

ANNUAL REPORT

2018 -2019



SHAH FOODS LIMITED

CIN-L15419GJ1982PLC005071

An ISO : 22000 Certified Company



Regd. Office :

Block No. 453/1, Kalol-Mehsana Toll Road, Chhatral-382729, Sub-Dist. Kalol, Dist. Gandhinagar.

Phone: 2764-233931/932

▪ **BOARD OF DIRECTORS**

Name	Designation	DIN
• Mr. Janak P. Shah*	Vice-Chairman & Whole-time Director	01880079
• Mr. Nirav J. Shah	Managing Director	01880069
• Mr. Sushil P. Shah	Director	02529990
• Mr. Virendra P. Shah	Non- Executive Independent Director	00643925
• Mrs. Pushpa J. Shah	Director	07144650
• Mr. Shrichand R. Kahar	Director Operations	02538221 (Resigned w.e.f. 28/03/2019)
• Mr. Hemant M. Asarpota	Non-Executive Independent Director	00364044 (Resigned w.e.f. 28/03/2019)
• Mr. Kunal R. Asarpota	Non-Executive Independent Director	06779773
• Mr. Sunil Gautambhai Parikh	Non-Executive Independent Director	08403488 (Appointed w.e.f. 28/03/2019)
• Mr. Malav J. Shah	Non-Executive Independent Director	00066829 (Appointed w.e.f. 28/03/2019)

* Mr. Janak P. Shah has expired as on 02/04/2019.

▪ **AUDITORS**

- M/s. SURESH R. SHAH & ASSOCIATES (Firm Registration No. 110691)
Chartered Accountants

▪ **BANKERS**

- BANK OF BARODA
- HDFC BANK LTD.

▪ **REGISTERED OFFICE & WORKS**

- BLOCK NO. 453/1, CHHATRAL,
KALOL-MEHSANA HIGHWAY,
TALUKA KALOL, DISTRICT GANDHINAGAR,
GUJARAT – 382729.
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NOTICE

NOTICE is hereby given that the 37th Annual General Meeting of **M/s. SHAH FOODS LIMITED** will be held at Block No. 453/1, Chhatral, Kalol, Mehsana Highway Road, Taluka Kalol, Dist. Gandhinagar, Gujarat -382729 on 28th September, 2019, at 11.00 am to transact the following business.

ORDINARY BUSINESS:

1. To receive, consider and adopt the Statement of Profit and Loss for the year ended on 31st March, 2019 and the Audited Balance Sheet of the Company as on that date together with the Reports of the Directors and Auditors thereon.
2. To appoint Shri Nirav Janakbhai Shah, Director (DIN-01880069), who retires by rotation and, being eligible, offers himself for reappointment.

SPECIAL BUSINESS:

4. Appointment of Mr. Malav Jashwantlal Shah (DIN: 00066829) as an Independent Director

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

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 150, and 152 read with Schedule IV and all other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR / Listing Regulations), including any statutory modifications or re-enactment(s) thereof and any rules made thereunder, for the time being in force, Mr. Malav Jashwantlal Shah (DIN: 00066829), who was appointed as an Additional & Independent Director of the Company with effect from 28/03/2019, and whose term expires at this Annual General Meeting, not liable to retire by rotation, be and is hereby appointed as an Independent Director of the Company to hold office for a period of 5 (five) years with effect from 28/03/2019.”

5. Appointment of Mr. Sunil Gautambhai Parikh (DIN: 08403488) as an Independent Director

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

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 150, and 152 read with Schedule IV and all other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR / Listing Regulations), including any statutory modifications or re-enactment(s) thereof and any rules made thereunder, for the time being in force, Mr. Sunil Gautambhai Parikh (DIN: 08403488), who was appointed as an Additional & Independent Director of the Company with effect from 28/03/2019, and whose term expires at this Annual General Meeting, not liable to retire by rotation, be and is hereby appointed as an Independent Director of the Company to hold office for a period of 5 (five) years with effect from 28/03/2019.”

6. Sell/ Disposal of Undertakings under section 180(i)(a) of the Companies Act, 2013

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

“**RESOLVED THAT** pursuant to the provisions of section 180(1)(a) of the Companies Act, 2013 (including any amendment thereto or re-enactment thereof), the consent of the shareholders be and is hereby accorded to sell or otherwise dispose off the fixed assets including land and building and other assets situated at Block No. 453/ 1, Chhatral, Kalol, Mehsana Highway Road, Taluka - Kalol, Dist. - Gandhinagar, Gujarat - 382729, at a rate not less than the jantri rate.

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

Place: Ahmedabad
Date: 05/08/2019

By order of the Board

Mr. Nirav J. Shah
Managing Director
DIN: 01880069

Registered office:
Block No. 453/1, Chhatral,
Kalol-Mehsana Highway,
Taluka- Kalol
Gujarat-382729

NOTES:

1. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 relating to the Businesses to be transacted at the Annual General Meeting is annexed hereto.
2. Additional information of Shri Nirav Janakbhai Shah pursuant to Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with the Secretarial Standard on General Meetings (SS in respect of Directors seeking re-appointment at the Annual General Meeting, is annexed herewith as “**Annexure - A**”.
3. A Member entitled to attend and vote is entitled to appoint a proxy to attend and vote on his/ her behalf and the proxy need not be a member of the company. Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as a proxy on behalf of not more than fifty members and 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 proxy, who shall not act as a proxy for any other Member. The instrument of Proxy, in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not later than 48 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.
4. A Route Map along with Prominent Landmark for easy location to reach the venue of the Annual General Meeting is annexed with the Notice of Annual General Meeting.
5. Incomplete proxy forms are considered to be as invalid and the proxy so appointed shall not be entitled to vote on the resolution(s) in the Annual General Meeting. A proxy holder needs to show his identity at the time of attending the Meeting. Further, in case if the Company receives multiple proxies for the same holding of a member, the proxy which is dated last shall be considered to be as valid, if it is not dated then all the proxies so send by the member shall considered to be as invalid.
6. In case of joint holders attending the Meeting, only the member whose name appears to be first will be entitled to vote.
7. As per the provision of Section 72 of the Act, the facility for making Nomination is available for the members in respect of their shareholding in the Company either in single or with joint names. The members are requested to submit the complete and signed form SH-13 with their Depository Participant (DP) who holds the shares in dematerialized form and those who are holding physical shares shall send the same to the Registrar and Share Transfer Agent – M/s. Big Share Services Pvt. Ltd. (the ‘RTA’).
8. Members holding shares in physical form are requested to promptly notify in writing any changes in their address including mailing address/bank account details to the R&T Agents M/s. Big Share Services Pvt Ltd Address: 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis Makwana Road Marol, Andheri East Mumbai - 400059.
9. The Register of Members and Share Transfer Books of the Company will remain closed from 21/09/2019 to 28/09/2019 (both days inclusive) in terms of the provisions of the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the purpose of the Annual General Meeting.
10. The dividend on equity shares for the year ended 31st March, 2019, if declared at the meeting, will be paid/ dispatched on due date to those members whose names appear on the Company’s Register of Members or on records of National Securities Depository Limited and Central Depository Services (India) Limited as beneficial owners as on 21/09/2019.
11. The Register of Directors’ and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of Contracts or Arrangements in which the Directors are interested under Section 189 of the Companies Act, 2013, will be available for inspection at the Annual General Meeting.
12. Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant Rules made there under, Companies can serve Annual Reports and other communications through electronic mode to those Members who have registered their e-mail address either with the Company or with the Depository. Members holding shares in demat form are requested to register their e-mail address with their Depository Participant(s) only. Members of the Company, who have registered their e-mail address, are entitled to receive such communication in physical form upon request.

13. Members, who have not registered their e-mail addresses so far request you to register as soon as possible with the Company/ DPs.
 - For Members, who have not registered their email address, physical copies of the Annual Report with the Notice of the AGM (along with Proxy Form, Attendance Slip and Route Map to the AGM Venue) are being sent through permitted mode.
 - We urge members to support our commitment to environmental protection by choosing to receive Notices, Annual Reports and other documents / communications through electronic mode by updating your email addresses with the Company or DPs.
14. All documents referred to in the Notice and Explanatory Statement requiring the approval of the Members at the meeting and other statutory registers shall be available for inspection by the Members at the Registered office of the Company during office hours on all working days between 10.00 a.m. to 5.00 p.m. from the date of hereof up to the date of the Annual General Meeting.
15. The Notice of Annual General Meeting, Annual Report and Attendance Slip are being sent in electronic mode to Members whose e-mail IDs are registered with the Company or the Depository Participant(s) unless the Members have registered their request for a hard copy of the same. Physical copy of the Notice of Annual General Meeting, Annual Report and Attendance Slip are being sent to those Members who have not registered their e-mail IDs with the Company or Depository Participant(s).
16. Members who have received the Notice of Annual General Meeting, Annual Report and Attendance Slip in electronic mode are requested to print the Attendance Slip and submit a duly filled in Attendance Slip at the registration counter to attend the Annual General Meeting.
17. Pursuant to Section 108 of the Companies Act, 2013, read with the Companies (Management and Administration) Rule, 2014 as amended and clause 35B of the Equity Listing Agreement, the Company is pleased to provide the facility to Members to exercise their right to vote by electronic means. The Members, whose names appear in the Register of Members/ list of Beneficial Owners as on Cut-off date i.e. a date not earlier than seven days before the date of general meeting are entitled to vote on the Resolutions set forth in this Notice.

Members who have acquired shares after the dispatch of the Annual Report and before the Cut-off date may approach the Company for issuance of the User ID and Password for exercising their right to vote by electronic means. A person, who is not a member as on the Cut-off date, should treat this notice for the information purpose only.

18. **(a) Submission of PAN and Bank Details**

Pursuant to SEBI Circular No. SEBI/HO/MIRSD/DOPI/CIP/P/2018/73 dated April 20, 2018; regarding collection of PAN and Bank Account details of all securities holders holding securities in physical form, you are requested to provide us the copy of PAN card duly attested and Bank Details (Cancelled Cheque leaf/attested bank passbook showing name of account holder) . Shareholders holding shares in electronic form are required to furnish their PAN to their Depository Participant with whom they maintain their account along with documents as required by them. Shareholders holding shares in physical form are requested to submit photocopy of the PAN Card of all the holders including joint holders duly attested either to the Company's Registered Office or at the office of its Registrar at the address mentioned above.

(b) Intimation of Share Transfer in Demat form only w.e.f December 5, 2018.

Pursuant to Amendment to Regulation 40 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 vide Gazette Notification dated June 8, 2018, transfer in securities of the Company shall be allowed in dematerialized form only w.e.f. December 5, 2018 and therefore shareholders of the Company still holding shares in physical form are hereby advised to dematerialize their shares as soon as possible. Transfer of the shares in physical form shall not be allowed after December 5, 2018.

The Members desiring to vote through electronic mode may refer to the detailed procedure on e-voting given hereinafter.

- I. In case of members receiving e-mail from CDSL (for Members whose e-mail addresses are registered with Company/ Depositories):
 - (i) The voting period begins on 25/09/2019 at 9.00 am and ends on 27/09/2019 at 5.00 pm. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 20/09/2019 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

SHAH FOODS LTD

- (ii) Log on to the e-voting website www.evotingindia.com
- (iii) Click on Shareholders
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

PAN	For Members holding shares in Demat Form and Physical Form Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders). Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Postal Ballot/Attendance Slip indicated in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant SHAH FOODS LIMITED on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xviii) Shareholders can also cast their vote using CDSL's mobile app "m-Voting" available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively on or after 30th June 2017. Please follow the instructions as prompted by the mobile app while voting on your mobile.

(xix) **Note for Non - Individual Shareholders and Custodians**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details, user would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

(xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

In case of members receiving the physical copy:

- a) Please follow all steps from sl. no. (i) To sl. no. (xix) above to cast vote.
- b) The voting period begins on 21/09/2019 at 9.00 am and ends on 28/09/2019 at 5.00 pm. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 21/09/2019 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- c) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions(FAQs) and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com.

II. Other Instructions:

- a) The voting rights of Members shall be in proportion to their shares of the paid up equity share capital of the Company as on 31st March, 2019.
- b) Mr. Ishan P Shah, Advocate has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- c) The Scrutinizer shall immediately after the conclusion of voting after the Annual General Meeting, count the votes cast at the meeting, thereafter unblock the votes in the presence of at least two witnesses not in the employment of the company and make, not later than three days of the meeting, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, forthwith to the Chairman of the Company. The chairman or person authorised by him in writing shall declared the results of the voting forthwith.
- d) The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.shahfoodslimited.com and on the website of CDSL www.evotingindia.co immediately after the result is declared by the chairman.
- e) A Member can opt for only one mode of voting i.e. either through e-voting or by Ballot. If a Member casts votes by both modes, then voting done through e-voting shall prevail and Ballot shall be treated as invalid.
- f) Members holding shares in physical form are requested to intimate any change of address and/ or bank mandate to M/s. Big Share Services Pvt. Ltd./Investor Service Department of the Company immediately.

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- g) The Securities and Exchange Board of India has mandated submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in physical form can submit their PAN details to M/s. Big Share Services Pvt. Ltd. / Investor Service Department of the Company.
- h) Members desiring any information relating to the accounts are requested to write to the Company at least seven days in advance so as to enable the management to keep the information ready.
- i) The resolution shall be deemed to be passed on the date of AGM, subject to the receipt of sufficient votes.

Place: Ahmedabad
Date: 05/08/2019

By order of the Board

Mr. Nirav J. Shah
Managing Director
DIN: 01880069

Registered office:
Block No. 453/1, Chhatral,
Kalol-Mehsana Highway,
Taluka- Kalol
Gujarat-382729

**Explanatory Statement
Pursuant to Section 102 of the Companies Act, 2013.**

The following Explanatory Statement sets out all material facts relating to the business mentioned under Item No.4 to 6 of the accompanying Notice:

ITEM No. 4 and 5

Appointment of Mr. Malav Jashwantlal Shah (DIN: 00066829) and Mr. Sunil Gautambhai Parikh (DIN: 08403488) as an Independent Directors

The Company had, pursuant to the provisions of Regulation 17 of SEBI (LODR), 2015 appointed of Mr. Malav Jashwantlal Shah (DIN: 00066829) and Mr. Sunil Gautambhai Parikh (DIN: 08403488) as an additional Independent Directors in its Board Meeting held on 28/03/2019. Pursuant to the provisions of Section 149 of the Companies Act, 2013, every listed public company is required to have at least one-third of the total number of directors as independent directors. Such Independent Director shall be appointed for not more than two terms of five years each and whose term expires at this Annual General Meeting shall not be liable to retire by rotation. Mr. Malav Jashwantlal Shah (DIN: 00066829) and Mr. Sunil Gautambhai Parikh (DIN: 08403488), appointed for a term of 5 (five) years from 28/03/2019. They have given a declaration to the Board that they meet the criteria of independence as provided under Section 149(6) of the Act. They are also not disqualified from being appointed as Director in terms of Section 164 of the Act and has given their consent to act as a Directors of the Company. In the opinion of the Board, Mr. Malav Jashwantlal Shah and Mr. Sunil Gautambhai Parikh fulfills the conditions for their appointment as an Independent Directors as specified in the Act and the Listing Regulations and they are independent of the management. The proposal for appointment of Mr. Malav Jashwantlal Shah and Mr. Sunil Gautambhai Parikh as an Independent Director is now being placed before the Members for their approval, for the term stated above. Other terms and conditions for their appointment shall be available for inspection by the Members at the Registered Office of the Company during business hours on any working day, excluding Saturday. None of the Directors, except Mr. Malav Jashwantlal Shah and Mr. Sunil Gautambhai Parikh in resolution concerning their individual appointment or any of Key Managerial Personnel of the Company or relatives of any of them are, in any way, concerned or interested, financially or otherwise, in this resolution.

The Board recommends the Ordinary Resolutions set out at Item No. 4 and 5 of the Notice for approval by the Shareholders.

Details of Director Retiring by Rotation and Independent Directors who are Seeking Re-appointment under Clause 17 of SEBI (LODR) Regulations, 2015

Name of Director	Executive Director Retiring by Rotation	Independent Directors Appointment of their Appointments	
	Shri Nirav Shah	Shri Malav Jashwantlal Shah	Shri Sunil Gautambhai Parikh
Date of Birth	11/10/1972	19/05/1967	27/09/1972
Date of Appointment	06/08/2005	28/03/2019	28/03/2019
Qualification	Std.11	B.Com	B.Com
Expertise	Business	Business	Business
Chairman/ Designated Partner/ Director of other Public Companies/ LLP	Nil	Designated Partner in Aquasplash fun parks llp Director in Neptune spin-fab private limited and Neptune house (furnishings) private limited	Nil
Chairman/ Member of Committees of other Companies*	Chairman: 1 Member: NIL	Chairman: NIL Member: NIL	Chairman: 2 Member:2
No of shares held in the Company	18,765	NIL	NIL

*The Directorship held by director mentioned above do not include directorship of Private Limited Company and partnership in LLP.

Item 6

Sell/ Disposal of Undertakings

M/s. Britannia Industries Limited has discontinued manufacturing arrangement w.e.f. 30th June, 2019. And thereby, they have terminated the contract of over 29 years. The necessary intimation was given to BSE. The matter regarding continuation of the Contract for at least one year was taken up with the Managing Director of M/s. Britannia Industries Limited and other Management Personnel. The management approached M/s. Parle Products Private Limited for similar arrangement in the line with Britannia. In view of, this extra ordinary situation, the Factory was closed w.e.f. 30th June, 2019. The Company was forced to announce the following:

- i. To withdraw deposits linked with supply of gas.
- ii. To dispose off machineries and other assets.
- iii. To initiate steps to get refund from GST authorities.

Members of the Company are further requested to note that Section 180 (1)(a) of the Companies Act, 2013 mandates that the Board of Directors of a Company shall exercise the power to sell, lease or otherwise dispose of the whole or substantially the whole of any undertaking(s) of the company, only with the approval of the members of the Company by way of a special resolution. Explanation (i) to Section 180(1) (a) of the Companies Act, 2013 states that the meaning of an 'undertaking' for the purposes of Section 180(1) of the Companies Act, 2013 is an undertaking in which the investment of the Company exceeds twenty percent of its net worth as per the audited balance sheet of the preceding financial year or an undertaking which generates twenty percent of the total income of the company during the previous financial year. Explanation (ii) to Section 180 (1)(a) of the Companies Act, 2013 states that the meaning of 'substantially the whole of the undertaking' for the purposes of Section 180(1) is in any financial year, twenty percent or more of the value of the undertaking as per the audited balance sheet of the preceding financial year. Accordingly, pursuant to Section 180(1)(a) of the Companies Act, 2013, members of the Company are further requested to note that their consent to the Board is being sought by way of a Special Resolution to sell and transfer, the Fixed assets including land Building & other assets at a rate not less than the Jantri rate.

None of the Directors, Key Managerial Personnel and their relatives, are in any way, concerned or interested in the said resolutions.

Place: Ahmedabad
Date: 05/08/2019

By order of the Board

Mr. Nirav J. Shah
Managing Director
DIN: 01880069

Registered office:
Block No. 453/1, Chhatral,
Kalol-Mehsana Highway,
Taluka- Kalol
Gujarat-382729

Director's Report

To,
The Members of
SHAH FOODS LIMITED

Your Directors have pleasure in presenting the 37th Director's Report of your Company together with the Audited Statement of Accounts and the Auditors' Report of your company for the financial year ended, 31st March, 2019.

The summary of operating results for the year is given below.

1. FINANCIAL HIGHLIGHTS

(Rs. in Lakhs)

Particulars	Current year	Previous Year
Sales	553.69	539.16
Other Income	16.17	6.89
Total Income	569.86	546.06
Depreciation	16.07	14.08
Tax		
Current Tax	4.90	4.50
Deferred Tax	-0.70	-0.68
Profit/(Loss) after Tax	11.70	12.29
Earnings per share (Rs.) :		
Basic	1.96	2.06
Diluted	1.96	2.06

2. STATE OF COMPANY'S AFFAIRS

During the year under review, the total Income of the Company was Rs 569.86 Lakhs against Rs 546.06 Lakhs in the previous year. The Company has earned a Profit after Tax of Rs. 11.70 Lakh compared to Rs 12.29 Lakh in the previous year.

It is with deep sadness that we report of the passing of Mr Janak Shah, founder director of Shah Foods Limited, on the night of April 1, 2019. He had always maintained in the company the highest standards of integrity, and instilled in the company the culture of delivering highest standards of products and services to the customer, be it individuals who bought our own-branded products or, in later years our principal client, Britannia.

Sadly, we also report that Britannia served by hand delivery on April 1, 2019 a notice dated March 29, 2019 on Shah Foods Limited terminating the contract manufacturing arrangements with effect from June 30, 2019. These contract manufacturing arrangements were operational for over 29 years but were terminated with three months' notice in accordance with a term in the contract, without assigning any reason. It may be recalled that Shah Foods has won several awards from Britannia as a supplier.

Britannia explained that the termination was on account of Britannia having built up its own manufacturing capacity at Jhagadia in Gujarat and Ranjangaon, which was being underutilised. Britannia did seek to explore the possibility for a contract manufacturing arrangement with Shah Foods for Britannia bread. Following the communication about possible contract manufacture of bread, Britannia's head of breads business visited Shah Foods; unfortunately, the arrangement envisaged would not have been commercially workable for Shah Foods, especially since Britannia has a weak position in the breads markets that we could have served.

Shah Foods explored the possibility of contract manufacture of biscuits for another leading player in India; however, faced with market weakness in the current ongoing economic slowdown, the company explained that it would consider such an arrangement at a later date and not immediately.

Consequently, with a view to minimizing losses, and under advice of labour counsel, we announced to the workers/staff by notice about cessation of their service from June 30. Simultaneously, it was decided to settle with employees as quickly as possible to avoid hardship to the workers after they had resigned.

With the interest-free support of the promoter group, Shah Foods was able to settle with most workers shortly after closure of the plant on June 30 to enable them to move on.

The company is planning to realize liquidity from the machinery line before it deteriorates with the passage of time, also the management proposes to sell off the existing land at a rate not less than the jantri rate to raise funds. It is the intention of the management that, once the company has discharged its liabilities to workers, it should examine other possibilities of business with the assets it has, including by monetizing such assets.

3. **TRANSFER TO RESERVES**

There is no proposal to transfer any amount to any reserve.

4. **MATERIAL CHANGES BETWEEN THE DATE OF THE BOARD REPORT AND END OF FINANCIAL YEAR**

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

5. **DETAILS OF SUBSIDIARY/ JOINT VENTURES/ ASSOCIATE COMPANIES**

No company has become or ceased to be Subsidiary Company, Joint Venture Company or Associate Company during the year.

6. **CHANGE IN THE NATURE OF BUSINESS**

Your Company continues to operate in the same business segment as that of previous year and there is no change in the nature of the business.

7. **CHANGES IN SHARE CAPITAL**

Authorized Share Capital

There has been no change in Authorized Share Capital of Company.

Issued, Subscribed and Paid-Up Share Capital

There has been no Change in Issued, Subscribed and Paid-Up Share Capital of Company.

8. **MANAGEMENT DISCUSSION & ANALYSIS**

A report on Management Discussion and Analysis, as required in terms of Regulation 34(2) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015, forms part of this report and it deals with the Business Operations and Financial Performance, Research & Development Expansion & Diversification, Risk Management, Marketing Strategy, Safety & Environment, significant changes in key financial ratios etc. in "Annexure-A"

9. **MEETINGS OF THE BOARD OF DIRECTORS**

The gap between two Board meetings did not exceed four months. The schedule of Board/ Committee meetings are communicated in advance to the directors/ committee members to enable them to plan their schedules and to ensure their meaningful participation in the meetings. The Board met six times in financial year details of which are summarized as below:

S No.	Date of Meeting	Board Strength	No. of Directors Present
1	29/05/2018	8	7
2	06/08/2018	8	7
3	02/11/2018	8	7
4	05/02/2019	8	7
5	01/03/2019	8	7
6	28/03/2019	10	9

In addition, independent directors met exclusively in the last quarter of the financial year i.e. on 05/02/2019.

10. CORPORATE GOVERNANCE

As provided under Regulation 15(2) of the SEBI (LODR) Regulations, 2015, the compliance with Corporate Governance as specified in Regulation 17 to 27, 46(2)(b) to (i) & para c, d & e of Schedule V are not applicable to the Company as paid up share capital doesn't exceed Rs. 10 Crore and Net Worth doesn't exceeding Rs. 25 Crore, as on the last day of previous financial year.

11. DIVIDEND

To conserve resources of the Company, your Directors have decided to plough back the profit and hence no Dividend is recommended for the year under review.

12. DEPOSITS

Your Company has not accepted any fixed deposits during the year under review.

13. RISK MANAGEMENT

There is an adequate risk management infrastructure in place capable of addressing risks that the organization faces such as strategic, financial, market, property, IT, legal, regulatory, reputational and other risks those have been identified and assessed.

14. LISTING

The Equity shares of the Company are listed at Bombay Stock Exchange. The Company has paid listing fees to the Stock Exchange for the year 2018-19.

15. PERFORMANCE EVALUATION OF BOARD

During the year under report Board of Directors evaluated performance of Committees and all the individual Directors including Independent Directors and concluded by affirming that the Board summarizing as a whole as well as all of its Directors, individually and the Committees of the Board continued to good governance and contribute its best in the overall growth of the organization. Independent Directors also held separate meeting to evaluate annual performance of Chairman and executive directors and expressed satisfaction on their performance.

16. INDEPENDENT DIRECTORS MEETING

During the year under review, the Independent Directors of the Company met on 05th February, 2019, discussed inter-alia,

- a. Evaluation of performance of Non-Independent Director and the Board of Directors of the Company as a whole.
- b. Evaluation of performance of the Chairman of the Company, taking into views of executive and Non-Executive Directors.
- c. Evolution of the quality, content and timelines of flow of information between the management and the board that is necessary for the board to effectively and reasonably perform its duties.

17. DISCLOSURE REGARDING MAINTENANCE OF COST RECORDS

The Company is not required to maintain cost records as specified by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013.

18. DIRECTORS & KEY MANAGERIAL PERSONAL**i. Sad demise of Shri Janak Panalal Shah:**

Shri Janak Panalal Shah (DIN : 01880079) has expired as on 02/04/2019.

ii. Retirement by Rotation:

Shri Nirav J. Shah, Director (DIN: 01880069) retires by rotation and being eligible offers himself for reappointment. Pursuant to Regulation 17 of the SEBI (LODR) Regulations, 2015, details of Director retiring by rotation is provided under explanatory statement of the Notice of the 37th Annual General Meeting.

iii. Re-appointment of an Independent Directors:

Shri Malav Jashwantlal Shah, Director (DIN: 00066829) and Shri Sunil Gautambhai Parikh, Director (DIN: 08403488) have been re-appointed as additional Non-Executive Independent Directors with effect from 28/03/2019, pursuant to the provisions of Sections 149, 152 and 161 and other applicable provisions, if any, of the Companies Act, 2013 and

SHAH FOODS LTD

the rules framed there under, read with Schedule IV to the Act, as amended from time to time. They meets the criteria for independence as provided in Section 149(6) of the Act read with Regulation 17 of the SEBI (LODR).

iv. Resignation of Directors:

Pursuant to the provisions of section 168 and other applicable provisions, if any, of the Companies Act, 2013, Shri Shrichand Kahar, (DIN: 02538221), Shri Hemant Asarpota Morlidhar (DIN: 00364044) have resigned from the Company with effect from 28/03/2019. Shri Sushil P. Shah (DIN: 02529990) has resigned from the Company with effect from 29/06/2019.

v. Appointment of KMP:

Pursuant to provision of section 196 & 203 of the Companies Act 2013 (as amended or re-enacted from time to time), Shri Pradip Ramanlal Shah, appointed as CFO and Key Managerial Personnel (KMP) of the Company with effect from 16.04.2019.

19. STATUTORY AUDITORS

M/s. Suresh R. Shah & Associates, Chartered Accountants, Ahmedabad (Firm Registration No: 110691W) were appointed as a Statutory Auditors of the Company with the approval of members at the 36th Annual General Meeting to hold office till the conclusion of the 39th Annual General Meeting. As per the recent amendment issued by Ministry of Corporate Affairs, ratification of statutory auditors at every Annual General Meeting is not required and hence your Directors have not proposed the ratification of M/s. Suresh R. Shah & Associates at ensuing Annual General Meeting.

Remuneration to Auditors:

The Statutory Auditor was paid Rs. 70,000/- (Rupees Seventy Thousand Only) as Audit fees for the year 2018-19.

20. AUDITORS' REPORT

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 or adverse remark.

21. SECRETARIAL AUDITOR

M/s. Pinakin Shah & Co., Practicing Company Secretary has been appointed as the Secretarial Auditor of the Company for the financial year 2018-19 as required under Section 204 of the Companies Act 2013 and Rules thereunder. The Secretarial Audit Report for the financial year ended March 31, 2019 is annexed herewith marked as "**Annexure-D**" to this Report. The Secretarial Audit Report contains certain adverse remarks which are dealt with as under:

Sr. No	Remarks	Explanation
1.	Non Compliance of Section 204 of Companies Act, 2013	No Company Secretary likes to join Small Scale Industry (SSI) Company. However, Company Secretary has been appointed from 01/03/2019.
2.	Non Compliance of Section 138 of the Companies Act, 2013	The Company does not have Internal Audit department.
3.	Non Compliance Regulation 46 of SEBI (LODR) Regulations, 2015	The website was not updated at the time of Secretarial Audit.

22. COMMITTEES OF THE BOARD

Currently the Board has Three Committees:

- a. Audit Committee,
- b. Stakeholders' Relationship Committee,
- c. Nomination & Remuneration committee.

A detailed note on the Board and its committees, composition and compliances, as per the applicable provisions of the Act and Rules is provided as under:

A. AUDIT COMMITTEE

All Members of the Audit Committee have accounting and financial management expertise. The Chairman of the Committee attended the 37th Annual General Meeting held on 28/09/2019 to answer the shareholders' queries. The role of Audit Committee, the powers exercised by it pursuant to the terms of reference, and the information reviewed by it are in accordance with the requirements as specified in the Regulation 18 of SEBI (LODR) Regulations, 2015, Companies Act, 2013 and other applicable laws, if any. Apart from the above, the Audit Committee also exercises the role and powers entrusted upon it by the Board of Directors from time to time.

The Vice-Chairman & Whole-time Director and Statutory Auditors are the invitees to the Audit Committee meetings. During the period under review, the Audit Committee met four times on 29/05/2018, 06/08/2018, 02/11/2018 and 05/02/2019 and was attended by the following members. The Constitution of the Audit Committee for the financial year ended March 31, 2019 is given below:

Name	Designation	No of meetings attended
Shri Virendra Shah	Chairman	0
Shri Kunal Asarpota	Member	4
Shri Hemant Murlidhar Asarpota*	Member	4
Shri Sunil Gautambhai Parikh*	Member	0

* Shri Hemant Murlidhar Asarpota has resigned w.e.f. 28/03/2019.

* Shri Sunil Gautambhai Parikh was appointed w.e.f. 28/03/2019.

B. NOMINATION AND REMUNERATION COMMITTEE

The roles and responsibilities of the Committee are in accordance with the requirements as specified in the Regulation 19 of SEBI (LODR) Regulations, 2015, Companies Act, 2013 and other applicable laws, if any. Apart from the above, the Committee also exercises the role and powers entrusted upon it by the Board of Directors from time to time.

The Constitution of the Nomination and Remuneration Committee for the financial year ended March 31, 2019 is given below:

Name	Position	Category
Shri Hemant Murlidhar Asarpota*	Member	Non – Executive, Independent Director
Shri Kunal Asarpota	Member	Non – Executive, Independent Director
Shri Virendra Shah	Chairman	Non – Executive, Independent Director
Shri Sunil Gautambhai Parikh*	Member	Non – Executive, Independent Director

* Shri Hemant Murlidhar Asarpota has resigned w.e.f. 28/03/2019.

* Shri Sunil Gautambhai Parikh was appointed w.e.f. 28/03/2019.

Remuneration to Directors:

a. The Whole Time Director/ Managing Directors/ Manager/ and/or Directors get salary and perquisites. Remuneration paid for the year ended 31st March, 2019 was as under:

Name of the director	Period of appointment	Designation	Remuneration
Shri Janak Shah*	Five years with effect from 01/10/2016	Whole time Director	7.44 lakhs
Shri Nirav Shah	Five years with effect from 01/07/2017	Managing Director	16.33 lakhs
Shri Shrichand Kahar*	Five years with effect from 01/10/2016	Director	6.07 lakhs
TOTAL			29.84 lakhs

*Mr. Janak Shah expired on 02/04/2019.

*Mr. Shrihand Kahar has resigned w.e.f. 28/03/2019.

b. The criteria for making payments to the Whole time Directors are:

Salary, as recommended by the Nomination and Remuneration Committee and approved by the Board and the Shareholders of the Company. Perquisites, retirement benefits and performance pay are also paid/ provided in accordance with the Company's compensation policies, as applicable to all employees and the relevant legal provisions.

Remuneration is determined keeping in view the industry benchmarks.

c. The Non-Executive Directors are not paid sitting fees for attending the meetings of the Board and Committees.

The Company has not paid sitting fees to any director of the Company.

C. STAKEHOLDER RELATIONSHIP COMMITTEE

The terms of reference of the Committee include reviewing and redressing complaints from shareholders such as non-receipt of annual report, transfer of shares, issue of duplicate share certificates, etc.; to oversee and review all matters connected with transfers, transmissions, dematerialization, re-materialization, splitting and consolidation of securities; to oversee the performance of the Registrar and Transfer Agent and recommends measures for overall improvement in the quality of investor services; and to perform any other function, duty as stipulated by the Companies Act, Securities & Exchange Board of India, BSE and any other regulatory authority or under any applicable laws, as amended from time to time.

Committee met four times during FY 2018-19 i.e. 29/05/2018, 06/08/2018, 02/11/2018 and 05/02/2019. The Composition of the Stakeholders Relationship Committee and details of Members participation at the Meetings of the Committee are as under:

Name	Position	No of meetings attended
Shri Virendra Shah	Chairman	0
Shri Janak P Shah*	Member	4
Shri Sunil Gautambhai Parikh*	Member	Non – Executive, Independent Director

*Mr. Janak Shah expired on 02/04/2019.

*Shri Sunil Gautambhai Parikh was appointed w.e.f. 28/03/2019.

In addition, Details of Shareholders' Complaints received during the year are as follows:

Particulars	No. of Complaints
Investor complaints pending as at April 1, 2018	0
Investor complaints received during the year ended on March 31, 2019	0
Investor complaints resolved during the year ended March 31, 2019	0
Investor complaints pending as on March 31, 2019	0

Share transfer committee

The Stakeholder relationship committee has delegated power of approving transfer of securities to Shri Janak Shah* and Shri Virendra Shah. The Committee, inter alia, reviews and approves the transfer/ transmission/ D-mat of equity shares as submitted by M/s. Big Share Services Private Limited., the Registrar & Transfer Agent of the Company. There is no physical transfer during the year.

*Mr. Janak Shah expired on 02/04/2019.

23. PARTICULARS OF LOANS GIVEN, INVESTMENTS MADE, GUARANTEES**GIVEN AND SECURITIES PROVIDED**

The Company has not given any loan, made any investment or given any guarantee hence information is nil.

24. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provisions of Section 134 (3)(c) of the Companies Act, 2013, the

Board of Directors hereby confirms that;

- I. In the preparation of the annual accounts, the applicable accounting standards have been followed and that there are no material departures.
- II. It has in the selection of the accounting policies, consulted the Statutory Auditors and has applied them consistently and made judgments and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the company as at 31st March, 2019 and of the profits of the company for that period.
- III. It has taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities, to the best of its knowledge and ability. There are however, inherent limitations, which should be recognized while relying on any system of internal control and records.
- IV. It has prepared the annual accounts on a going concern basis.
- V. The Directors, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operation efficiently.
- VI. The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

25. EXTRACT OF ANNUAL RETURN

Extract of Annual Return of the Company is annexed herewith as **Annexure C** to this Report.

26. PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) & 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed herewith as **Annexure B** to this report.

27. TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND

During the year, the Company has transferred unclaimed dividend of Rs. NIL to the Investor Education and Protection Fund in compliance with provisions of the Companies Act, 2013.

28. INSURANCE

All Inventories including Buildings, Machinery etc., is adequately insured.

29. CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

During the financial year 2018-19, your Company has not entered into any material related party transaction as per the SEBI Listing Regulations with any of its related parties. Disclosures pursuant to the Accounting Standards on related party transactions have been made in the notes to the Financial Statements. As there were no related party transactions which were not in the ordinary course of the business or not on arm's length basis and also since there was no material related party transaction as stated above, disclosure under Section 134(3) (h) in Form AOC-2 of the Companies Act, 2013 is not applicable.

30. DECLARATION BY INDEPENDENT DIRECTORS

The Board of Directors of the Company hereby confirms that Independent directors have given the declaration and he meets the criteria of independence as provided under Section 149(6) of the Companies Act, 2013.

31. **FAMILIARIZATION PROGRAMME**

The company has not conducted familiarization programme for independent director.

32. **VIGIL MECHANISM/ WHISTLE BLOWER POLICY**

The Company has established a Vigil Mechanism/ Whistle Blower Policy to deal with instances of fraud and mismanagement, if any. The Policy has a systematic mechanism for directors and employees to report concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct or policy.

33. **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION**

A. **Conservation of Energy**

The Company has not made any investment for (energy conservation) and taken any specific measures to reduce energy cost per unit. However, it intends to conserve energy for future generation.

B. **Technology absorption**

There is no research and development activity carried out by the Company.

34. **FOREIGN EXCHANGE EARNINGS AND OUT GO**

There were no foreign exchange earnings and outgo during the year under review.

35. **EQUITY CAPITAL**

a) **BUY BACK OF SECURITIES**

The Company has not bought back any of its securities during the year under review.

b) **SWEAT EQUITY**

The Company has not issued any Sweat Equity Shares during the year under review.

c) **BONUS SHARES**

No Bonus Shares were issued during the year under review.

d) **EMPLOYEES STOCK OPTION PLAN**

The Company has not provided any Stock Option Scheme to the employees.

e) **EQUITY SHARES WITH DIFFERENTIAL RIGHTS**

The company has not issued equity shares with differential rights as to dividend, voting or otherwise.

36. **SHARES IN SUSPENSE ACCOUNT**

- Aggregate number of shareholders and the outstanding shares in the Suspense Account lying at the beginning of the year: **NIL**
- Number of shareholders who approached issuer for transfer of shares from Suspense Account during the year: **Not Applicable**
- Number of shareholders to whom, shares were transferred from Suspense Account during the year: **Not Applicable**
- Aggregate number of shareholders and the outstanding shares in the Suspense Account lying at the end of the year: **NIL**
- That the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares: **Not Applicable**

37. **SHARES IN UNCLAIMED SUSPENSE ACCOUNT**

- Aggregate number of shareholders and the outstanding shares lying in the Unclaimed Suspense Account lying at the beginning of the year: **NIL**
- Number of shareholders who approached issuer for transfer of shares from the Unclaimed Suspense Account during the year: **Not Applicable**
- Number of shareholders to whom, shares were transferred from the Unclaimed Suspense Account during the year: **Not Applicable**
- Aggregate number of shareholders and the outstanding shares lying in the Unclaimed Suspense Account lying at the end of the year: **NIL**

38. ANY SIGNIFICANT AND MATERIAL ORDER PASSED BY REGULATORS OR COURTS OR TRIBUNALS

No orders were passed by the regulators or courts or tribunals impacting the going concern status and company's operation in future.

39. INTERNAL FINANCIAL CONTROLS

The Company has in place adequate internal financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weaknesses in the design or operation were observed.

40. DISCLOSURE AS PER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has zero tolerance for sexual harassment at workplace and has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and no complaint has been received on sexual harassment during the financial year 2018-19.

41. DETAILS OF FRAUDS REPORTED BY THE AUDITORS

During the year under review, neither the Statutory Auditor nor the secretarial auditor have reported to the Audit Committee under Section 143(12) of the Companies Act, 2013 any instances of fraud committed against the Company by its officers or employees.

42. ACKNOWLEDGEMENT

Your Directors wish to express the continued co-operation received from all the Stakeholders.

Place: Ahmedabad
Date: 05/08/2019

Registered office:
Block No. 453/1, Chhatral,
Kalol-Mehsana Highway,
Taluka- Kalol, Gujarat-382729

By order of the Board

Mr. Nirav J. Shah
Managing Director
DIN: 01880069

Annexure- A

MANAGEMENT DISCUSSION AND ANALYSIS

Management Discussion and Analysis is given in a separate section forming part of the Director's Report in this Annual Report.

1. INDUSTRY STRUCTURE & DEVELOPMENT

As mentioned at Sr. No. 2 of the Directors' Report, the Management has decided to dispose off the undertaking of the Company and it is also stated that the Management would examine other possibilities of the Business. In view of this, there is no comment on Industry Structure and Development.

2. OPPORTUNITIES

The Board of Directors will look into possibilities of business once the Company has discharged its liabilities to workers.

3. THREATS

It is difficult to estimate the revival period of the Company.

4. SEGMENT WISE PERFORMANCE

The Company is engaged in job contract of Biscuits. The turnover of the Company for the year ended 31st March, 2019 is Rs.55,369,175/-.

5. OUTLOOK

The outlook appears to be bleak.

6. OTHERS

For Risk and Concern, Inter Control System and their Adequacy, Financial Performance with respect to operation performance, Material Development in Human Resources/ Industrial Relations front, including number of people employed please refer to Board Report.

Annexure- B

A. PARTICULARS OF REMUNERATION FOR THE FINANCIAL YEAR 2018-19.

As required under Rule 5(1) of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014:

i. The ratio of the remuneration of each director to the median remuneration of the employees

Name of Director	Designation	Remuneration of he Directors for 2018-19 (Rs.in lacs)	MedianRemuneration of the employees (Rs, in lacs)	Ratio of Remuneration of the directors to the median Remuneration of employees
Janak Shah*	Whole Time Director	7.44	1.99	3.74:1
Nirav Shah	Managing Director	16.33	1.99	8.21:1
Shrichand Kahar*	Director Operations	6.07	1.99	3.05:1

* Mr. Janak Shah has expired as on 02-04-2019

* Mr. Shrichand Kahar has resigned as on 28-03-2019

ii. The percentage increase in remuneration of each Director

Name of Director	Designation	Remunerationpaid during 2018-19	Remunerationpaid during 2017-18	% Increase in remuneration
Janak Shah*	Whole Time Director	7.44	7.61	(2.23)
Nirav Shah	Managing Director	16.33	17.50	(6.69)
Shrichand Kahar*	Director Operations	6.07	5.57	8.98

* Mr. Janak Shah has expired as on 02-04-2019

* Mr. Shrichand Kahar has resigned as on 28-03-2019

iii. The percentage increase in the median remuneration of employees in the financial year 2018-19 : 40.01%

iv. No. of Permanent employees on the rolls of Company as on 31st March, 2019 – 14 Employees

v. Company confirms that the remuneration is as per remuneration policy of the Company.

B. PARTICULARS OF EMPLOYEE

Information in terms Rule 5(2) of the Companies

(Appointment and Remuneration of Managerial Personnel) Rules, 2014:

i. Particulars of top Five Employee in terms of remuneration drawn

Name& Designation	Remuneration received (Rs in lacs)	Nature of Employment	Qualification	Experience	Date of commencement of Employment	Age	No. of Equity Shares held
Pradip R Shah	3.65	Permanent	B.Com	34 years	01/08/1984	58	100
Kamlesh Joshi	2.40	Permanent	B.Sc	26 years	01/09/1992	50	0
Jayesh Joshi	2.17	Permanent	B.Com	24 years	01/01/1994	55	0
Iqbal Saiyad	2.06	Permanent	SSC	26 years	29/05/1992	53	0
Pravin Makwana	1.91	Permanent	B.Com	24 years	01/01/1994	48	0

ii. 'Employees who are employed throughout the year and in receipt of remuneration aggregating Rs. 1,02,00,000/- or more per year: Nil

iii. Employees who are employed part of the year and in receipt of remuneration aggregating Rs. 8,50,000/- per month: Nil

Annexure – C

FORM NO. MGT-9

EXTRACT OF ANNUAL RETURN

As on financial year ended on 31.03.2019

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

I. REGISTRATION & OTHER DETAILS:

1.CIN	L15419GJ1982PLC005071
2.Registration Date	18/03/1982
3.Name of the Company	SHAH FOODS LIMITED
4.Category/Sub-category of the Company	Company Limited by Shares/Indian Non-Government Company
5.Address of the Registered office & contact details	CHHATRAL, KALOL-MEHSANA HIGHWAY,, TALUKA KALOL, GANDHINAGAR - 382729 Gujarat TEL.- 079-26420273 FAX.- 079-26448371 Email-shahfoods.ahmedabad@gmail.com
6.Whether listed company	YES
7.Name, Address & contact details of the Registrar & Transfer Agent, if any.	M/s Big Share Services Pvt. Ltd., 1st floor, Bharat Tin Works Buildng, Opposite Vasant Oasis, Makwana Road, Marol, Andheri (E), Mumbai –400 059, Maharashtra Email- bssahd@bigshareonline.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY (All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

S. No.	Name and Description of main of products/services	NIC Code of the Product/service	% to total turnover of the company
1	Biscuits	190530.03	100

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

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IV. SHARE HOLDING PATTERN (Equity Share Capital breakup as percentage of total Equity)

A. Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				%Change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
A. Promoters (1) Indian a) Individual/HUF b) Central Govt c) State Govt (s) d) Bodies Corp. e) Banks / FI f) Any Other....	269400	200	269600	45.12	270400	200	270600	45.29	0.17
Sub-total (A) (1):-	269400	200	269600	45.12	270400	200	270600	45.29	0.17
(2) Foreign a) NRIs - Individuals b) Other – Individuals c) Bodies Corp. d) Banks/FIe) Any Other									
Sub-total (A) (2):-									
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	269400	200	269600	45.12	270400	200	270600	45.29	0.17
B. Public Shareholding 1. Institutions a) Mutual Funds b) Banks / FI c) Central Govt d) State Govt(s) e) Venture Capital Funds f) Insurance Companies g) FIs h) Foreign Venture Capital Funds i) Others (specify)									
Sub-total (B)(1):-									
2. Non-Institutions a) Bodies Corp. i) Indian ii) Overseas b) Individuals i) Individual shareholders holding nominal share capital upto Rs.1 Lac ii) Individual shareholders holding nominal share capital in excessof Rs1lakh c) Others (specify)	15326 136860 75912 2287	1200 96315 0 0	16526 233175 75912 2287	2.77 39.03 12.71 0.38	12198 134139 81123 3025	1200 95215 0 0	13398 229354 81123 3025	2.24 38.39 13.58 0.51	(0.52) (0.64) 0.87 0.13
Sub-total (B)(2):-	230385	97515	327900	54.88	230485	96415	326900	54.71	(0.17)
Total Public Shareholding (B)= (B)(1)+(B)(2)	230385	97515	327900	54.88	230485	96415	326900	54.71	(0.17)
C. Shares held by Custodian for GDRs & ADRs									
Grand Total (A+B+C)	499785	97715	597500	100.00	500885	96615	597500	100.00	0.00

B) Shareholding of Promoters-

Sr. No	Shareholder's name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of shares	% of total shares of the company	% of shares pledged/ encumbered to total shares	No. of shares	% of total shares of the company	% of pledged/ encumbered to total shares	
1	PRADIP P SHAH	67955	11.37	0.00	67955	11.37	0.00	0.00
2	JANAK PANALAL SHAH	41330	6.92	0.00	42330	7.08	0.00	0.16
3	VIRENDRA P SHAH	29800	4.99	0.00	29800	4.99	0.00	0.00
4	SUSHIL PANALAL SHAH	26550	4.44	0.00	26550	4.44	0.00	0.00
5	SUDHA SHAH	25000	4.18	0.00	25000	4.18	0.00	0.00
6	KALPANA V SHAH	11000	1.84	0.00	11000	1.84	0.00	0.00
7	NIRAV JANAK SHAH	18765	3.14	0.00	18765	3.14	0.00	0.00
8	DR.PUSHPA JANAK SHAH	8100	1.36	0.00	8100	1.36	0.00	0.00
9	NEHA KUNAL VIN	7900	1.32	0.00	7900	1.32	0.00	0.00
10	BIMAL V SHAH	5500	0.92	0.00	5500	0.92	0.00	0.00
11	PRADIP PANALAL SHAH	4500	0.75	0.00	4500	0.75	0.00	0.00
12	CHETAN SUSHIL SHAH	4500	0.75	0.00	4500	0.75	0.00	0.00
13	SUSHIL PANALAL SHAH	3000	0.50	0.00	3000	0.50	0.00	0.00
14	JANAK PANALAL SHAH	3000	0.50	0.00	3000	0.50	0.00	0.00
15	NAYANA SUSHIL SHAH	300	0.05	0.00	300	0.05	0.00	0.00
16	SHRICHAND R. KAHAR	200	0.03	0.00	200	0.03	0.00	0.00
17	KARAN PRADIP SHAH	12200	2.04	0.00	12200	2.04	0.00	0.00
TOTAL		269600			270600			

C) Change in Promoters' Shareholding:

Sr. No.	Name	Particulars	Shareholding at the beginning of the year		Cumulative shareholding during the year	
			No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Janak Pannalal Shah	Promoter	42330	6.92	42330	7.08

D) Shareholding Pattern of top ten Shareholders: (Other than Directors, Promoters and Holders of GDRs and ADRs)

Sr. No.	Name	Particulars	Shareholding at the beginning of the year		Cumulative shareholding during the year	
			No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	PREM CHAND GUPTA	PUBLIC	30482	5.10	30482	5.10
2.	PARAMJITKUMAR VERMA	PUBLIC	17035	2.85	22246	3.72
3	PRADEEP PORWAL	PUBLIC	16895	2.83	16895	2.83
4	MURTAZA JAFFERALISEVWALA	PUBLIC	11500	1.93	11500	1.93
5	SUMAN PRAKASH SHAH	PUBLIC	7295	1.22	7295	1.22
6	N. PRAKASH KUMAR	PUBLIC	6810	1.14	6810	1.14
7.	PRADIP AMRUTLAL PANCHAL	PUBLIC	6556	1.10	7729	1.29
8	HASUMATI ARVIND SHAH	PUBLIC	6400	1.07	6400	1.07
9	KUNJBALA S SHAH	PUBLIC	5600	0.93	5600	0.93
10	VORA CONSTRUCTION LIMITED	PUBLIC	9250	1.55	9250	1.55

SHAH FOODS LTD

E) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	Name	Particulars	Shareholding at the beginning of the year		Cumulative shareholding during the year	
			No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	VIRENDRA SHAH	Director	29800	4.99	29800	4.99
2	NIRAV JANAK SHAH*	Managing Director	18765	3.14	18765	3.14
3	JANAK PANALAL SHAH	Whole-time Director	41330	6.92	42330	7.08
4	SUSHIL PANALAL SHAH*	Director	26550	4.44	26550	4.44
5	SHRICHAND RAMBRIKSH KAHAR*	Director Operations	200	0.03	200	0.03
6	PUSHPA JANAK SHAH	Director	8100	1.36	8100	1.36

* Mr. Janak Shah has expired as on 02-04-2019

* Mr. Shrichand Kahar has resigned as on 28-03-2019

* Mr. Sushil Panalal Shah has resigned as on 29-06-2019

v) INDEBTEDNESS-

Indebtedness of the company including interest outstanding/accrued but not due for payment : Nil

VI) REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

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

Sr. No.	Particulars of Remuneration	Name of MD/WTD/Manager			Total Remuneration
		Janak Shah	Shrichand Kahar	Nirav Shah	
1.	Gross Salary				
	a) Salary as per provisions contained in Section 17(1) of the Income-tax, Act, 1961	7.44 lacs	6.07 lacs	16.33 lacs	29.84 lacs
	b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	-	-	-	-
	c) Profits in lieu of salary u/s 17(3) of the Income-tax Act, 1961	-	-	-	-
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission	-	-	-	-
	Total	7.44 lacs	6.07 lacs	16.33 lacs	29.84 lacs

B. Remuneration to other Directors: Nil

C. Remuneration to key managerial personnel other than MD/ Manager/ WTD:

Sr. No.	Particulars of Remuneration	Name of KMP			Total Amt.
1.	Gross Salary	CFO* Janak Shah	CFO* Pradip R. Shah	CEO* Nirav Shah	
	a) Salary as per provisions contained in Section 17(1) of the Income-tax, Act, 1961	-	-		-
	b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	-	-		-
	c) Profits in lieu of salary u/s 17(3) of the Income-tax Act, 1961	-	-		-

* Shri Janak Shah is a Whole Time Director and CFO of the Company for the year 2018-2019 and Shri Nirav Shah is a Managing Director & CEO of the Company, so the details of their remuneration have already been given under clause A-Remuneration to Managing Director, Whole Time Director etc.

* Shri Janak Shah has expired on 02-04-2019. due to his sad demise Shri Pradip R. Shah was appointed as CFO of the Company as on 16-04-2019

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES :

There were no material penalties/punishment/compounding of offences for the year ended on 31st. march, 2019.

ANNEXURE-D

FORM NO. MR-3

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2019

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

To
The Members,
Shah Foods Limited

We have conducted the Secretarial Audit pursuant to the applicable statutory provisions and the adherence to good corporate practices by **M/s. Shah Foods Limited** (hereinafter referred to as "the Company" or "Company"). Secretarial Audit was conducted in a manner that provided to us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's Books, Papers, Minutes Book, Forms and Returns filed and other Records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the financial year ended on 31st March, 2019 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in a manner and subject to the reporting made hereinafter:

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

1. The Companies Act, 2013 (hereinafter referred to as "the Act") and the rules made there under;
2. The Securities Contracts (Regulation) Act, 1956 (hereinafter referred to as "SCRA") and the rules made there under;
3. The Depositories Act, 1996, the Regulations and Bye-laws framed there under;
4. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
5. Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 (up to 14th May, 2015)
The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (effective from 15th May, 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 (Share Based Employee Benefits) Regulations, 2014;
 - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client – not applicable;
 - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
 - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

Based on our verification, we have observed that the SEBI Regulations mentioned above at (c), (d), (e), (g) and (h) are not applicable to the Company during the year as it has not:

- i. Issued further Share Capital;
- ii. Listed Debt Capital;
- iii. Proposed to Delist its Equity Shares;
- iv. Proposed to Buy Back any of its Securities.

6. Specifically, applicable Laws to the Company, as identified and confirmed by the Management:

- i. The Food Safety & Standards Act, 2006 and Rules 2011 with allied Rules & Regulations;
- ii. Legal Metrology Act, 2009 & Rules 2011;
- iii. Factories Act, 1948;
- iv. Food Adulteration Act, 1954;
- v. Standard Weights & Measures Act, 1985;
- vi. Essential Commodities Act, 1955

7. Labor Laws applicable to the Employees of the Company:

- i. Provident Fund Act, 1952;
- ii. Employees State Insurance Act, 1948;
- iii. Profession Tax Act, 1975;
- iv. The Payment of Gratuity Act, 1972

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

- a) Secretarial Standards issued by the Institute of Company Secretaries of India on Meetings of the Board of Directors (SS - 1) and General Meeting (SS - 2).
- b) Clauses of Listing Agreements (applicable till November 30, 2015) entered into by the Company with BSE Limited and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (effective from December 01, 2015).

We further report that:

During the period under review, the Company has complied with the provisions of the Acts, Rules, Regulations, Guidelines etc. mentioned above except the following:

i. Under the Companies Act, 2013

Sections under the Companies Act, 2013	Non Compliances
Section 204	The Company has appointed Whole time Company Secretary on 01/03/2019. No Company Secretary was appointed from April 2018 to February 2019.
Section 138	The Company doesn't have an Internal Auditor.

ii. Under Listing Agreement/ SEBI (LODR) Regulations, 2015

Regulations under SEBI (LODR) Regulations, 2015	Non Compliances
Regulation 46 – Website	Company's Website is nonfunctioning and not updated regularly.

SHAH FOODS LTD

We further report that:

Compliances of applicable Financial Laws including, Direct & Indirect Tax Laws by the Company has not reviewed in this Audit Report; since the same has been subject to reviewed by the Statutory Auditor & other Designated Professionals.

We further report that:

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors.
- 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.

We further report that:

Based on our review of Compliance Mechanism established by the Company and on the basis of Compliance Certificate(s) issued by the Managing Director and taken on record by the Board of Directors at their meeting(s), we are of the opinion that, there are adequate systems and processes in place in the Company, which is commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

As informed, the Company has responded appropriately to the notices received from various statutory/ regulatory authorities including initiating action for corrective measures, wherever focused necessary.

We further report that:

During the audit period there are no events/ actions having a major bearing on the Company's affairs in pursuance of the above referred Laws, Rules, Regulations, Guidelines etc. referred above.

Date: 05/08/2019
Place: Ahmedabad

Pinakin Shah & Co.
Company Secretaries

Pinakin Shah
Proprietor

FCS: 2562; COP: 2932

To,
The Members,
Shah Foods Limited

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

Management Responsibility:

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

Auditors Responsibility:

2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company or verified compliances of Laws other than those mentioned above. Wherever required, we have obtained the management representation about the Compliance of laws, rules and regulations and happening of events etc.
4. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.

Disclaimer:

5. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company

Date: 05/08/2019
Place: Ahmedabad

Pinakin Shah & Co.
Company Secretaries,

Pinakin Shah
Proprietor

FCS: 2562; COP: 2932

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To

**The Members of
SHAH FOODS LIMITED,**
Block No. 453/1, Chhatral, Kalol,
Mehsana Highway Road,
Taluka Kalol, Dist. Gandhinagar,
Gujarat -382729

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **M/s. SHAH FOODS LIMITED (CIN: L15419GJ1982PLC005071)** and having registered office at Block No. 453/1, Chhatral, Kalol, Mehsana Highway Road, Taluka Kalol, Dist. Gandhinagar, Gujarat - 382729, India (hereinafter referred to as "the Company"), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34 (3) read with Schedule V Para C Sub Clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company and its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial year ending on 31st March, 2019 have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of Appointment in Company.
1.	Virendra Shah	00643925	24/03/1986
2.	Nirav Janak Shah	01880069	06/08/2005
3.	Pushpa Janak Shah	07144650	25/03/2015
4.	Malav Jashwantlal Shah	00066829	28/03/2019
5.	Sunil Gautambhai Parikh	08403488	28/03/2019
6.	Kunal Asarpota	06779773	09/02/2018

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

Date: 05/08/2019
Place: Ahmedabad

Pinakin Shah & Co.
Company Secretaries,

Pinakin Shah
Proprietor
FCS: 2562; COP: 2932

INDEPENDENT AUDITOR'S REPORT

To
The Members of
SHAH FOODS LIMITED

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **SHAH FOODS LIMITED** ("the Company"), which comprise the Balance Sheet as at **March 31, 2019**, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year 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 financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, and its profit, total comprehensive income, the changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the standard on auditing specified u/s. 143(10) of the act (SAs). Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of financial statements section of our report. We are independent of the company in accordance with the code of ethics issued by ICAI together with Independence Requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide the basis for our audit opinion on the financial statements.

Key Audit Matters

Key Audit Matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. This is to inform you that the Company is doing job work on contract basis with M/S Britania Industries Limited. The Company has received a letter from M/S Britania Industries Limited stating that the job work contract is terminated with effect from 30/06/2019 There is no other key audit matter with respect to financial statements to be communicated in our report.

Information other than Financial Statements and Auditor's Report thereon

The Company's Board of Directors' are responsible for the preparation of the other information. The other information comprises the information included in the management discussion and analysis, board's report including annexure to board's report, Business responsibility report, Corporate governance and Shareholder's information but does not include the financial statement and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

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

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial

performance including other comprehensive income, cashflows and changes in equity of the Company in accordance with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India.

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

Auditor's Responsibility

Our responsibility is to express an opinion on the standalone financial statements based on our audit. In conducting our audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under and the Order issued under section 143(11) of the Act.

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:
 - a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) the Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the afore said standalone financial statements comply with the Indian Accounting Standards prescribed 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 of the Company 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 A**". 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 the requirements of Section 197(16) of the Act, as amend:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by company to its Directors during the year is in accordance with the provisions of Section 197 of the Act.

- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the **Companies (Audit and Auditors) Rules, 2014**, as amended, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements.
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
2. As required by the **Companies (Auditor's Report) Order, 2016 ("the Order")** issued by the Central Government in terms of Section 143(11) of the Act, we give in "**Annexure B**" a statement on the matters specified in paragraphs 3 and 4 of the Order.

Suresh R Shah & Associates
Chartered Accountants
FRN:110691W

Place: Ahmedabad
Date: 29-05-2019

Mrugen K Shah
(Partner)
M. No.: 117412

ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of **SHAH FOODS LIMITED** 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 **SHAH FOODS LIMITED** (“the Company”) as of **March 31, 2019** in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. 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, 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.

Auditor’s Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial 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 control system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls Over Financial Reporting

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

(1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

(2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and

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

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.

Suresh R Shah & Associates
Chartered Accountants
FRN:110691W

Place: Ahmedabad
Date: 29-05-2019

Mrugen K Shah
(Partner)
M. No.: 117412

ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of SHAH FOODS LIMITED of even date)

- i. In respect of the Company's fixed assets:
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) The Company has a program of verification to cover all the items of fixed assets in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - (c) According to the information and explanations given to us, the records examined by us and based on the examination of the conveyance deeds provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date. In respect of immovable properties of land and building that have been taken on lease and disclosed as fixed assets in the standalone financial statements, the lease agreements are in the name of the Company.
- ii.
 - (a) The management of the company has conducted the physical verification of inventory at reasonable intervals.
 - (b) The discrepancies noticed on physical verification of the inventory as compared to books records which has been properly dealt with in the books of accounts were not material.
- iii. According to the information and explanations given to us, the Company has not granted secured or unsecured loans to any Company, Firm, Limited Liability Partnership or other party covered in the register maintained under section 189 of the Companies Act, 2013.
- iv. 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.
- v. The Company has not accepted deposits during the year and does not have any unclaimed deposits as at **March 31, 2019** and therefore, the provisions of the clause 3 (v) of the Order are not applicable to the Company.
- vi. The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013 for the business activities carried out by the Company. Thus reporting under clause 3(vi) of the order is not applicable to the Company.
- vii. According to the information and explanations given to us, in respect of statutory dues:
 - (a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Goods and Service Tax, Value Added Tax, Customs Duty, Excise Duty, Cess and other material statutory dues applicable to it with the appropriate authorities.

- (b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Value Added Tax, Goods and Service Tax, Customs Duty, Excise Duty, Cess and other material statutory dues in arrears as at **March 31, 2019** for a period of more than six months from the date they became payable.
- viii. The Company has taken borrowings facility from Bank of Baroda but there is no default in repayment of such loan. Moreover, the company has not any taken loan or borrowing from financial institution or has not issued any debentures, hence reporting for the same under clause 3 (viii) of the Order is not applicable to the Company.
- ix. 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 to the Company.
- x. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year.
- xi. In our opinion and according to the information and explanations given to us, the Company has paid/provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- xii. The Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order is not applicable to the Company.
- xiii. In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- xiv. During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly paid convertible debentures and hence reporting under clause 3 (xiv) of the Order is not applicable to the Company.
- xv. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected to its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

Suresh R Shah & Associates
Chartered Accountants
FRN:110691W

Place: Ahmedabad
Date: 29-05-2015

Mrugen K Shah
(Partner)
M. No.: 117412

SHAH FOODS LTD

Balance Sheet as at 31st. March, 2019

PARTICULARS	Note No.	As at 31 st March 2019		As at 31 st March 2018	
		Rs.	Rs.	Rs.	Rs.
I. ASSETS					
Non-current assets					
Property, Plant and Equipment					
(i) Tangible assets	3	96,48,516		1,03,71,953	
(ii) Intangible assets		-		-	
(iii) Capital work-in-progress		-		-	
(iv) Intangible assets under development		-		-	
Financial Assets					
Investments		-		-	
Long-term loans and advances	5	19,56,091		6,80,857	
Other non-current assets		-		-	
			1,16,04,607		1,10,52,810
Current assets					
Inventories	4	45,91,625		35,37,229	
Financial Assets					
Investments		-		-	
Trade receivables	6	22,92,886		20,11,961	
Cash and Cash equivalents	7	62,57,646		92,57,892	
Loans and advances	8	41,56,924		25,22,654	
Other current assets		-		-	
			1,72,99,081		1,73,29,736
TOTAL			2,89,03,688		2,83,82,546
I. EQUITY AND LIABILITIES					
Equity					
Equity Share Capital	9	59,75,000		59,75,000	
Other Equity	10	1,70,60,254		1,66,09,656	
			2,30,35,254		2,25,84,656
Liabilities					
Non-current liabilities					
Deferred Tax liabilities (Net)	11	3,74,870		4,44,406	
Long-term Provisions	12	-		64,972	
Other Non Current liabilities		-		-	
			3,74,870		5,09,378
Current Liabilities					
Short term borrowings		-		-	
Trade payables		-		-	
Other current liabilities	13	54,93,564		52,88,512	
Short term provisions		-		-	
			54,93,564		52,88,512
TOTAL			2,89,03,688		2,83,82,546
See significant accounting policies and accompanying notes forming part of the Financial Statements					

As per our report of even date
FOR SURESH R SHAH & ASSOCIATES
Chartered Accountants
Firm registration no. 110691W

For and on behalf of the Board of Directors
SHAH FOODS LIMITED

CA MRUGEN SHAH
Partner
Membership No. 117412
Place : Ahmedabad
Date : 29-05-2019

PUSHPA J. SHAH
Director
DIN : 07144650

NIRAV J. SHAH
Managing Director
DIN : 01880069
Place : Ahmedabad
Date : 29-05-2019

Statement of Profit & Loss for the year ended on 31st. March, 2019

	PARTICULARS	Note No.	For the year ended 31st. March, 2019		For the year ended 31st. March, 2018	
			Rs.	Rs.	Rs.	Rs.
I	Revenue from operations					
	a Revenue from operations (net) - Job Charges		5,51,34,000		5,48,03,075	
	b Income from Share Trading activities	15	2,35,175		(8.86,777)	
II	Other Income	14		5,53,69,175		5,39,16,298
	Total (I + II)			16,16,728		6,89,402
				5,69,85,903		5,46,05,701
IV	Expenses					
	a Cost of materials consumed (Deduction from Job charges)		10,25,809		20,67,080	
	b Purchases of Stock in Trade		-	-		
	c Changes in inventories of finished goods, work in progress and Stock-in- trade		-	-		
	d Employee benefits expense	16	73,36,203		61,54,397	
	e Finance Costs	17	57,414		58,072	
	f Depreciation and amortization expense	3	16,07,098		14,08,003	
	g Other expense	18	4,53,69,178		4,33,07,687	
	Total Expenses			5,53,95,702		5,29,95,239
V	Profit before Exceptional Items and Tax (III-IV)			15,90,201		16,10,461
VI	Exceptional Items			-		-
VII	Profit before Tax			15,90,201		16,10,461
VIII	Tax expense:					
	1 Current tax expenses for the current year		4,90,000		4,50,000	
	2 Earlier Year tax adjustment		-		-	
	3 Deferred tax		(69,536)		(68,096)	
				4,20,464		3,81,904
IX	Profit (Loss) for the period from continuing operations (VII-VIII)			11,69,737		12,28,558
X	Profit/(Loss) from discontinuing operations					
XI	Tax Expense of discontinued operations					
XII	Profit (Loss) from discontinuing operations (after tax) (X-XI)			-		
XIII	Profit (Loss) for the period (IX+XII)			11,69,737		12,28,558
XIV	Other Comprehensive Income					
	A (i) Items that will not be reclassified to profit or loss					
	(ii) Income tax relating to items that will not be reclassified to profit or loss					
	B (i) Items that will be reclassified to profit or loss					
	(ii) Income tax relating to items that will be reclassified to profit or loss					
XV	Total Comprehensive Income for the Period (XIII+XIV)			11,69,737		12,28,558
XVI	Earnings per equity share:					
	1 Basic			1.96		2.06
	2 Diluted			1.96		2.06

See significant accounting policies and accompanying notes forming part of the Financial Statements

As per our report of even date
FOR SURESH R SHAH & ASSOCIATES
Chartered Accountants
Firm registration no. 110691W

CA MRUGEN SHAH
Partner
Membership No. 117412
Place : Ahmedabad
Date : 29-05-2019

For and on behalf of the Board of Directors
SHAH FOODS LIMITED

PUSHPA J. SHAH
Director
DIN : 07144650

NIRAV J. SHAH
Managing Director
DIN : 01880069
Place : Ahmedabad
Date : 29-05-2019

Statement of changes in Equity for the year ended on 31st. March, 2019
(A) EQUITY SHARE CAPITAL

Particulars	As at 31st March,2019	As at 31st March,2018
Balance as at the beginning of the year	59,75,000	59,75,000
Issued during the year	-	-
Balance as at the end of the year	59,75,000	59,75,000

(B) OTHER EQUITY

Particulars	Reserves & Surplus		Other Comprehensive Income	Total
	Retained Earnings	General reserves		
Balance as on 01.04.2018	1,47,75,400	18,34,256	-	1,66,09,656
Addition/(deduction) during the year				-
Profit For the year	11,69,737			11,69,737
Other Comprehensive Income				-
Prior Period Loss				-
Dividend(17-18)	(5,97,500)			(5,97,500)
Dividend Distribution Tax(17-18)	(1,21,639)			(1,21,639)
Balance as on 31.03.2019	1,52,25,998	18,34,256	-	1,70,60,254
Balance as on 01.04.2017	1,42,65,982	18,34,256		1,61,00,237
Addition/(deduction) during the year				-
Profit For the year	12,28,558			12,28,558
Other Comprehensive Income				-
Dividend(16-17)	(5,97,500)			(5,97,500)
Dividend Distribution Tax(16-17)	(1,21,639)			(1,21,639)
Balance as on 31.03.2018	1,47,75,400	18,34,256	-	1,66,09,656

As per our report of even date
FOR SURESH R SHAH & ASSOCIATES
Chartered Accountants
Firm registration no. 110691W

CA MRUGEN SHAH
Partner
Membership No. 117412
Place : Ahmedabad
Date : 29-05-2019

For and on behalf of the Board of Directors
SHAH FOODS LIMITED

PUSHPA J. SHAH
Director
DIN : 07144650

NIRAV J. SHAH
Managing Director
DIN : 01880069
Place : Ahmedabad
Date : 29-05-2019

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st. March, 2019**CORPORATE INFORMATION:**

SHAH FOODS LIMITED ("the company") is engaged in manufacturing of Biscuits for Britannia Industries Limited and Trading of shares and securities.

STATEMENT OF COMPLIANCE:

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS**1.1 Basis of preparation and presentation**

These financial statements are in accordance with Indian Accounting Standards (IND AS) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, the provision of the Companies Act, 2013 ("the Act") (to the extent notified) and guidelines issued by the Securities & Exchange Board of India (SEBI). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of Companies (Indian Accounting Standard) Rules, 2015 and relevant rules issued thereafter.

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

As the quarter and year figures are taken from the source and rounded to the nearest digit, the figures reported for the previous quarters might not always adopt to the year-end figures reported in these statements.

1.2 Functional and presentation currency

The financial statements are presented in Indian Rupees, the currency of the primary economic environment in which the Company operates.

1.3 Use of Estimates

The preparation of financial statements are in conformity with the recognition and measurement principles of Ind AS which requires management to make critical judgments, estimates and assumptions that affect the reporting of assets, liabilities, income and expenditure.

Estimates and underlying assumptions are reviewed on an ongoing basis and any revisions to the estimates are recognised in the period in which the estimates are revised and future periods are affected.

Key source of estimation of uncertainty at the date of financial statements, which may cause material adjustment to the carrying amount of assets and liabilities within the next financial year, is in respect of:

Useful lives of property, plant and equipment (refer note no. 2.1)

- Valuation of deferred tax assets (refer note no. 2.8)
- Valuation of inventories (refer note no. 2.3)
- Provisions & contingent liabilities (refer note no. 2.6)

2. SIGNIFICANT ACCOUNTING POLICIES**2.1. Property, plant and equipment****2.1.1. Tangible Assets:**

Property, plant and equipment are stated at cost of acquisition or construction less accumulated depreciation and any accumulated impairment losses. The cost of fixed assets comprises of its purchase price, non-refundable taxes & levies, freight and other incidental expenses related to the acquisition and installation of the respective assets. Borrowing cost attributable to financing of acquisition or construction of the qualifying fixed assets is capitalized to respective assets when the time taken to put the assets to use is substantial.

When major items of property, plant and equipment have different useful lives, they are accounted for as separate items of property, plant and equipment. The cost of replacement of any property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefit associated with the item will flow to the Company and its cost can be measured reliably.

The Estimated Useful Lives of assets are in accordance with the Schedule II of the Companies Act, 2013.

2.2. Financial Instruments

2.2.1. Cash and cash equivalents

Cash and cash equivalents consists of cash on hand, short demand deposits and highly liquid investments, that are readily convertible into known amounts of cash and which are subject to an insignificant risk of change in value. Short term means investments with original maturities / holding period of three months or less from the date of investments. Bank overdrafts that are repayable on demand and form an integral part of the Company's cash management are included as a component of cash and cash equivalent for the purpose of statement of cash flow.

2.2.2. Trade Receivables

Trade receivables are amounts due from customers for sale of goods or services performed in the ordinary course of business. Trade receivables are initially recognized at its transaction price which is considered to be its fair value and are classified as current assets as it is expected to be received within the normal operating cycle of the business.

2.2.3. Borrowings

Borrowings are initially recorded at fair value and subsequently measured at amortized costs using effective interest method. Transaction costs are charged to statement of profit and loss as financial expenses over the term of borrowing.

2.2.4. Trade payables

Trade payables are amounts due to vendors for purchase of goods or services acquired in the ordinary course of business and are classified as current liabilities to the extent it is expected to be paid within the normal operating cycle of the business.

2.2.5. Other financial assets and liabilities

Other non-derivative financial instruments are initially recognized at fair value and subsequently measured at amortized costs using the effective interest method.

2.3. Inventories

Items of inventories are measured at lower of cost and net realisable value after providing for obsolescence, if any except inventory of shares and securities held for trading are valued at fair value through P&L. Cost of inventories comprises of cost of purchase, cost of conversion and other costs including manufacturing overheads incurred in bringing them to their respective present location and condition. Cost of raw materials, process, stores and spares, packing materials, trading and other products are determined on weighted average basis.

2.4. Impairment of Assets

Financial assets

At each balance sheet date, the Company assesses whether a financial asset is to be impaired. Ind AS 109 requires expected credit losses to be measured through loss allowance. The Company measures the loss allowance for financial assets at an amount equal to lifetime expected credit losses if the credit risk on that financial asset has increased significantly since initial recognition. If the credit risk on a financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for financial assets at an amount equal to 12-month expected credit losses. The Company uses both forward-looking and historical information to determine whether a significant increase in credit risk has occurred.

Non-financial assets

Tangible and intangible assets

Property, plant and equipment and intangible assets with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset

does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognized in the statement of profit and loss to such extent.

2.5. Employee Benefit

Short term employee benefits

Short term benefits payable before twelve months after the end of the reporting period in which the employees have rendered service are accounted as expense in statement of profit and loss.

Long term employee benefits

Defined benefit plans

The Company has obtained gratuity plan from the LIC and the net obligation in respect of defined benefit plans (gratuity, pension and other retirement benefit plans) is calculated using the projected unit credit method as per old GAAP. The current service cost and interest on the net defined benefit liability / (asset) is recognized in the statement of profit and loss. Past service cost are immediately recognized in the statement of profit and loss. Actuarial gains and losses net of deferred taxes arising from experience adjustment and changes in actuarial assumptions are recognized in other comprehensive income in the period in which they arise.

Defined Contribution Plan

A defined contribution plan is a post-employment benefit plan under which the Company pays specified contributions for provident fund and pension as per the provisions of the Provident Fund Act, 1952 to the government. The Company's contribution is recognised as an expense in the Profit and Loss Statement during the period in which the employee renders the related service. The company's obligation is limited to the amounts contributed by it.

Compensated absences and earned leaves

The company offers a short term benefit in the form of encashment of unavailed accumulated compensated absence above certain limit for all of its employees and same is being provided for in the books at actual cost.

2.6. Provisions, contingent liabilities and contingent assets

Contingent liability:

A possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company are disclosed as contingent liability and not provided for. Such liability is not disclosed if the possibility of outflow of resources is remote.

Contingent assets:

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Contingent assets are not recognised and disclosed only when an inflow of economic benefits is probable.

Provisions:

A provision is recognized when as a result of a past event, the Company has a present obligation whether legal or constructive that can be estimated reliably and it is probable that an outflow of economic benefits will be required to settle the obligation. If the obligation is expected to be settled more than 12 months after the end of reporting date or has no definite settlement date, the provision is recorded as non-current liabilities after giving effect for time value of money, if material. Where discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

2.7. Revenue Recognition

a) Revenue from the sale of goods is recognised when significant risks and rewards in respect of ownership of the goods are transferred to the customer, as per the terms of the order. The company has shown separately in the expenses as the revenues from the operations are stated at gross amount as per the Requirement of Ind AS 18 "Revenue". Further,

the amounts collected on behalf of third parties such as government authorities for VAT, Service Tax and GST are excluded from the revenue since the same do not result in increase in Equity.

b) Interest Income is recognised on time proportion basis.

2.8. Income taxes

Income tax expense comprises current and deferred tax expense. Income tax expenses are recognized in statement of profit and loss, except when they relate to items recognized in other comprehensive income or directly in equity, in which case, income tax expenses are also recognized in other comprehensive income or directly in equity respectively.

Current tax is the tax payable on the taxable profit for the year, using tax rates enacted or substantively enacted by the end of reporting period by the governing taxation laws, and any adjustment to tax payable in respect of previous periods. Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred taxes arising from deductible and taxable temporary differences between the tax base of assets and liabilities and their carrying amount in the financial statements are recognized using substantively enacted tax rates and laws expected to apply to taxable income in the years in which the temporary differences are expected to be received or settled.

Deferred tax asset are recognized only to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences can be utilized. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax assets to be utilized.

2.9. Earnings Per Share

a) Basic earnings per share are calculated by dividing the net profit for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

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

2.10. Borrowing cost

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of these assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in statement of profit and loss in the period in which they are incurred.

2.11. Segment Reporting

The company has only one preliminary reportable segment i.e. manufacturing of Biscuits for Britannia Industries Limited and Trading of shares and securities hence there is no separate reportable segments as required in Ind AS 108 issued by ICAI.

2.12. Depreciation

Depreciation on tangible fixed assets is provided using the Straight Line Method based on the useful life of the assets as estimated by the management and is charged to the Statement of Profit and Loss as per the requirement of Schedule II of the Companies Act, 2013. In case of additions or deletions during the year, depreciation is computed from the month in which such assets are put to use and up to previous month of sale or disposal, as the case may be.

2.13. Foreign currency Transactions

Foreign currency transactions are recorded at the exchange rate prevailing at the date of transactions. Exchange difference arising on settlement of transactions is recognised as income or expense in the year in which they arise.

Monetary assets and liabilities related to foreign currency transactions remaining unsettled at the end of the year are restated at the year-end rate and difference in translations and unrealised gains / (losses) on foreign currency transactions are recognised in the statement of profit & loss.

The premium or discount arising at the inception of forward exchange contracts is amortised as expense or income over the life of the contract. Exchange differences on such contracts are recognised in the statement of profit and loss in the year in which the exchange rates change. Any profit or loss arising on cancellation or renewal of forward exchange contract is recognised as income or as expense for the year.

19. a) In opinion of the directors, contingent liability not provided is Rs. Nil. (Nil)
 b) Estimated amount of contracts remaining to be executed on capital account and not provided for: Rs. Nil (Nil).
20. Balances of Trade Payables, Unsecured Loans, Trade Receivables, Long Term and Short Term Loans & Advances, In-operative bank accounts, Other Current and Other Non Current Assets and Provisions are subject to the confirmation of the parties concerned. Wherever confirmation of the parties for the amounts due to them / amounts due from them as per books of accounts are not received, necessary adjustments, if any, will be made when the accounts are reconciled / settled.
21. In the absence of information regarding outstanding dues of MICRO or Small Scale Industrial Enterprise(s) as per The Micro, Small & Medium Enterprise Development Act, the Company has not disclosed the same as required by Schedule III to the Companies Act.
22. Wherever no vouchers and documentary evidences were made available for our verification, we have relied on the authentication given by management of the company.
23. Figures have been rounded off to the nearest rupee wherever required.
24. RELATED PARTY DISCLOSURES UNDER ACCOUNTING STATNDARD 18

RELATED PARTY

- A) Associate Company : Helios Greentech Pvt Ltd
 B) Vice Chairman : Shri Janak P Shah
 C) Directors : Shri Sushil P Shah
 Shri Virendra P Shah
 Shri Shrichand R Kahar
 Mrs. Pushpa Janak Shah
 Shri Nirav J Shah

RELATED PARTY TRANSACTIONS

- A) Associate Companies : Nil
 B) Directors

Particulars	2018-19	2017-18
	(Rupees in Lakhs)	
Payments/Provision to Directors (Remuneration & Perquisites)		
Shri Janak P Shah	7.44	7.61
Shri S.R. Kahar	6.07	5.57
Shri Nirav J Shah	16.33	17.50
Total	29.84	30.68

- Details of remuneration to Vice chairman, Operations Director are disclosed in the notes to accounts.
- There are no write off/write back of any amounts for any amounts for any of the above related party.

SHAH FOODS LTD

25. Payments to Auditors

Particulars	2018-19 (Rupees)	2017-18 (Rupees)
For Audit Fees	48,000	45,000
For Tax Audit Fees	11,000	10,000
For Certification & Professional	11,000	10,000
For GST	12,600	11,700
Total	82,600	76,700

26. During the year under review, Britannia Industries Limited deducts TDS on job-work receipts on job charges including GST and hence TDS rate & job charges are not comparable.

27. Balance confirmations for debit/credit balances have been sought.

28. Additional information pursuant to Act, 2013 to the extent applicable. (As certified by the Directors).

A) Installed Capacity:
Biscuits: 7200 M.T.

(B) Production:	2018-19	2017-18
Biscuits (Job) (M.T.)	6520	6,567

(C) Job Charges Rs.	Rs.5,51,34,000/-	Rs.5,41,86,806/-
---------------------	------------------	------------------

(D) Value of Imported and Indigenous raw materials (including components) consumed and their percentage:

	2018-19 Rs. (Lacs) %	2017-18 Rs. (Lacs) %
Stores & Spares:		
Imported	—	—
Indigenous	—	—

29. Expenditure in foreign currency during the year on account of royalty, know-how, professional consultancy fees, interest and other matters Rs. Nil (Previous Years Rs. Nil)

30. C.I.F. Value of Imports of raw materials, components and spares – Rs. Nil(Previous year Rs. Nil)

31. Earning in foreign exchange on account of export etc. – Rs. Nil

32. Remittance in foreign currency on account of dividend etc. – Rs. Nil (Previous year Rs. Nil)

33. In the opinion of Board of Directors, the current asset, loans & advances are approximately of the same value, if realised in the ordinary course of business. The provision for all known liabilities is adequate and not in excess of the amount reasonably necessary.

34. DEFERRED TAX

Major components of deferred tax are:

Particulars	31 March 2019	31 March 2018
Deferred Tax Liability		
Depreciation	(69536)	(68096)
Deferred Tax Assets		
Disallowance under the Income Tax Act, 1961		
Deferred Tax Liability(Net)	(69536)	(68096)

ANNUAL REPORT 2018-2019

In Rupees												
3	FIXED ASSETS	Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
			As on 1-Apr-18	Addition	Deduction	As at 31-Mar-19	As on 1-Apr-18	Addition	Deduction	As at 31-Mar-19	As at 31-Mar-19	As at 31-Mar-18
		Tangible Assets	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees
			RUPEES	RUPEES	RUPEES	RUPEES	RUPEES	RUPEES	RUPEES	RUPEES	RUPEES	RUPEES
a		Computer	14,95,110	41,525	-	15,36,635	11,72,060	1,83,953	-	13,56,013	1,80,621	3,23,049
b		Factory Building	57,81,972	1,86,000	-	59,67,972	29,51,516	1,17,910	-	30,69,426	28,98,544	28,30,454
c		Furniture and Fixture	8,06,316	-	-	8,06,316	5,68,975	34,500	-	6,03,475	2,02,841	2,37,341
d		Free Hold Land	2,08,914	-	-	2,08,914	-	-	-	-	2,08,914	2,08,914
e		Office Equipments	24,85,004	24,141	-	25,09,145	12,73,635	4,26,178	-	16,99,813	8,09,332	12,11,369
f		Vehicle	17,87,926	68,845	-	18,56,771	6,41,347	1,75,259	-	8,16,606	10,40,165	11,46,579
g		Plant and Machineries	92,08,975	5,63,150	-	97,72,125	49,44,439	5,85,850	-	55,30,289	42,41,836	42,64,536
h		Tube well	5,97,398	-	-	5,97,398	4,47,687	83,448	-	5,31,135	66,263	1,49,711
		Total	2,23,71,614	8,83,661	-	2,32,55,275	1,19,99,659	16,07,098	-	1,36,06,757	96,48,516	1,03,71,953

		As at 31st March 2019		As at 31st March 2018	
4 INVENTORIES		Rupees	Rupees	Rupees	Rupees
a	Raw Materials		53,075		53,075
b	Shares in Trading accounts		45,38,550		34,84,154
		TOTAL	45,91,625		35,37,229

		As at 31st March 2019		As at 31st March 2018	
5 NON CURRENT LOANS AND ADVANCES		Rupees	Rupees	Rupees	Rupees
a	Income Tax refund receivable		14,67,493		2,30,261
b	UGVCL Deposit		4,88,598		4,50,596
		TOTAL	19,56,091		6,80,857

		As at 31st March 2019		As at 31st March 2018	
6 TRADE RECEIVABLES		Rupees	Rupees	Rupees	Rupees
a	Britannia Industries Limited-trade receivables		22,92,886		20,11,961
		TOTAL	22,92,886		20,11,961

		As at 31st March 2019		As at 31st March 2018	
7 CASH & CASH EQUIVALENTS		Rupees	Rupees	Rupees	Rupees
a	Cash on Hand		6,258		27,226
b	Balance with Scheduled Banks				
	i In Current Accounts	(1,25,582)		8,98,005	
	ii Fixed Deposit with Bank	63,72,384		81,51,463	
	iii Accrued Interest on Bank Fixed Deposit	4,586		1,81,198	
			62,51,388		92,30,666
		TOTAL	62,57,646		92,57,892

		As at 31st March 2019		As at 31st March 2018	
8 CURRENT LOANS AND ADVANCES		Rupees	Rupees	Rupees	Rupees
a	Unsecured & considered good and recoverable in cash or in kind		41,26,924		24,94,717
b	Income Tax refund receivable		-		-
c	Innovative Motors Pvt. Ltd. - Activa advance		-		-
d	interest on UGVCL Deposit		30,000		27,937
		TOTAL	41,56,924		25,22,654

		As at 31st March 2019		As at 31st March 2018	
9 EQUITY SHARE CAPITAL		Rupees	Rupees	No. of Shares	Rupees
a	AUTHORISED				
	Equity Share Capital of Rs. 10 each (with vot	10,00,000	1,00,00,000	10,00,000	1,00,00,000
b	ISSUED, SUBSCRIBED & FULLY PAID UP SHARES				
	Equity Share Capital of Rs. 10 each fully paid (with voting rights)	5,97,500	59,75,000	5,97,500	59,75,000
		TOTAL	59,75,000		59,75,000

SHAH FOODS LTD

c Reconciliation of the shares (with voting rights) outstanding					
		As at 31st March 2019		As at 31st March 2018	
		Rupees	Rupees	No. of Shares	Rupees
	At the beginning of the year	5,97,500	59,75,000	5,97,500	59,75,000
	Issued during the year	-	-	-	-
	Outstanding at the end of the year	5,97,500	59,75,000	5,97,500	59,75,000
d Details of shareholders holding more than 5% shares in the Company					
		As at 31st March 2019		As at 31st March 2018	
Name of Share Holder		No. of Shares	Rupees	No. of Shares	Rupees
	PRADIP P. SHAH	67955	11.37%	67955	11.37%
	JANAK PANALAL SHAH	42330	7.08%	41330	6.92%
	PREM CHAND GUPTA	30482	5.10%	30482	5.10%
As per records of the Company, including its register of shareholders / members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.					
e Rights & Restriction attached to shares					
Equity shares					
The Company has one class of equity shares having a par value of Rs. 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.					
		As at 31st March 2019		As at 31st March 2018	
10 OTHER EQUITY		Rupees	Rupees	Rupees	Rupees
a	General Reserve				
	Opening Balance	18,34,256		18,34,256	
	Additions / Reduction during the year	-		-	
	Adjusted Against Opening Profit & Loss (Debit Balance)	-		-	
	Closing Balance		18,34,256		18,34,256
b	Surplus/ (deficit) in the statement of profit and				
	Balance as per last financial statements	1,47,75,400		1,42,65,982	
	Add : Profit during the Year	11,69,737		12,28,558	
	Less : Proposed Equity Dividend	(5,97,500)		(5,97,500)	
	Less : Tax on Equity Dividend	(1,21,639)		(1,21,639)	
	Net surplus in the statement of profit and loss		1,52,25,998		1,47,75,400
	TOTAL		1,70,60,254		1,66,09,656
11 DEFERRED TAX LIABILITIES (NET)		Rupees	Rupees	Rupees	Rupees
a	Difference between book and tax written down of fixed assets			17,25,847	
	Gross deferred tax liability		5,40,438		4,44,406
b	Less Deferred tax assets				
	Difference in provision disallowance			-	
	Adjustments to the carrying amount of investment				
	Gross deferred tax assets		1,65,568		-
	Net deferred tax liability		3,74,870		4,44,406
	TOTAL		3,74,870		4,44,406
		As at 31st March 2019		As at 31st March 2018	
12 NON CURRENT PROVISIONS		Rupees	Rupees	Rupees	Rupees
a	Unclaimed Dividend		-		64,972
	TOTAL		-		64,972
13 OTHER CURRENT LIABILITIES		Rupees	Rupees	Rupees	Rupees
a	Other payable		51,81,661		53,97,722
b	Statutory dues		4,84,559		6,49,590
c	Income Tax Payable		(1,41,362)		(7,34,532)
d	Proposed Equity Dividend		-		-
e	Tax on Equity Dividend		-		-
f	BOB-Group Gratuity & Super Annuation a/c		(31,294)		(24,268)
	TOTAL		54,93,564		52,88,512

14 OTHER INCOME		Rupees	Rupees	Rupees	Rupees
a	Interest on Bank Fixed Deposit	4,85,747		5,14,367	
b	Dividend	81,587		1,04,348	
c	Interest on I T Refund order	-		-	
d	Interest on UGVCL Security Deposit	32,644		27,937	
e	Other Income	4,62,062		42,750	
f	Previous year's excess provision added back				
g	Profit / Loss from share trading activities:				
	Closing Stock	45,38,550			
	Opening stock	34,84,154			
	Purchase + Coverion and Demat Charges	4,99,708			
		5,54,688			
	TOTAL		16,16,728		6,89,402
15 Income from Share Trading Activities		Qty	Rupees	Qty	Rupees
	Income from Share Trading activities		2,35,175		(8,86,777)
	TOTAL	-	2,35,175	-	(8,86,777)
16 Employee benefits expense		Rupees	Rupees	Rupees	Rupees
a	Staff Salaries, Wages and other benefits		43,52,698		30,86,546
b	Directors Remuneration and other benefits		29,83,505		30,67,850
	TOTAL		73,36,203		61,54,397
17 Finance Costs		Rupees	Rupees	Rupees	Rupees
a	Bank + Credit Card Charges		4,907		38,621
b	Interest -Bank		51,373		7,053
c	Interest -Others		1,134		12,399
	TOTAL		57,414		58,072
18 OTHER EXPENSES		Rupees	Rupees	Rupees	Rupees
a	Power, Light and Fuel		1,62,73,825		1,36,95,988
b	Repairs to Plant and Machineries		7,64,074		5,85,103
c	Repairs to Factory Building , Tubewell & FF		1,32,321		7,58,715
d	Repairs to Electric and others		4,48,549		5,79,055
e	Labour & Other Charges-Net after Reimb. from BIL		2,38,79,995		2,43,73,368
f	Factory Expenses		3,91,764		2,29,961
g	Laboratory Expenses		3,02,141		1,53,437
h	Security Expenses		6,02,577		5,61,922
i	Adverstiment Expenses		40,317		30,540
j	Audit Fees		70,000		65,000
k	Conveyance		17,225		27,885
l	Electricity		25,610		17,780
m	ROC Filling Fees		13,380		13,520
n	E-TDS return Filling Fees		450		538
o	Insurance		1,48,750		1,51,988
p	Professional Fees		5,49,015		4,34,324
q	License Fees		15,115		14,216
s	Listing and Depository Fees		2,74,774		3,11,832
t	Miscellaneous Expenses		1,31,504		3,26,971
u	Communication Expenses		1,89,981		2,10,976
v	Printing and Stationery		74,052		79,959
w	Professional Tax		2,400		2,400
x	Rent, Rate and Taxes		33,746		33,746
y	Share Transfer Agent Charges		59,091		69,025
z	Vehicle Expenses		3,47,320		3,57,777
aa	Travelling & Business Support		5,41,202		1,92,301
ab	Income Tax FY 2016-17		-		29,361
ac	Web site contract charges		40,000		
	TOTAL		4,53,69,178		4,33,07,687

CASH FLOW STATEMENT FOR THE YEAR MARCH 31, 2019

		For the year ending on 31-03-2019	For the year ending on 31-03-2018
A	Cash flow from operating activities		
	Profit/(Loss) before tax	15,90,201	16,10,461
	<u>Adjustment For:</u>		
	Depreciation	16,07,098	14,08,003
	Interest and other finance expense	57,414	58,072
	Interest Income	(5,18,391)	(5,42,304)
	Dividend income	(81,587)	(1,04,348)
	Operating profit before working capital changes	26,54,735	24,29,884
	Movements in fund / capital :		
	Increase/ (decrease) in other current liabilities	2,05,052	12,93,380
	Decrease / (increase) in Trade receivables	(2,80,926)	(20,11,961)
	Decrease / (increase) in inventories	-10,54,396	11,66,031
	Decrease / (increase) in short-term loans and advances	-16,34,270	41,31,803
Cash generated from / (used in) operations	(1,09,804)	70,09,137	
Direct Tax Paid	490000	450000	
Net cash flow from/ (used in) operating activities A	(5,99,804)	65,59,137	
B	Cash flows from investing activities		
	Sale of non-current investments	-	-
	Purchase of fixed assets	(8,83,661)	(12,39,464)
	Interest Received	5,18,391	5,42,304
	Dividend Received	81,587	1,04,348
Loans & Advances given	(12,75,234)	-	
Net cash flow from/ (used in) investing activities B	(15,58,917)	(5,92,812)	
C	Cash flows from financing activities		
	Repayment of Vehicle Loan	-	-
	Dividend Paid (incl. DDT)(F.Y 17-18)	(7,19,139)	(7,19,139)
	Interest paid	(57,414)	(58,072)
	Unclaim dividend payment	(64,972)	-
	Net cash flow from/ (used in) in financing activities C	(8,41,525)	(7,77,211)
	Net increase/(decrease) in cash and cash equivalents A	(30,00,246)	51,89,114
	Cash and cash equivalents at the beginning of the year	92,57,892	40,68,778
	Cash and cash equivalents at the end of the year	62,57,646	92,57,892
	Components of cash and cash equivalents		
Cash in hand	6,258	27,226	
With banks- in current account	(1,25,582)	8,98,005	
Fixed Deposits plus accrued interest	63,76,970	83,32,661	
Total cash and cash equivalents	62,57,646	92,57,892	
Summary of significant accounting policies	2		

Notes :

- 1 The above Cash flow
- 2 Figures in brackets indicate cash outflow.
- 3 Following non cash transactions have not been considered in the cash flow statement:
- Tax deducted at source (on income)
- 4 Previous year's figures have been regrouped or reclassified wherever necessary to conform to current year's grouping and classification.

As per our report of even date
FOR SURESH R SHAH & ASSOCIATES
Chartered Accountants
Firm registration no. 110691W

For and on behalf of the Board of Directors
SHAH FOODS LIMITED

CA MRUGEN SHAH
Partner
Membership No. 117412
Place : Ahmedabad
Date : 29-05-2019

PUSHPA J. SHAH
Director
DIN : 07144650

NIRAV J. SHAH
Managing Director
DIN : 01880069
Place : Ahmedabad
Date : 29-05-2019

SHAH FOODS LIMITED

ATTENDANCE SLIP

Regd. Office : Chhatral, Kalol-Mehsana Highway,
Taluka - Kalol, Gandhinagar- 382729

ANNUAL GENERAL MEETING: SEPTEMBER 28, 2019 AT 11.00 A.M.

DP ID.	
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CLIENT ID./ FOLIO NO.	
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NO. OF SHARES	
------------------	--

Name & Address of the registered shareholder
--

I certify that I am a registered shareholder/proxy for the registered shareholder of the Company

I hereby record my presence at the 37th Annual General Meeting of the Company held on Saturday, September 28, 2019 at 11-00am at Registered Office: Block No. 453/1, Chhatral, Kalol-Mehsana Highway, Taluka - Kalol, Gandhinagar- 382729

Signature

Note : Please complete this and hand it over at the entrance hall.

SPEED-POST/COURIER SERVICE

If undelivered please return to

SHAH FOODS LIMITED

Corporate Office :
"SARAYU"

16/1, Kalyan Society,
Mithakhali, Ellisbridge,
AHMEDABAD-380 006