREE
- Our products are approved by Food Safety and Standards Authority of India (FSSAI)
- Euro India Foods Pvt Ltd. is an ISO 22000:2005 certified organization
- State of the art manufacturing unit
- Stringent Quality Control
- Hygienic Conditions
- Nitrogen filled packaging to maintain freshness





Best Quality Best Taste

Euro India Fresh Foods Ltd

Registered Office

Plot No. A-22/1, G.I.D.C. Ichhapore,
Surat-394 510, Gujarat, India
Phone Number: (0261) 2913021/41
Toll Free Number: 180023300911
Email ID: info@euroindiafoods.com

Corporate Office

501, 5th Floor, The Summit Business Bay,
Andheri Kurla Road, Opp. PVR Cinema,
Andheri (E), Mumbai-400093
Phone Number: + 91 22 26841800/1900
Email ID: customercare@euroindiafoods.com

Export Office

901, 9th Floor, The Summit Business Bay,
Andheri Kurla Road, Opp. PVR Cinema,
Andheri (E), Mumbai-400093
Phone Number: +91 7977143877 / 9619419412
Email ID: export@euroindiafoods.com

For Dealership Inquiry

+91 84510 04441 | +91 22-26841800

www.euroindiafoods.com