



26th Annual Report 2017-2018



FRESHTROP FRUITS LIMITED





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**ANNUAL REPORT
2017 - 2018****CORPORATE INFORMATION****BOARD OF DIRECTORS**

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

KEY MANAGERIAL PERSONNEL

Mr. Sanjay Prajapati
Chief Financial Officer (w.e.f. 03.04.2017)

Mr. Jignesh Gandhi
Company Secretary

STATUTORY AUDITORS

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

SECRETARIAL AUDITOR

Manoj Hurkat & Associates

BANKERS

Axis Bank Limited
Citi Bank, N.A.

REGISTERED OFFICE

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

PLANT - I

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

PLANT - II

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

PLANT - IV

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

FRESHTROP FRUITS LIMITED

(CIN : L15400GJ1992PLC018365)

NOTICE

NOTICE is hereby given that the 26th Annual General Meeting of the Members of FRESHTROP FRUITS LIMITED will be held on 28th September, 2018 at 10.00 a.m. at Karnavati Club, S. G. Road, Ahmadabad-380015 to transact the following business:

ORDINARY BUSINESS:

1. To receive and adopt audited financial statements of the Company for the financial year 2017-18 and to pass the following resolution, with or without modification, as an ORDINARY RESOLUTION:

"RESOLVED THAT audited financial statements of the Company for the financial year 2017-18 comprising of Balance Sheet as on 31st March, 2018 and the Profit and Loss Statement for the Financial year ended on 31st March, 2018 together with all annexure and attachment thereto including the Directors' Report and Auditors' Report thereon, which have already been circulated to the Members and as laid before this meeting, be and are hereby approved and adopted."

2. To appoint a Director in place of Mrs. Nanita A Motiani (DIN:00787809), who retires by rotation and being eligible, offers herself for re appointment and to pass following resolution, with or without modification, as an ORDINARY RESOLUTION:

"RESOLVED THAT the retiring Director, Mrs. Nanita A Motiani (DIN: 00787809), be and is hereby re-appointed as a Director of the Company, liable to retire by rotation."

SPECIAL BUSINESS:

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

Revision in Remuneration of Mr. Mayank Tandon, Sr. Vice President, Fresh Produce w.e.f. 1st October, 2018:

"RESOLVED THAT pursuant to the provisions of Section 188 read with Regulation 23 of the SEBI (LODR) Regulations, 2015 and other applicable provisions, if any, of the Companies Act, 2013, the consent of the members of the Company, be and is hereby accorded for revision in the remuneration of Mr. Mayank Tandon designated as Sr. Vice President, Fresh Produce, w.e.f. 1st October, 2018 upon the terms and conditions, relating to remuneration, as set out below:

1. Basic Salary: ₹5,00,000 p.m. with suitable increment as may be permitted from time to time.
2. Perquisite and allowance: Company's contribution to Provident Fund, Superannuation Fund and other benefits as per the Rules of the Company. Further, Gratuity is payable at the rate not exceeding half a month's salary for each completed year of service as per applicable Rules of the Company.
3. He will also be eligible for other allowances and benefits, amenities and facilities as provided to other employees occupying similar posts in the Company as per applicable Rules.
4. Other terms: If the work carried out by Mr. Mayank Tandon is considered satisfactory to the Board and further helps to improve the administration and day to day working of the Company, then the Board of Directors are authorised to increase basic Salary and Perquisite payable to him accordingly. Provided however, the overall remuneration shall in no case exceed ₹8,50,000 per month at any time. Similarly, the Board is also competent to reduce the amount of remuneration payable to Mr. Mayank Tandon based on his performance review from time to time. The Board is also competent to decide the tenure of such appointment from time to time and shall have power to review other terms and conditions of such appointment.

FURTHER RESOLVED THAT the Board of Directors of the Company, be and is hereby authorized to alter or vary the terms and conditions relating to the payment of remuneration to him as well as designation and job profile and as further agreed between the Board of Directors and Mr. Mayank

Tandon, Sr. Vice President, Fresh Produce without any further reference to the members' of the Company in General Meeting."

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

Revision in Remuneration of Ms. Dipti Motiani, Vice President, Processed Foods w.e.f. 1st October, 2018:

"RESOLVED THAT pursuant to the provisions of Section 188 read with Regulation 23 of the SEBI (LODR) Regulations, 2015 and other applicable provisions, if any, of the Companies Act, 2013, the consent of the members of the Company, be and is hereby accorded for revision in the remuneration of Ms. Dipti Motiani, designated as Vice President, Processed Foods w.e.f. 1st October, 2018 upon the terms and conditions relating to remuneration set out below:

1. Basic Salary: ₹5,00,000 p.m. with suitable increment as may be permitted from time to time.
2. Perquisite and allowance: Company's contribution to Provident Fund, Superannuation Fund and other benefits as per the Rules of the Company. Further, Gratuity is payable at the rate not exceeding half a month's salary for each completed year of service as per applicable Rules of the Company.
3. She will also be eligible for other allowances and benefits, amenities and facilities as provided to other employees occupying the similar posts in the Company as per applicable Rules.
4. Other terms: If the works carried out by Ms. Dipti Motiani is considered satisfactory to the Board and further helps to improve the administration and day to day working of the Company, then the Board of Directors is authorised to increase Basic Salary and Perquisite payable to her accordingly. Provided however that the overall remuneration shall in no case exceed ₹8,50,000 per month at any time. Similarly, the Board is also competent to reduce the amount of remuneration payable to Ms. Dipti Motiani based on her performance review from time to time. The Board is also competent to decide the tenure of such appointment from time to time and shall have power to review other terms and conditions of such appointment.

FURTHER RESOLVED THAT the Board of Directors of the Company, be and is hereby authorized to alter or vary the terms and conditions relating to the payment of remuneration to her as well as designation and job profile and as further agreed between the Board of Directors and Ms. Dipti Motiani, Sr. Vice President, Processed Foods, without any further reference to the members' of the Company in General Meeting."

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

Revision in Remuneration of Mrs. Priyanka Tandon, Vice President, Commercial w.e.f. 1st October, 2018:

"RESOLVED THAT pursuant to the provisions of Section 188 read with Regulation 23 of the SEBI (LODR) Regulations, 2015 and other applicable provisions, if any, of the Companies Act, 2013, the consent of the members of the Company, be and is hereby accorded for revision in the remuneration of Mrs. Priyanka Tandon, designated as Vice President, Commercial w.e.f. 1st October, 2018 upon the terms and conditions relating to remuneration as set out below:

1. Basic Salary: ₹5,00,000 p.m. with suitable increment as may be permitted from time to time.
2. Perquisite and allowance: Company's contribution to Provident Fund, Superannuation Fund and other benefits as per the Rules of the Company. Further, Gratuity is payable at the rate not exceeding half a month's salary for each completed year of service as per applicable Rules of the Company.
3. She will also be eligible for other allowances and benefits, amenities and facilities provided to other employees occupying the similar posts in the Company as per applicable Rules.
4. Other terms: If the works carried out by Ms. Priyanka Tandon is considered satisfactory to the Board and further helps to improve the administration and day to day working of the Company, then the Board of Directors are authorised to increase basic Salary and Perquisite payable to her accordingly. Provided however that the overall remuneration shall in no case exceed ₹8,50,000

per month at any time. Similarly, the Board is also competent to reduce the amount of remuneration payable to Ms. Priyanka Tandon based on her performance review from time to time. The Board is also competent to decide the tenure of such appointment from time to time and shall have power to review other terms and conditions of such appointment.

FURTHER RESOLVED THAT the Board of Directors of the Company, be and is hereby authorized to alter or vary the terms and conditions relating to the payment of remuneration to her as well as designation and job profile and as further agreed between the Board of Directors and Mrs. Priyanka Tandon, designated as Vice President Commercial without any further reference to the members' of the Company in General Meeting."

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

Re-appointment of Mrs. Nanita Motiani as Whole Time Director of the Company for 3 years w.e.f. 1st april, 2018:

"RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198 & 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 ("the Act")(including any statutory modification and re-enactment thereof) and Rules made thereunder and all applicable guidelines issued by the Central Government from time to time and subject to such other approvals, as may be necessary, consent of the Members be and is hereby accorded to the re-appointment of Mrs. Nanita Motiani (DIN: 00787809) as Whole Time Director of the Company for the period of three years w.e.f 1st April, 2018 on the following terms and conditions including remuneration with further liberty to the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall be deemed to include any Committee constituted / to be constituted by the Board) from time to time to alter the said terms and conditions of remuneration of Mrs. Nanita Motiani in the best interest of the Company and as may be permissible by law, viz.:

TERMS AND CONDITIONS

- I. Subject to the superintendence, direction and control of the Board of Directors of the Company, Mrs. Nanita Motiani, Whole Time Director of the Company shall be entrusted with day to day affairs of the Company and also such other duties and responsibilities as may be entrusted to her by the Board of Directors from time to time.
- II. The Whole Time Director shall be liable to retire by rotation subject to provisions of the Act
- III. The Whole Time Director shall be entitled to receive the remuneration and perquisites as stated below even in the event of inadequacy or absence of profit by the Company in any year.
- IV. The Whole Time Director shall be paid remuneration and perquisites as under:
 - (A) Salary :** A Salary of ₹4,00,000 per month with liberty to the Board to increase or decrease the salary within the limits laid down under Para A of Section II of Part II of Schedule V of the Companies Act of 2013.
 - (B) Bonus :** Discretionary bonus as may be decided by Nomination and Remuneration Committee/ Board of Directors, depending upon the performance of the appointee, working of the Company and other relevant factors subject to Maximum of ₹12 Lakhs p.a.
 - (C) Perquisites :** The Whole Time Director may be paid perquisites including but not limited to the following:
 - i. Contribution to the Provident Fund, Family Benefit Fund, Superannuation Fund as per rules of the Company.
 - ii. Gratuity not exceeding half a month salary of each completed year of service.
 - iii. Earned Privilege leave: As per Rules of Company including leave encashment
 - iv. The Company shall provide a Car for the Company's business and if no car is provided, re-imbursement of the conveyance shall be as per actual on the basis of claims made by her.
 - v. Free use of telephone at residence as well as use of mobile.

Provided however that the overall remuneration including all the perquisites shall not exceed the limits laid down under provisions of Para A of Section II of Part II of Schedule V of the Companies Act of 2013, even if the same is in excess of limits under Regulation 17(6)(e) of the SEBI (LODR) Regulations, 2015.

RESOLVED FURTHER THAT the extent and scope of salary and perquisites as specified in this resolution may be altered or varied by the Board of Directors in accordance with the relevant provisions of the Companies Act, 2013 for the payment of managerial remuneration in force during the tenure of the Whole Time Director without the matter being referred to the Company in General Meeting again.

RESOLVED FURTHER THAT any one of the Directors of the Company be and are hereby authorised to do all such acts, deeds, matters and things as may be necessary, desirable and expedient to give effect to this resolution."

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

Revision in terms of Appointment and Remuneration of Mr. Ashok Motiani, Managing Director of the Company w.e.f 1st October, 2018:

"**RESOLVED THAT** in supersession of the resolution passed at the 24th Annual General Meeting of the Company held on 29th September, 2016 and pursuant to the provisions of Section 197 read with Part I and Section I of Part II of Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification thereof) and on recommendation of the Nomination and Remuneration Committee, approval of the Company be and is hereby accorded for revision in the terms of appointment and remuneration of Mr. Ashok V Motiani, Managing Director of the Company, on the terms and conditions including remuneration as follows:

TERMS AND CONDITIONS

- I. Subject to the superintendence, direction and control of the Board of Directors of the Company, Mr. Ashok Motiani, Managing Director of the Company shall be entrusted with day to day affairs of the Company and also such other duties and responsibilities as may be entrusted to him by the Board of Directors from time to time.
- II. The appointment shall be effective w.e.f 1st October, 2018 to 30th September, 2021 on the remuneration mentioned below
- III. The Managing Director shall not be liable to retire by rotation subject to provisions of the Act
- IV. The Managing Director shall be entitled to receive the remuneration and perquisites as stated below even in the event of inadequacy or absence of profit by the Company in any year.
- V. The Managing Director shall be paid remuneration and perquisites as under:
 - (A) **Salary:** A Salary of ₹10,00,000 per month with liberty to the Board to increase or decrease the salary within the limits laid down under Para A of Section II of Part II of Schedule V of the Companies Act of 2013.
 - (B) **Commission:** Commission upto@ 2% of the net profit of the Company calculated as laid down in Section 198 of the Companies Act, 2013 as may be granted by the Board of Directors of the Company for each financial year.
 - (C) **Bonus:** Discretionary bonus as may be decided by Nomination and Remuneration Committee/ Board of Directors, depending upon the performance of the appointee, working of the Company and other relevant factors subject to Maximum of ₹24 Lakhs p.a.
 - (D) **Perquisites:** The Managing Director may be paid perquisites including but not limited to the following:
 - i. Contribution to the Provident Fund, Family Benefit Fund, Superannuation Fund as per Rules of the Company.
 - ii. Gratuity not exceeding half a month salary of each completed year of service.
 - iii. Earned Privilege leave: As per Rules of Company including leave encashment

- iv. The Company shall provide a Car for the Company's business and if no car is provided, re-imbursement of the conveyance shall be as per actual on the basis of claims made by him.
- v. Free use of telephone at residence as well as use of mobile.

Provided however that the overall remuneration including all the perquisites shall not exceed the limits laid down under provisions of Para A of Section II of Part II of Schedule V of the Companies Act 2013, even if the same is in excess of limits under Regulation 17(6)(e) of the SEBI (LODR) Regulations, 2015.

RESOLVED FURTHER THAT the extent and scope of salary and perquisites as specified in this resolution may be altered or varied by the Board of Directors in accordance with the relevant provisions of the Companies Act, 2013 for the payment of managerial remuneration in force during the tenure of the Managing Director without the matter being referred to the Company in General Meeting again.

RESOLVED FURTHER THAT any one of the Directors of the Company be and is hereby authorised to do all such acts, deeds, matters and things as may be necessary, desirable and expedient to give effect to this resolution."

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

Approval for Payment of Remuneration in Excess of Limits Prescribed Under Regulation 17(6)(E) of Sebi (LODR) Regulations, 2015:

"RESOLVED THAT pursuant to the provisions of Regulation 17(6)(e) of SEBI (LODR) Regulations, 2015 and in continuation of the resolutions passed at the General meetings for the appointment and payment of remuneration of Managing Director/s, Whole Time Director/s ("Executive Directors") under the provisions of Section 197 read with Part I and Section I of Part II of Schedule V and other applicable provisions, if any of the Companies Act, 2013 [including any statutory modification(s) or re-enactment thereof], the Company do hereby accords its approval to the payment of remuneration in excess of 2.5% of the Net Profit (computed in a manner laid down in Section 198 of the Companies Act, 2013) to each of its Executive Directors and also payment of remuneration in excess of 5% of the Net Profit to all its Executive Directors for each of the financial years from 2018-19 and onwards, provided the remuneration payable to each of the Executive Directors shall not exceed the individual permissible limits under the applicable provisions of the Companies Act, 2013 and as approved by the members of the Company in General meeting, at the time of approving their current tenure of appointment and remuneration.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things as in its absolute discretion it may consider necessary, expedient or desirable to give effect to the above Resolutions."

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

Adoption of New Set of Articles of Association:

"RESOLVED THAT pursuant to the provisions of Section 5 and 14 and all other applicable provisions, if any of the Companies Act, 2013 read with The Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment thereof), consent of the Company, be and is hereby accorded to adopt the new set of Articles of Association of the Company, as placed before this meeting and available for inspection at the registered office of the Company, in substitution for, and the entire exclusion of, the existing Articles of Association of the Company.

RESOLVED FURTHER THAT any one of the Directors and/or the Company Secretary of the Company, be and is hereby severally authorised to do all such acts, deeds, matters and things as may be necessary to give effect to this Resolution."

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

Approval of 'Freshtrop Employee Stock Option Plan 2018':

"RESOLVED THAT pursuant to the provisions of Section 62(1)(b) and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder and also the provisions of Regulation 6 of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and relevant provisions of Circular No. CIR/CFD/POLICY CELL/2/2015 dated June 16, 2015 issued by the Securities and Exchange Board of India (collectively referred to as "SEBI SBEB Regulations"), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and also the relevant provisions of the Memorandum and Articles of Association of the Company and further subject to such other approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications, as may be prescribed or imposed while granting such approvals, permissions and sanctions, the consent of the members' of the Company, be and are hereby accorded to the introduction and implementation of 'Freshtrop Employee Stock Option Plan 2018' ("ESOP 2018"/ "Plan") authorizing the Board of Directors of the Company(hereinafter referred to as the "Board" which term shall be deemed to include any Committee, including the Nomination and Remuneration Committee which the Board has constituted to exercise its powers, including the powers, conferred by this resolution and under Regulation 5 of the SEBI SBEB Regulations to create, and to grant from time to time, in one or more tranches, not exceeding 250,000 (Two Lakhs Fifty Thousand) employee stock options to or for the benefit of such person(s), who are in permanent employment of the Company within the meaning of ESOP 2018, including any director, whether whole time or otherwise (other than Promoters of the Company, Independent Directors and Directors holding directly or indirectly more than 10% of the outstanding equity shares of the Company), as may be decided under ESOP 2018, exercisable into not more than 250,000 (Two Lakhs Fifty Thousand) equity shares of face value of ₹10 (Rupees Ten) each fully paid-up, where one employee stock option would convert in to one equity share upon exercise, on such terms and in such manner as the Board / Committee may decide in accordance with the provisions of the applicable laws and the provisions of ESOP 2018.

RESOLVED FURTHER THAT the equity shares so issued and allotted as mentioned hereinbefore shall rank *pari passu* with the then existing equity shares of the Company.

RESOLVED FURTHER THAT in case of any corporate action(s) such as rights issues, bonus issues, merger and sale of division and others, if any additional equity shares are issued by the Company to the option grantees for the purpose of making a fair and reasonable adjustment to the employee stock options granted earlier, the ceiling in terms specified above shall be deemed to be increased to the extent of such additional equity shares issued.

RESOLVED FURTHER THAT in case the equity shares of the Company are either sub-divided or consolidated, then the number of shares to be allotted and the price of acquisition payable by the option grantees under the ESOP 2018 shall automatically stand reduced or augmented, as the case may be, in the same proportion as the face value per equity share shall bear to the revised face value of the equity shares of the Company after such sub-division or consolidation, without affecting any other rights or obligations of the said grantees.

RESOLVED FURTHER THAT the Board, be and is hereby authorised to take requisite steps for listing of the equity shares allotted under ESOP 2018 on the stock exchanges where the equity shares of the Company are listed in due compliance with SEBI SBEB Regulations and other applicable laws.

RESOLVED FURTHER THAT the Company shall conform to the accounting policies prescribed from time to time under the SEBI SBEB Regulations and any other applicable laws and regulations to the extent relevant and applicable to the ESOP 2018.

RESOLVED FURTHER THAT the Board, be and is hereby authorized at any time to modify, change, vary, alter, amend, suspend or terminate the ESOP 2018 subject to the compliance with the applicable laws and regulations and to do all such acts, deeds, matters and things as it may deem fit at its absolute discretion, for such purpose and also to settle any issues, questions, difficulties or doubts that may arise in this regard without being required to seek any further consent or approval of the Members and further to execute all such documents, writings and to give such directions and or instructions as may be