APEX FROZEN FOODS LTD.

3 -160, Panasapadu, Kakinada 533 005
Andhra Pradesh . India
off +91 884 2383902 - 4 (3 lines)
fax +91 884 2383905 - 6
kkd@apexfrozenfoods.com
CIN: L15490AP2012PLC080067

Date: 28th August, 2019

To
The General Manager,
Department of Corporate Services,
Bombay Stock Exchange Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai- 400001.
Scrip Code : 540692

To
The General Manager,
Listing Department,
National Stock Exchange of India Limited
Exchange Plaza, Plot No C/1, G Block,
Bandra Kurla Complex,
Bankdra (East), Mumbai - 400 051.
Scrip Symbol : APEX

Dear Sir's,

Sub: Submission of Notice of 7th Annual General Meeting to be held on 19th September, 2019 & Annual Report of Apex Frozen Foods Limited for FY 2018-19-Reg.

Ref: Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015-Reg.

***

Pursuant to Regulation 34 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), we are herewith submitting the 7th Annual Report of the Company along with the Notice of Annual General Meeting for the Financial Year 2018- 19, which is being dispatched/sent to the members by permitted modes.

The 7th Annual General Meeting ("AGM") of the Company will be held on Thursday, 19th day of September 2019 at 4.00 P.M at Paradigm Sarovar Portico, D.No.20-1-60, Near Tirumala Theatre, Subash Road , Kakinada-533001, East Godavari District, Andhra Pradesh.

Kindly take the above information on record.

Thanking you,

For **Apex Frozen Foods Limited**

S.Sarojini
Company Secretary & Compliance officer

Encl: a/a

7TH ANNUAL REPORT 2018-19

APEX FROZEN FOODS LTD





Index

1.Company Overview and Corporate Information	04
2. Directors' Report	14
3. MGT-9	24
4. Report on Corporate Governance	36
5. Secretarial Audit Report	53
6. Annual Report on CSR Activities	56
7. Management Discussion and Analysis Report	60
8. Independent Auditor's Report	67
9. Balance Sheet	74
10. Statement of Profit And Loss	76
11. Cash Flow Statement	80
12. Notes to Financial Statements & Schedules	82
13. Notice	104
14. Attendance slip & proxy form	117



Company overview

Commenced business operations in 1995, Apex Frozen Foods is one of the leading Producers and Exporters of processed, ready-to-cook, shrimp in India.

Over the years, the Company has developed an integrated chain of operations with presence across the verticals - Hatchery, Farming, Processing and Exporting of shrimp. The existing facilities include 15,240 MTPA (owned + leased) of Processing capacity, close to 1,800 acres of Farm-land and combined Breeding capacity of 1.2-1.4 billion specific pathogen free (SPF) seeds.

The Company supplies processed shrimp to a diversified customer base consisting of Food Companies, Retail Chains, Restaurants, Club Stores and Distributors which are spread across the key consumption markets of the USA and European Union.

Our output majorly comprises of variants of processed White-leg shrimp (L.Vannamei) and Black Tiger shrimp (P. Monodon) in frozen form. These are mostly sold under the brands owned by our customers and some through our brands namely Bay Fresh, Bay Harvest and Bay Premium.



Our products and processes comply with stringent quality standards set by the developed markets we serve.

Products

Ready-to-Cook

- Head On, Whole Shrimp
- Headless, Shell-on, Shrimp
- Easy Peel Shrimp
- Peeled, Deveined, Tail-on Shrimp
- Peeled Un-deveined, Tail-on Shrimp
- Peeled, Deveined, Tail-off Shrimp
- Peeled, Un-deveined Shrimp
- Peeled, Vein Peeled and Deveined Shrimp
- Butterfly Shrimp
- Skewered Shrimp

To foray into value-added Ready-to-Eat products with the onset of the new Processing Unit

Capacities across the value chain

Hatchery
Total breeding capacity of close to 1.2-1.4 bn SPF seeds

Farming
Total of ~1,800 acres of farm land

Processing
Total capacity of 15,240 MTPA (owned + leased)

Packaging
As per customer requirement and their brand specifications

Logistics
1,500 MT of cold storage capacity; own reefer fleet for transportation

Geared Up For Growth



The construction of the new state-of-the-art facility for shrimp processing at Ragampeta in Andhra Pradesh has been completed and is ready for trial production. The plant will have an installed capacity of 20,000 MTPA, of which 5,000 MTPA would be towards value-added Ready-to-Eat products.

Also, commercialised two new hatcheries in the last fiscal, one at Srikakulam district in North Eastern region of AP and the other one at Ongole in Southern part of AP. The Company's total breeding capacity now stands at around 1.2 to 1.4 billion SPF seeds.

The capex incurred towards the new Processing Unit and two new Hatcheries stood at around Rs 108 crore and Rs 30 crore, respectively.



Key Milestones in Our Journey So Far



1995

- Commenced business operations as a partnership firm named "Apex Exports".



2004

- Set up our own processing facility at Kakinada.
- Started exports to USA.



2006

- Started exports to EU.
- Expanded pre-processing at Kakinada for Value Added Products (VAP.)



2007-12

- Received certifications from multiple agencies on processes & quality.
- Awarded as a star export house by DGFT.
- Converted into a Pvt. Ltd. Co. named Apex Frozen Foods Pvt. Ltd.



2013-14

- Started in-house shrimp farming.
- Initiated hatchery operations Enhanced processing capacity.



2015-17

- Set up a pre-processing unit at Tallarevu to enhance production of Value Added Products (VAP).
- Farming of shrimp in over 1,500 acres of land.
- IPO and Listing on BSE and NSE in Sep-17

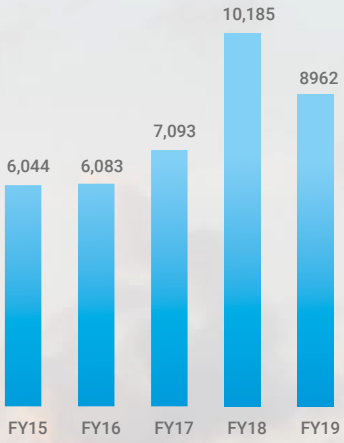


2018-19

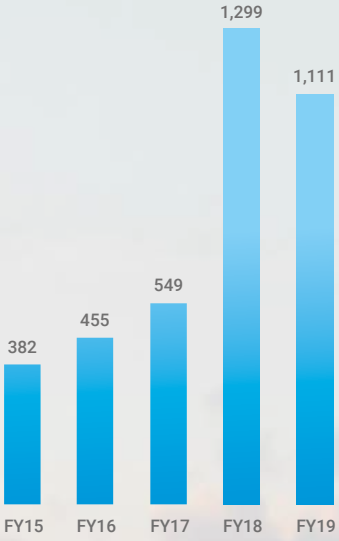
- Added two new Hatcheries in Andhra Pradesh
- Constructed a new Processing Plant in Andhra Pradesh with an installed capacity of 20,000 MTPA
- The plant is expected to be operational in the current fiscal

Key performance indicators

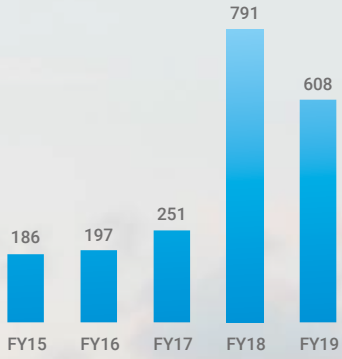
Total income (Rs mn)



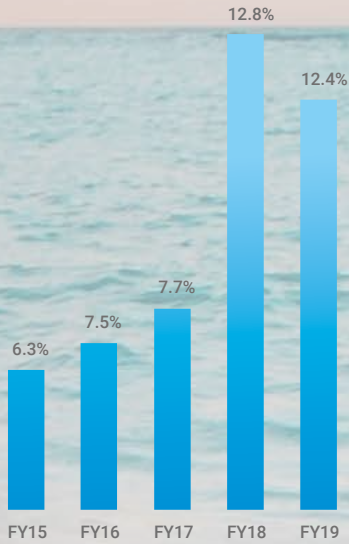
EBITDA (Rs mn)



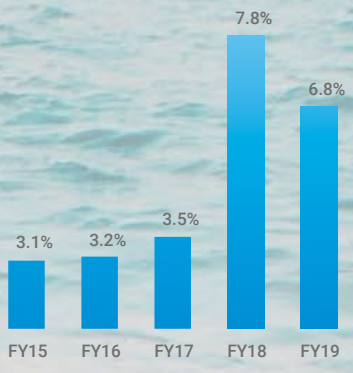
PAT (Rs mn)



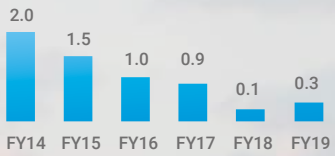
EBITDA Margin (%)



PAT Margin (%)



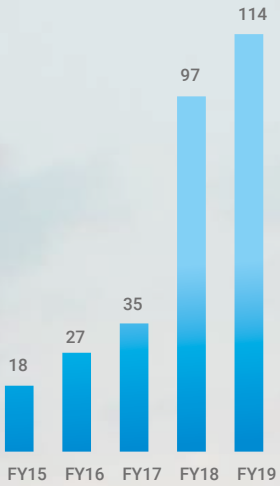
Net Debt to Equity (X)



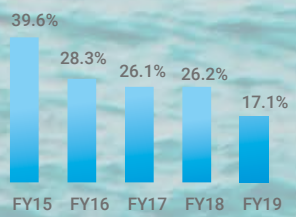
Working capital days (Rs/share)



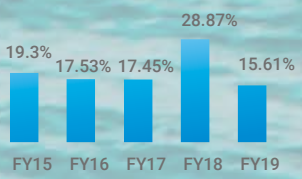
DIluted Book value (Rs/share)



Return on Net Worth (%)



Return on Capital Employed (%)



From the Chairman's desk





Chairman and Managing Director

Dear Shareholders,

It gives me great pleasure to connect with you all and share the key events of the past fiscal – both in terms of the Aquaculture Industry and your Company. I am happy to state that despite it being a challenging year, your Company has delivered a healthy performance and emerged as a robust business model.

Industry Trends & Outlook

While FY18 began on an exceptionally positive note, the last fiscal, that is, FY19, faced demand contraction on account of extended winters for two consecutive years and inventory pile up in some of the key consumption markets. This, coupled with overproduction in supplier markets like India, led to a correction in shrimp prices which began from January 2018 and continued for most part of CY18. On an average, the price correction has been to the extent of 15-18% y-o-y in fiscal 2019. Consequently, the lower prices dampened shrimp production in India which is estimated to remain flat y-o-y in fiscal 2019.

While, a balanced demand-supply situation is desirable for prices to remain stable, the sudden withdrawal by primary producers last year, led to a mis-match in certain sizes of shrimp

that were in demand; thereby causing order fulfilment times for some orders to get drawn out. However, with shrimp production anticipated to be lower and balanced (in terms of sizes) this fiscal, we expect the situation to correct in the near future.

Building an Integrated Business Model

In-line with our emphasis on building a fully Integrated Business Model, the past couple of years have been focused on Backward Integration when we increased our Farming activity to ~1,800 acres and added new Hatcheries. Having done that, in the last fiscal, FY19, the focus was more on enhancing our Pre-processing & Processing capacities and additional Product Lines as a measure of Forward Integration. Although there has been a construction related delay in completion of the new Processing plant, I am happy to state that presently, our readiness for trial production is in advanced stages.

The new plant which is expected to be operational in the current fiscal, will have an installed processing capacity of 20,000 MTPA, of which, 5,000 MTPA would be towards a new category of products called the 'Ready-To-Eat'.

We also added two new Hatcheries in FY19 which brings the cumulative breeding capacity to 1.2 to 1.4 billion SPF seeds.

With our expansion plans now in place, we aim to capitalize on our integration efforts in the current fiscal. We believe this would improve the product offering to our customers as well as profitability of our business.

The Road Ahead:

Our key focus areas in the current fiscal would be the following:

With our expansion plans now in place, we aim to capitalize on our integration efforts in the current fiscal. We believe this would improve the product offering to our customers as well as profitability of our business

- Operationalize the new Processing plant and enhance its utilization
- Focus on increasing sales of Ready-to-Eat products and the Value Aadded Products within the Ready-To-Cook category like Seasoned shrimp, Marinated shrimp, Vacuum-packed and such others
- Last fiscal we added higher business from the end-use Retail customers and aim to improve the mix further
- Foray into newer markets like China and the Middle East while continuing business with existing markets of the USA and European nations

Lastly, I would like to thank all our employees, customers, shrimp farmers and stakeholders for their support and faith in us. We promise to strengthen our endeavor for delivering robust performance year-on-year.



Corporate information





Board of Directors

Mr. K. Satyanarayana Murthy	Chairman & Managing Director
Mr. K. Subrahmanya Chowdary	Executive Director
Mrs. K. Neelima Devi	Whole time Director
Mr. D. Chandra Sekhar Raju	Independent Director
Mr. D. Venkata Subba Raju	Independent Director
Mr. M. Lakshmipathi Raju	Independent Director

Chief Financial Officer

Mr. Ch. Vijay Kumar

Company Secretary & Compliance Officer

Mrs. S. Sarojini

Registered office

Apex Frozen Foods Limited

3-160, Panasapadu, Kakinada,
East Godavari District,
Andhra Pradesh -533005.
Ph: 0884 – 2383902/3/4
Email Id : info@apexfrozenfoods.com
Web site : www.apexfrozenfoods.in
CIN: L15490AP2012PLC080067

Statutory Auditors

M/s. Boda Ramam & Co.
Chartered Accountants
2-18-24/1, Madhav Nagar,
Kakinada - 533003,
Andhra Pradesh

Internal Auditors

M/s Praturi & Sriram
Chartered Accountants,
3-6-220, Street No. 15,
Himayatnagar, Hyderabad -500029

Secretarial Auditors

A.S.Ramkumar & Associates
Company Secretaries,
Suit No 107, 1st Floor,
Down Town Mall ,#. 6-2-27, 27A &28
Adj to Lotus Hospital,
Lakadi Ka Pul, Hyderabad-500004

Audit Committee

Mr. D Venkata Subba Raju	Chairman
Mr. M. Lakshmipathi Raju	Member
Mr. K Subrahmanya Chowdary	Member

Nomination and Remuneration Committee

Mr. D. Chandra Sekhar Raju	Chairman
Mr. M. Lakshmipathi Raju	Member
Mr. D. Venkata Subba Raju	Member

Stakeholders' Relationship Committee

Mr. M. Lakshmi Pathi Raju	Chairman
Mrs. Karuturi Neelima Devi	Member
Mr. K. Subrahmanya Chowdary	Member

Share transfer agents

Bigshare Services Pvt. Ltd
Hyderabad Branch: 306, Right Wing, 3rd Floor, Amrutha Ville,Opp.Yashoda Hospita, Somajiguda,Rajbhavan Road,
Hyderabad - 500082

Bankers

1.Bank of India

Kakinada Branch,
27-4-4, Jawahar Street,
Temple Street, Kakinada

2.HDFC Bank

Kakinada Branch,
11-1-7, Meenakshi Manor, Rama Rao Pet,
3rd line, Prakasam Street, Kakinada

Directors' Report





Director's Report

To
The Members,

Your Directors have pleasure in presenting the 7th Annual Report together with the Audited Financial Statements for the Financial Year ended 31st March, 2019.

Financial Results

The performance of the Company for the financial year ended 31st March, 2019, is summarized below:

(Rs. in lakhs)

Particulars	2018-19	2017-18
Revenue from Operations	87,471.05	99,863.40
Other income	2,146.23	1,987.43
Profit Before Interest, Depreciation & Tax (EBITDA)	11,108.52	12,848.62
Interest	654.92	869.96
Depreciation	1,086.45	865.24
Profit before Tax	9,367.15	11,255.33
Current Tax	3,260.66	4,331.86
Deferred Tax	26.89	(986.58)
Total Tax Expenses	3,287.55	3,345.28
Net Profit for the period after tax	6,079.60	7,910.05
Earnings per share	19.45	28.02







Overview of financial performance

During the year under review, your company reported total income including net revenue and other income at Rs.896.2 Crores as against Rs.1018.5 Crores in the previous year.

At the EBITDA level, the company reported a profit of Rs.111.1 Crores for the current year as compared with Rs.129.9 Crores in the previous year. Profit after tax for the current year stood at Rs.60.8 Crores as compared with Rs.79.1 Crores in the previous year.

Dividend

The Board has recommended a dividend of ₹ 2.00/- per Equity Share of ₹ 10.00/- each (20% of face value) for the year ended March 31, 2019. This payment is subject to your approval at the ensuing Annual General Meeting of the Company.

Transfer of unclaimed dividend to investor education and protection fund

There are no amounts due to be credited to Investor Education and Protection Fund in accordance with Section 125 of the Companies Act, 2013, as at the year end.

Material changes and commitments

There were no material changes and commitments affecting the financial position of the Company that have occurred between the end of the Financial Year 2018-19 of the Company and the date of the report.

Transfer to reserves

During the year under review, no amount has transferred to General Reserve.

Fixed deposits

Your Company has not accepted any fixed deposits and as such no principal or interest was outstanding as on the date of the Balance sheet.

Share capital

The Authorised Share Capital of the Company as on date of Balance Sheet is ₹ 36,00,00,000/- divided into ₹ 3,60,00,000 equity shares of ₹ 10/- each.

The paid up share capital of the company as on date of balance sheet is ₹ 31,25,00,000/- divided into ₹ 3,12,50,000 equity shares of ₹ 10/- each.

(a) Status of the utilization of the IPO Proceeds

Status of the utilization of the Proceeds of the IPO up to 31st March 2019 as under:-

Particulars	Amount (Rs. in Lakhs)	Amount (Rs. in Lakhs)
Net Proceeds from IPO (A)		**12687.50**
Funds actually utilised up to 31st March 2019		
1. Public Issue Expenses	923.46	
2. Shrimp Processing Unit at G. Ragampeta – Land Investment	747.40	
3. Shrimp Processing Unit at G. Ragampeta-Further Capital Expenditure	8329.69	
4. Funds Utilised for General Corporate Purpose	2686.96	
Total (B)		**12687.50**
Fund unutilised as at 31st March 2019 (C)= (A)-B)		**NIL**

(b) Change in the capital structure of the Company
There was no change in the capital structure of the company

(c) Status of Shares
As the members are aware, the Company's shares are compulsorily tradable in electronic form. As on March 31, 2019, 99.99% of the Company's total paid up capital representing 3,12,49,990 shares are in dematerialized form.

(d) Other shares
Your Company has not issued any equity shares with differential rights, Sweat equity shares, Employee stock options and did not purchase its own shares. Hence there is no information to be provided as required under Rule 4(4), Rule 8(13), Rule 12(9) and Rule 16(4) of the Companies (Share Capital and Debentures) Rules, 2014 and Section 62 of the companies Act 2013 respectively.

Details of appointment of Directors and Key Managerial Personnel (KMP):

- During the year under review, there was no change in the composition of Board.
- In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company, Mrs. Karuturi Neelima Devi (DIN 06765515), Whole time Director of the Company, will retire by rotation at the ensuing Annual General Meeting and being eligible, has offered herself for re-appointment. The Board recommends her re-appointment.
- Mr. K Satyanarayana Murthy (DIN:05107525), term as Managing Director will end owing to efflux of time from close of business 30.11.2019. It is proposed to renew his term for another period of three years and an appropriate Special Resolution, to this effect is being proposed at the forthcoming Annual General Meeting ("AGM"). His brief profile is set out in the Notice of AGM.
- Mr. K. Subrahmanya Chowdary (DIN:03619259), term as Executive Director will end owing to efflux of time from close of business 30.11.2019. It is proposed to renew his term for another period of three years and an appropriate Special Resolution, to this effect is being proposed at the forthcoming Annual General Meeting ("AGM"). His brief profile is set out in the Notice of AGM.
- Mrs. K. Neelima devi (DIN:06765515), term as Whole Time Director will end owing to efflux of time from close of business 30.11.2019. It is proposed to renew her term for another period of three year and an appropriate Special Resolution, to this effect is being proposed at the forthcoming Annual General Meeting ("AGM"). Her brief profile is set out in the Notice of AGM.

Board Meetings:

The Board met Five (5) times during the financial year. The meeting details are provided in the corporate governance report that forms part of this Annual Report. The maximum interval between any two meetings did not exceed 120 days, as prescribed in the Companies Act, 2013.

Committees of the Board

Audit Committee

The Audit Committee was constituted pursuant to the Board meeting held on 27.01.2017 and reconstituted on 12.11.2018, 27.03.2019. The scope and function of the Audit Committee is in accordance with Section 177 of the Companies Act, 2013. The members of the Audit Committee as on 31.03.2019 are:

- Mr. D. Venkata Subba Raju - Chairman
- Mr. M. Lakshmi Pathiraju - Member
- Mr. K.Subramanya Chowdary - Member

None of the recommendations made by the Audit Committee were rejected by the Board. During the year under review, the Audit Committee was met 4 times. The details of the Committees of the Board viz., Audit Committee, Nomination and Remuneration Committee, CSR Committee and Stakeholders Relationship Committee are reported in the Report on Corporate Governance, which forms part of the Board's Report.

Meeting of Independent Directors

The details of the separate meeting of the Independent Directors are reported in the Report on Corporate Governance, which forms part of the Board's Report.

Statement on declaration given by Independent Directors under sub-section (6) of section 149

The Independent Directors have submitted their disclosures to the Board that they fulfil all the requirements as stipulated in Section 149 of the Companies Act, 2013, so as to qualify themselves to be appointed as Independent Directors under the provisions of the Companies Act, 2013 and the relevant rules.

Familiarization programme for Independent Directors

All new Independent Directors (IDs) inducted into the Board are presented with an overview of the Company's business operations, products, organization structures and about the Board constitution and its procedures. A policy on familiarization program for IDs has also been adopted by the Company. Policy for familiarisation of Independent Directors is available at **www.apexfrozenfoods.in.**

Annual evaluation of Board performance and Performance of its Committees and of Directors

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit and other Committees.

A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance.

A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgments, safeguarding the interest of the Company and its minority shareholders etc. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Directors who also reviewed the performance of the Secretarial Department. The Directors expressed their satisfaction with the evaluation process.

Policy on Director's and Key Managerial Personnel Appointment & Remuneration:

Your company adopted the policy on Director's Appointment & Remuneration. The objective of the policy is to ensure that Executive Directors and other employees are sufficiently compensated for their performance. The Policy seeks to provide criteria for determining qualifications, positive attributes, and independence of a director and also recommend a policy relating to the remuneration for the directors and key managerial personnel. Policy is available at **www.apexfrozenfoods.in.**

Vigil Mechanism / Whistle Blower Policy

The Company has a Whistle Blower Policy framed to deal with instance of fraud and mismanagement, if any. The details of the Policy are explained in the Corporate Governance Report and also posted on the website of the Company and is available at **www.apexfrozenfoods.in.**

Risk Management Policy

Risk management is embedded in your Company's operating framework. Your Company believes that managing risks helps in maximizing returns. The Company's approach to addressing business risks is comprehensive and includes periodic review of such risks and a framework for mitigating risks and reporting mechanism of such risks. The risk management framework is reviewed periodically by the Board and the Audit Committee.

In terms of the requirement of Section 134(3)(n) of the Companies Act, 2013, the Company has developed and implemented the Risk Management Policy. The details of the Policy is available on the Company's website www.apexfrozenfoods.in

Related party transactions

There are no transactions with related parties except remuneration to Key Managerial Persons as mentioned in notes to accounts, which fall under the scope of section 188(1) of the Companies Act, 2013.
The policy on Related Party Transactions as approved by the Board is uploaded on the website of the Company at **www.apexfrozenfoods.in**

Particulars of loans, guarantees or investments made under section 186 of the companies act, 2013

There were no loans, guarantees or investments made by the Company under Section 186 of the Companies Act, 2013, during the year under review and hence the said provision are not applicable.

Directors' Responsibility Statement

Pursuant to Section 134 (5) of the Companies Act, 2013, your directors confirm that to the best of their knowledge and belief and according to the information and explanation obtained by them,

1. In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
2. Such accounting policies as mentioned in the notes to the financial statements have been selected and applied consistently and judgments and estimates that are reasonable and prudent made so as to give a true and fair view of the state of affairs of the company at the end of the financial year 2018-19 and of the profit or loss of the Company for that period;
3. Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. The annual accounts for the year 2018-19 have been prepared on a going concern basis.
5. That proper internal financial controls were in place and that the financial controls were adequate and were operating effectively.
6. That systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

Information about Subsidiary / Joint Ventures / Associate Companies

Your Company don't have any subsidiary or Joint Ventures or Associate Company. It is not a subsidiary or Joint Venture or Associate to any other Company.

Extract of Annual Return

Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014, the details forming part of the extract of the Annual Return in form MGT 9 is annexed herewith as 'Annexure - I' to this report.

Secretarial Standards

The Company has complied with Secretarial Standards formulated by the Institute of Company Secretaries of India and notified by the Central Government for implementation.

Corporate Governance Report:

Your company's philosophy on Corporate Governance sets the goal of achieving the highest level of transparency with integrity in all its dealings with its stakeholders including shareholders, employees, lenders and others. A report on Corporate Governance along with a Certificate from M/s A.S.RamKumar & Associates, company secretaries regarding the Compliance of Conditions of Corporate

Governance as stipulated under SEBI (LODR) Regulations forms part of the Annual Reportas 'Annexure – II'.

Auditors

a) Statutory Suditors

M/s. BodaRamam& Co., Chartered Accountants, Kakinada, (Firm Reg No. 005383S), Statutory Auditors of the Company retire at the conclusion of the ensuing Annual General Meeting and are eligible for re-appointment pursuant to Section 139(1) of the Companies Act, 2013.

The Board recommends the appointment of M/s. Boda Ramam & Co., Chartered Accountants, Kakinada, (Firm Reg No. 005383S), as Statutory Auditors of the Company to hold the office for a block of 3 years from the conclusion of this Annual General Meeting till the conclusion of 10th Annual General Meeting.

b) Internal Auditors

The Board of Directors at their meeting held on 28.05.2018, have appointed M/s Praturi & Sriram, Chartered Accountants, Hyderabad, as the Internal Auditors of your company. The Internal Auditors had submitted their reports.

c) Secretarial Auditors

The Board has appointed M/s. A.S Ram Kumar and Associates, Company Secretaries in Practice, to carry the Secretarial Audit under the provisions of section 204 of the Companies Act, 2013 for the financial year 2018-19. The Report of the Secretarial Auditor is annexed to this report as Annexure -VI

Explanation to Secretarial Auditor's observation:

Extract of observation:

Delay in submission of Monitoring agency Reports for the quarter ended 30.06.2018, 30.09.2018, 31.12.2018 as required under Regulation 16 of SEBI (Issue Of Capital And Disclosure Requirements) Regulations, 2009;
Delay in submission of Statement of deviation(s) or variation(s) for quarter ended 31.03.2018 as required under Regulation 32 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015;

Explanation:

Submission of monitoring agency reports got delayed, due to delay in getting the reports from monitoring agency. Delay in submission of statement of Deviation/ variation on utilization of IPO proceeds was unintentional, inadvertent and without any malafide intention and we undertakes to comply in time henceforth.

Auditors Report

The observations made in the Auditors' Report are self explanatory and therefore, don't call for any further comments u/s 134 of the Companies Act, 2013.

Comments on Auditor Report

There are no adverse comments by the Auditor in the Audit Report and hence comments by Board of Directors of the Company on Auditor Report are not required.

Disclosure under Sexual Harassment of Women at Workplace

The Company has in place the requisite Internal Committee and Anti-Sexual Harassment Policy as envisaged under the Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013.
No complaints on the issues covered by the above Act were received during the year.

Corporate Social Responsibility (CSR)

The Annual Report on CSR activities in terms of the requirements of Companies (Corporate Social Responsibility Policy) Rules, 2014 is annexed as Annexure - VII which forms part of this Report.

The Company has a Corporate Social Responsibility Policy and the same has been posted on the website of the Company at

www.apexfrozenfoods.in .

Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo

Conservation of energy:

I. The steps taken or impact on conservation of energy:

a. Voltage frequency drives have been installed in machinery there by 20% power saving has been done.

b. Lighting in the processing unit and cold storage have been changed to LED from tube lights.

II. The steps taken by the company for utilizing alternate sources of energy: Solar water heaters have been installed in place of electrical heaters. Solar security fencing has been done in place of electrical fencing.

III. The capital investment on energy conservation equipments; NIL

Technology absorption: NOT APPLICABLE

Foreign Exchange Earnings and Outgo:

(Rs. in Lakhs)

Particulars	Year ended 31.03.2019	Year ended 31.03.2018
Earnings in Foreign Exchange	74655.89	91,439.80
Foreign Exchange Outgo	6096.76	3,669.62

Particulars of Employees

The information required under Section 197 of the Act and the Rules made thereunder, in respect of employees of the Company has been disclosed in 'Annexure -VIII'.

Management Discussion and Analysis Report

The Management Discussion and Analysis Report as required by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is incorporated herein by reference and forms an integral part of this report as Annexure – IX.

Internal Control Systems & their Adequacy

The Board has adopted policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records, and timely preparation of reliable financial disclosures.

Maintenance of Cost Records

The maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the business activities carried on by the Company.

Significant and material orders passed by the regulators or courts

There are no significant or material orders passed by the Regulators / Courts which would impact the going concern status of the Company and its future operations.

Human resources

Your Company considers its Human Resources as the key to achieve its objectives. Keeping this in view, your Company takes utmost care to attract and retain quality employees. The employees are sufficiently empowered and such work environment propels them to achieve higher levels of performance. The unflinching commitment of the employees is the driving force behind the Company's vision. Your Company appreciates the spirit of its dedicated employees.

Appreciation

The Board wishes to gratefully acknowledge the understanding and support received by the Company from its employees customers suppliers. It wishes also to thank the banking system, the Central Government, the various State Governments and the local authorities for the unstinted support received during the year.

This Report will be incomplete without a specific appreciation for the Members of the Company who have shown immense confidence and understanding in the Company's well being.

On Behalf of the Board
For Apex Frozen Foods Limited

Place: Panasapadu, Kakinada
Date: 13.08.2019

Sd/-
K Subrahmanya Chowdary
Whole Time Director
DIN 03619259

Sd/-
K Satyanarayana Murthy
Chairman & Managing Director
DIN 05107525





Annexure - I

Form No. MGT-9
Extract of Annual Return of
M/s. Apex Frozen Foods Limited

as on the financial year ended on 31.03.2019
[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. Registration and details		
i)	CIN	L15490AP2012PLC080067
ii)	Registration Date	30/03/2012
iii)	Name of the Company	**APEX FROZEN FOODS LIMITED**
iv)	Category / Sub-Category of the Company	Limited by shares, Indian Non Government Company
v)	Address of the registered Office and Contact Details	3-160, Panasapadu, Kakinada, East Godavari – 533005, Andhra Pradesh Phone: 0884-2383902/3/4, Email id:info@apexfrozenfoods.com Website: www.apexfrozenfoods.in
vi)	Whether listed company	Yes, Listed on Bombay Stock Exchange Limited (BSE) and National Stock Exchange of India Ltd(NSE)
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	**Bigshare Services Private Limited** Main Branch:1st Floor, Bharat Tin Works Building Opp. Vasant Oasis, Makwana Road, Marol, Andheri East, Mumbai- 400059 Tel: 0-22- 6263 8200 Hyderabad Branch: 306, Right Wing, 3rd Floor, Amrutha Ville, Opp.Yashoda Hospital, Somajiguda, Rajbhavan Road, Hyderabad – 500082, Ph: 040- 40144582

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:-

Sl. No.	Name and description of main products / services	NIC code of the product/ service	% to total turnover of the company
1.	Processing and preserving of fish, crustaceans and molluscs and products thereof	1020	100%

III. Particulars of Holding Subsidary and Associate Companies					
Sl. No.	**Name and address of the company**	**CIN/GLN**	**Holding/Sub-sidary/Associate**	**% of shares held**	**Applicable Section**
			NIL		

IV. Share holding pattern (Equity share capital breakup as percentage of total equity)

(i) Category-wise share holding

Category of shareholders	No. of shares held at the beginning of the year				No. of shares held at the end of the year				% change during the year
	Demat	Physi-cal	Total Shares	% of Total Shares	Demat	Physical	Total Shares	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	22,654,232	-	22,654,232	72.49	22,684,174	-	22,684,174	72.59	0.10
b) Central Govt	-	-	-	-	-	-	-	-	-
State Govt(s)	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Financial Insti-tutions / Banks	-	-	-	-	-	-	-	-	-
e) Any Others (Specify)	-	-	-	-	-	-	-	-	-
(i) Group Companies	-	-	-	-	-	-	-	-	-
(ii) Trusts	-	-	-	-	-	-	-	-	-
(iii) Directors Relatives	-	-	-	-	-	-	-	-	-
Sub Total (A)(1) :	22,654,232	-	22,654,232	72.49	22,684,174	-	22,684,174	72.59	0.10
Foreign									
(a) Bodies Corporate	-	-	-	-	-	-	-	-	-
(b) Individual	-	-	-	-	-	-	-	-	-
(c) Institutions	-	-	-	-	-	-	-	-	-
(d) Qualified Foreign Investor	-	-	-	-	-	-	-	-	-
(e) Any Others (Specify)	-	-	-	-	-	-	-	-	-
Sub Total (A)(2) :	-	-	-	-	-	-	-	-	-
Total holding for promoters (A)=(A)(1) + (A)(2)	22,654,232	-	22,654,232	72.49	22,684,174	-	22,684,174	72.59	0.10

IV. Share holding pattern (Equity share capital breakup as percentage of total equity)

(i) Category-wise share holding									
Category of shareholders	No. of shares held at the beginning of the year				No. of shares held at the end of the year				% change during the year
	Demat	Physi-cal	Total Shares	% of Total Shares	Demat	Physical	Total Shares	% of Total Shares	
(B) Public shareholding									
Institutions									
a) Central Govt State Govt(s)	-	-	-	-	-	-	-	-	-
b) Financial Insti-tutions / Banks	-	-	-	-	29,263	-	29,263	0.09	0.09
C) Mutual Funds / UTI	1,662,820	-	1,662,820	5.32	2,565,676	-	2,565,676	8.21	2.89
d) Venture Capital Funds	-	-	-	-	-	-	-	-	-
e) Insurance	-	-	-	-	-	-	-	-	-
f) FII's	-	-	-	-	-	-	-	-	-
g) Foreign Venture Capital Investors	-	-	-	-	-	-	-	-	-
h) Qualified Foreign Investor	-	-	-	-	-	-	-	-	-
i) Any Others (Specify)	-	-	-	-	-	-	-	-	-
j) Foreign Portfolio Investor	139,810	-	139,810	0.45	10,357	-	10,357	0.03	(0.41)
k) Alternate In-vestment Fund									
Sub Total (B)(1) :	1,802,630	-	1,802,630	5.77	2,605,296	-	2,605,296	8.34	2.57

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	Physi-cal	Total	% of Total Shares	
2. Non-institutions									
a) Bodies Corp.	1,446,790	-	1,446,790	4.63	800,902	-	800,902	2.56	(2.07)
b) Individuals									
i) (Capital upto to Rs. 1 lakh)	4,028,864	10	4,028,874	12.89	4,007,841	10	4,007,851	12.83	(0.07)
ii) (Capital greater than Rs. 1 lakh)	831,094	-	831,094	2.66	690,657	-	690,657	2.21	(0.45)
c) Any Others (Specify)	0	0	0	0	0	0	0	0	0
(i) Trusts	15,620	-	15,620	0.05	1,000	-	1,000	0.00	(0.05)
(ii) Clearing Member	299,435	-	299,435	0.96	292,328	-	292,328	0.94	(0.02)
(iii) Non Resident Indians (NRI)	128,009	-	128,009	0.41	136,448	-	136,448	0.44	0.03
(iv) Directors Relatives	0	0	0	0.00	0	0	0	0.00	0
(v) Employee	43,316	-	43,316	0.14	31,344	-	31,344	0.10	(0.04)
(vi) Overseas Bodies Corpo-rates	0	0	0	0.00	0	0	0	0.00	0
(vii) Unclaimed	0	0	0	0.00	0	0	0	0.00	0
Suspense Ac-count	0	0	0	0.00	0	0	0	0.00	0
(viii) IEPF	0	0	0	0	0 0	0	0	0	0
(d) Qualified Foreign Investor	0	0	0	0	0	0		0	0
Sub-total (B)(2):- Total Public Shareholding	6,793,128	10	6,793,138	21.74	5,960,520	10	5,960,530	19.07	(2.66)
(B)=(B)(1) + (B) (2)	8,595,758	10	8,595,768	27.51	8,565,816	10	8,565,826	27.41	(0.10)

(i) 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	Physi-cal	Total Shares	% of Total Shares	Demat	Physical	Total Shares	% of Total Shares	
(C) Shares held by Custodians and against which Depository Receipts have been issued									
Shares held by custodians									
a) Shares held by custodians	-	-	-	-	-	-	-	-	-
(i) Promoter and Promoter Group	-	-	-	-	-	-	-	-	-
(ii) Public									
Sub total (c)(1) :	-	-	-	-	-	-	-	-	-
(C)=(C)(1	-	-	-	-	-	-	-	-	-
Grand Total (A) + (B) + (C)	31,249,990	10	31,250,000	100	31,249,990	10	31,250,000	100	-

ii) Share holding of promoters / Promoters Group

Sl. No.	Share holder's name	Share holding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
		No. of shares	% of total shares of the company	% of shares pledged/ encumbered to total shares	No. of shares	% of total shares of the company	% of shares pledged/ encumbered to total shares	
1	Karuturi Satyanarayana Murthy	89,18,779	28.54	-	89,18,779	28.54	-	-
2	Karuturi Subrahmanya Chowdary	96,04,000	30.73	-	96,33,942	30.83	-	0.10
3	Karuturi Padmavathi	40,54,853	12.98	-	40,54,853	12.98	-	-
4	S. Anitha Devi	24,000	0.08	-	24,000	0.08	-	-
5	Karuturi Neelima Devi	24,000	0.08	-	24,000	0.08	-	-
6	V Hanumantha Rao	28,600	0.09	-	28,600	0.09	-	-

(iii) Change in promoters / Promoters group share holding

Sl. No.	Particulars	Share holding at the beginning of the year		Cumulative share holding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	**Karuturi Satyanarayana Murthy**				
	At the beginning of the year	89,18,779	28.54	89,18,779	28.54
	Change in the shareholding pattern	-	-	89,18,779	28.54
	At the End of the year	-	-	89,18,779	28.54
2	**Karuturi Subrahmanya Chowdary**				
	At the beginning of the year	9,604,000	30.73	9,604,000	30.73
	Brought during the year	29,942	0.10	9,633,942	30.83
	At the End of the year	-	-	9,633,942	30.83
3	**Karuturi Padmavathi**				
	At the beginning of the year	40,54,853	12.98	40,54,853	12.98
	Change in the shareholding pattern	-	-	40,54,853	12.98
	At the End of the year	-	-	40,54,853	12.98
4	**S. Anitha Devi**				
	At the beginning of the year	24,000	0.10	24,000	0.10
	Change in the shareholding pattern	-	-	24,000	0.10
	At the End of the year	-	-	24,000	0.10
5	**Karuturi Neelima Devi**				
	At the beginning of the year	24,000	0.10	24,000	0.10
	Change in the shareholding pattern	-	-	24,000	0.10
	At the End of the year	-	-	24,000	0.10
6	**V. Hanumantha Rao**				
	At the beginning of the year	28,600	0.09	28,600	0.09
	Change in the shareholding pattern	-	-	28,600	0.09
	At the End of the year	-	-	28,600	0.09

iv) Share holding pattern of top ten shareholders (other than directors, promoters and holders of GDRs and ADRs)

Sl. No.	Particulars	Share holding at the beginning of the year		Cumulative share holding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	**Reliance Capital Trustee Co. Ltd-A/C Reliance Small Cap Fund**				
	At the beginning of the year	1,362,504	4.36	1,362,504	4.36
	Brought during the year	188,323	0.60	1,550,827	4.96
	At the End of the year	-	-	1,550,827	4.96
2	**Invesco Trustee Private Limited-A/C Invesco India Smallcap Fund**				
	At the beginning of the year	-	-	-	-
	Brought during the year	634,809	2.03	634,809	2.03
	At the End of the year	-	-	634,809	2.03
3	**Dinero wealth private limited**				
	At the beginning of the year	509,739	1.63	509,739	1.63
	Brought during the year	1,192	0.00381	510,931	1.635
	Sold during the year	(157,623)	-0.5044	353,308	1.1306
	At the End of the year	-	-	353,308	1.1306
4	**Hsbc Small Cap Equity Fund**				
	At the beginning of the year	300,316	0.961	300,316	0.961
	Sold during the year	(50,316)	-0.161	250,000	0.8
	At the End of the year	-	-	250,000	0.8
5	**Ravi Kanth Sankuratri**				
	At the beginning of the year	157,287	0.5033	157,287	0.5033
	Change in the shareholding pattern	-	-	157,287	0.5033
	At the End of the year	-	-	157,287	0.5033
6	**Karvy Stock Broking Limited-Client Account-Bse Cm**				
	At the beginning of the year	1,32,340	0.42	132,340	0.42
	Brought during the year	180,296	0.57695	312,636	1.0004
	Sold during the year	(217,607)	-0.6963	95,029	0.3041
	At the End of the year	-	-	95,029	0.3041
7	**Venkateswara Rao Vakalapudi**				
	At the beginning of the year	93,825	0.3002	93,825	0.3002
	Sold during the year	(27,767)	-0.0889	66,058	0.2114
	At the End of the year			66,058	0.2114

Sl. No.	Particulars	Share holding at the beginning of the year		Cumulative share holding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
8	**Angel Broking Private Limited**				
	At the beginning of the year	79,462	0.25428	79,462	0.2543
	Brought during the year	103,137	0.33004	182,599	0.5843
	Sold during the year	(148,907)	-0.4765	33,692	0.1078
	At the End of the year	33,692	0.10781	295,753	0.9464
9	**AKB Trexim Private Limited**				
	At the beginning of the year	23,000	0.0736	23,000	0.0736
	Brought during the year	40,000	0.128	63,000	0.2016
	Sold during the year	(1,750)	-0.0056	61,250	0.196
	At the End of the year			61,250	0.196
10	**RITA CHHAWCHHARIA**				
	At the beginning of the year	-	-	-	0
	Brought during the year	50,600	0.1619	50,600	0.1619
	At the End of the year	-	-	50,600	0.1619

(v) Share holding of directors and key managerial personnel

Sl. No.	Particulars	Share holding at the beginning of the year		Cumulative share holding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	**Karuturi Satyanarayana Murthy**				
	At the beginning of the year	89,18,779	28.54	89,18,779	28.54
	There was no change in the shareholding				
	At the End of the year	-	-	89,18,779	28.54
2	**Karuturi Subrahmanya Chowdary**				
	At the beginning of the year*	9,604,000	30.73	9,604,000	30.73
	Brought during the year	29,942		9,633,942	30.83
	At the end of the year**		0.10	9,633,942	30.83

Sl. No.	Particulars	Share holding at the beginning of the year		Cumulative share holding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
3	**Karuturi Neelima Devi**				
	At the beginning of the year	24,000	0.10	24,000	0.10
	There was no change in the share-holding				
	At the End of the year			24,000	0.10
4	**Chandrasekhar Raju Datla**				
	At the beginning of the year	0	0.00	0	0.00
	There was no change in the share-holding				
	At the End of the year			0	0.00
5	**Venkata Subba Raju Datla**				
	At the beginning of the year	0	0.00	0	0.00
	There was no change in the share-holding				
	At the End of the year			0	0.00
6	**Lakshmipathi Raju Mantena**				
	At the beginning of the year	3,350	0.01	3,350	0.01
	There was no change in the share-holding				
	At the End of the year			3,350	0.01
7	**Ch Vijaya Kumar**				
	At the beginning of the year	240	0.00	240	0.00
	There was no change in the share-holding				
	At the End of the year			240	0.00
8	**S.Sarojiini**				
	At the beginning of the year	0	0.00	0	0.00
	There was no change in the share-holding				
	At the End of the year			0	0.00

V. Indebtedness

(Indebtedness of the company including Interest outstanding/accrued but not due for payment)

(Rs. in Lakhs)

Particulars	Secured loans excluding deposits	Unsecured loans	Deposits	Total indebtedness
Indebtedness at the beginning of the financial year				
i) Principal amount	8,318.15	225.13	-	8,543.28
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	8,318.15	225.13	-	8,543.28
Change in Indebtedness during the financial year				
Addition	1,20,293.87	-	-	1,20,293.87
Reduction	1,22,543.96	-	-	1,22,543.96
Net change	2,250.09	-	-	2,250.09
Indebtedness at the end of the financial year				
i) Principal amount	10,568.24	225.13	-	10,793.37
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	10,568.24	225.13	-	10,793.37



VI. Remuneration of Directors and Key Managerial Personnel

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

(Rs. in Lakhs)

Sl. No.	Particulars of remuneration	K Subrahmanya Chowdary Executive Director	K Satyanarayana Murthy Managing Director	K Neelima Devi Whole Time Director	Total
1.	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the	168.00	168.00	125.00	461.00
	Income-tax Act, 1961	-	-	-	-
	(b) Value of perquisites u/s17(2)				
	Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-	-
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission	-	-	-	-
	- as % of profit				
	- others, specify	-	-	-	-
5.	Others, please specify				
	Total (A)	168.00	168.00	125.00	461.00
	Ceiling as per the Act*				704.95

B. Remuneration to other directors:

(Rs. in Lakhs)

Sl. No.	Particulars of remuneration	D Chandrasekhar Raju	D V Subba Raju	M Lakshmipathi Raju	Total Amount Rs.
	Independent Directors				
1	Fee for attending board committee meetings	0.20	1.25	1.00	2.45
	Commission	-	Nil	Nil	Nil
	Others, please specify	-	Nil	Nil	Nil
	Total (1)	0.20	1.25	1.00	2.45
2	**Other Non-Executive Directors**				
	Fee for attending board committee meetings	Nil	Nil	Nil	Nil
	Commission	Nil	Nil	Nil	Nil
	Others, please specify	Nil	Nil	Nil	Nil
	Total (2)	Nil	Nil	Nil	Nil
	Total (B)=(1+2)	0.20	1.25	1.00	2.45
	Total Managerial Remuneration(A+B)	0.20	1.25	1.00	2.45
	Overall Ceiling as per the Act				70.49

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD:

(Rs. in Lakhs)

Sl. No.	Particulars of Remuneration	Particulars of Remuneration		
		CS (S.Sarojiini)	CFO (Ch Vijaya Kumar)	Total
1.	Gross Salary	3.00	8.00	11.00
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2.	Stock Option	NIL	NIL	NIL
3.	Sweat Equity	NIL	NIL	NIL
4.	Commission as % of profit	NIL	NIL	NIL
5.	Others, please specify			
	TOTAL	3.00	8.00	11.00

vii. Penalties /Punishment/ Compounding of offences:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give Details)
A. Company					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
B. Directors					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
C.Other officers in default					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL

On Behalf of the Board
For Apex Frozen Foods Limited

Sd/-
K Subrahmanya Chowdary
Whole Time Director
DIN 03619259

Sd/-
K Satyanarayana Murthy
Chairman& Managing Director
DIN 05107525

Place: Panasapadu, Kakinada
Date: 13.08.2019

Annexure –II

Report on Corporate Governance

1. Company's Philosophy on Code of Governance

The philosophy of the Company in relation to corporate governance is to ensure transparency in all its operations, make disclosures and enhance shareholder value without compromising in any way on compliance with the extant laws and regulations. Your Company continuously endeavors to review, strengthen and upgrade its systems and processes so as to provide timely and accurate disclosure of information regarding the financial situation, performance, ownership and governance and firmly believes that business is built on ethical values and principles of transparency.

A Report on compliance with the principles of Corporate Governance as prescribed by the Securities and Exchange Board of India (SEBI) in Chapter IV read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is given below:

2.Board of Directors

Size of the Board

The composition of Board is in consonance with the requirements of Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. As on 31st March, 2019, Board of the Company consisted of Six(6) Members. The Company has Three(3) Promoter Executive Directors (including women director), out of which one director is the Chairman & Managing director and Three(3) Non Executive Independent Directors.

All the Independent Directors have confirmed that they meet the criteria of independence as laid out under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and amendments made thereto. The Board confirms that in its opinion the independent directors fulfil the conditions specified in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and are independent of the management.
It is further confirmed that none of the directors of the Company have been debarred or disqualified from being appointed or continuing as a director of the Company by the Ministry of Corporate Affairs or the Securities and Exchange Board of India or any other Statutory Authority. The said affirmation is confirmed by the Practicing Company Secretary in the compliance certificate which is appended hereto.

i. Composition and category of Directors

Name of the Directors	Category	Designation	No. of shares held in the Company (%)	Names of the listed entities where the person is a director and the category of directorship
Mr. K. Satyanarayana Murthy	Chairman & Managing Director – Promoter	Managing Director	89,18,779 (28.54%)	Nil
Mr. K .Subrahmanya Chowdary	Executive Director- Promoter	Whole time director	96,33,942 (30.83%)	Nil
Mrs. K. Neelima Devi	Whole time director-Promoter-Women Director	Whole time director	24,000 (0.08%)	Nil
Mr. D. Chandra Sekhar Raju	Non Executive Independent Director	Director	0 (0.00%)	Nil
Mr. D. Venkata Subba Raju	Non Executive Independent Director	Director	0 (0.00%)	Nil
Mr. M. Lakshmipathi Raju	Non Executive Independent Director	Director	3350 (1.00%)	Nil

ii. Number of other Board of Directors or Committees in which a Directors is a Member or Chairperson as on 31.03.2019

Sl. No.	Name of the Director	*No. of other Companies in which he/she is Director	**No. of Committees Chairpersonship / Membership (including this company)	
			Member	Chairperson
1	Mr. K Satyanarayana Murthy	2	0	0
2	Mr. K Subrahmanya Chowdary	2	2	0
3	Mrs. K Neelima Devi	1	1	0
4	Mr. D Chandra Sekhar Raju	1	0	0
5	Mr. D Venkata Subba Raju	1	0	1
6	Mr. M Lakshmipathi Raju	1	1	1

*Directorship in public and private companies includes Section 8 Companies but excluding Foreign Companies.
**Committee positions only of the Audit Committee and Stakeholders Relationship Committee in Public Limited Companies.

iii. Attendance of Directors at the Board Meetings held during FY 2018-2019 and Annual General meetings held during the year 2018-19

During the Financial Year 2018-2019 the Board met on Five (5) times i.e. 28.05.2018, 13.08.2018, 12.11.2018, 07.02.2019 and 27.03.2019.
The gap between any two meetings is not more than 120 days.

Directors	Category	Meetings held during the tenure of the Directors	Meetings Attended	Attendance at the last AGM
Mr. K. Satyanarayana Murthy	Chairman & Managing Director Promoter	5	5	Yes
Mr. K .Subrahmanya Chowdary	Executive Director- Promoter	5	4	Yes
Mrs. K. Neelima Devi	Whole time director-Promoter-Women Director	5	5	Yes
Mr. D. Chandra Sekhar Raju	Non Executive Independent Director	5	1	No
Mr. D. Venkata Subba Raju	Non Executive Independent Director	5	5	Yes
Mr. M. Lakshmipathi Raju	Non Executive Independent Director	5	4	No

iv. Relationship among directors

- K Satyanarayana Murthy: K. S. Chowdary – Son, K. Neelima devi - Daughter-in-law
- K Subrahmanya Chowdary: K .S. Murthy – Father, K. Neelima devi - Wife
- K Neelima Devi: K .S. Chowdary – Husband, K. S. Murthy - Father-in-law

V. Code of conduct

The Board of Directors has laid down a Code of Conduct for all Board members and all employees in management grade of the Company. The Code of Conduct is posted on the website of the Company at www.apexfrozenfoods.in.

A declaration to this effect signed by the Managing Director in terms of the Listing Regulations is attached and forms part of the Annual Report of the Company.

Independent directors

Mr.D.Chandra Sekhar Raju, Mr.D Venkata SubbaRaju and Mr.M. LakshmipathiRaju are Non executive Independent Directors of the company.

i. Details of Familiarisation Programmes Imparted to Independent Directors

The company familiarizes its Independent Directors with the company, their roles, rights, responsibilities in the company, nature of the industry in which the company operates, etc., through various programmes. These include orientation programme upon induction of new director, as well as other initiatives to update the directors on an ongoing basis. The policy for familiarization programme for independent directors is disclosed on the company's website at www.apexfrozenfoods.in.

ii. Meeting of Independent Directors

In Compliance with the Companies Act, 2013 and Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, the Independent Directors Meeting of the Company was held on 07.02.2019. Independent Directors Meeting considered the performance of Non-Independent Directors and Board as whole, reviewed the performance of Chairman of the Company, taking into account the views of Executive Directors and Non-Executive Directors and assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board.

Attendance of Independent Directors in Independent Directors Meeting

Name of the Director	No. of meetings held	No. of meetings attended
Mr. D Chandra Sekhar Raju	1	0
Mr. D Venkata Subba Raju	1	1
Mr. M Lakshmipathi Raju	1	1

List of core Skills/ Expertise/ Competencies required in the Company's Board to enable it function effectively and those actually available:

The following is the list of core skills / expertise / competencies identified by the Board of Directors as required in the context of the Company's business and that the said skills are available with the Board Members:

i) Knowledge on Company's businesses, policies and culture (including the Mission, Vision and Values) major risks / threats and potential opportunities and knowledge of the industry in which the Company operates

ii) Behavioural skills - attributes and competencies to use their knowledge and skills to contribute effectively to the growth of the Company

iii) Business Strategy, Sales & Marketing, Corporate Governance, Forex Management, Administration, Decision Making

iv) Financial and Management skills

v) Technical / Professional skills and specialized knowledge in relation to Company's business

3. Committees of the Board

Currently, there are four Board Committees – The Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee and Corporate Social Responsibility Committee. The terms of reference of the Board Committees are determined by the Board from time to time, The role and composition of these Committees, including the number of meetings held during the financial year and the related attendance are provided below:

(i). Audit committee

In compliance with the requirements of the Companies Act, 2013 and of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has constituted an Audit Committee on 27.01.2017 and re-constituted on 12.11.2018, 27.03.2019.

The brief terms of reference of the Audit Committee includes the following:

- Overseeing the Company's financial reporting process and disclosure of its financial information to ensure that its financial

statements are correct, sufficient and credible;

- Recommending to the Board the appointment, re-appointment and replacement, remuneration and terms of appointment of the statutory auditor of the Company and the fixation of audit fee and other payments, Reviewing and monitoring the statutory auditor's independence and performance, and effectiveness of audit process;

- Reviewing, with the management, quarterly, half-yearly, annual financial statements and auditor's report thereon before submission to the Board for approval.

- Reviewing, with the management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), and monitoring the use/application of the funds raised through the Issue by the Company;

- Approval or any subsequent modifications of transactions of the Company with related parties and omnibus approval for related party transactions proposed to be entered into by the Company subject to such conditions as may be prescribed;

- Reviewing and monitoring the statutory and internal auditors performance, effectiveness of statutory and internal audit procedures and Evaluating of internal financial controls, risk management systems and adequacy of the internal control systems;

- Scrutinizing of inter-corporate loans and investments and Valuing of undertakings or assets of the Company, wherever it is necessary;

- Establishing a vigil mechanism for directors and employees to report their genuine concerns or grievances

- Discussing with internal auditors on any significant findings and follow up there on;

- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;

- Discussing with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

Powers of the Audit Committee shall include the following

- To investigate any activity within its terms of reference;
- To seek information from any employee;
- To obtain outside legal or other professional advice; and
- To secure attendance of outsiders with relevant expertise, if it considers necessary"

Audit Committee shall mandatorily review the following information:

- Management's discussion and analysis of financial condition and results of operations;

- Statement of significant related party transactions (as defined by the Audit Committee), submitted by the management;

- Management letters / letters of internal control weaknesses issued by the statutory auditors;

- Internal audit reports relating to internal control weaknesses

- The appointment, removal and terms of remuneration of the chief internal auditor.

- Statement of deviations:

Composition of Audit Committee and Attendance of Members at the Meetings of the Audit Committees held during 2018-2019:

Sl. No.	Name of the Member	Category	Designation	Meetings held during the tenure of the Directors	Meetings attended
1.	Mr. D Venkata Subba Raju	Non executive Independent Director	Chairman	4	4
2.	*Mr. D Chandra Sekhar Raju (Till 12.11.2018)	Non executive Independent Director	Member	3	2
3.	Mr. Karuturi Subramanya Chowdary	Executive Director	Member	4	3
4.	*Mr. M lakshmipathi Raju (Till 12.11.2018)	Non executive Independent Director	Member	1	1

The Audit Committee of the Company has met Four (4) times during the year i.e., on 26.05.2018, 13.08.2018, 12.11.2018 and 07.02.2019.

* Audit committee has reconstituted at Board meetings held on 12.11.2018 and 23.07.2019.

(ii). Nomination and Remuneration Committee (NRC)

In compliance with the requirements of the Companies Act, 2013 and of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has constituted Nomination and Remuneration Committee on 27.01.2017.

Terms of reference of the Nomination and Remuneration Committee shall include the following:

- Formulating the criteria for determining qualifications, positive attributes and independence of a director and recommending to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;

(i) The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
(ii) Relationship of remuneration to performance is clear and meets appropriate performance bench marks; and
(iii) Remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

- Formulating of criteria for evaluation of the independent directors and the Board and Devising a policy on Board diversity;
- Identifying persons, who qualify to become directors or who may be appointed in senior management in accordance with the criteria laid down, recommending to the Board their appointment and removal, and carrying out evaluations of every director's performance;
- Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
- Analyzing, monitoring and reviewing various human resource and compensation matters;
- Determining the company's policy on specific remuneration packages for executive directors including pension rights and any compensation payment, and determining remuneration packages of such directors;
- Determining compensation levels payable to the senior management personnel and other staff (as deemed necessary), which shall be market-related, usually consisting of a fixed and variable component;
- Reviewing and approving compensation strategy from time to time in the context of the current Indian market in accordance with applicable laws;
- Recommend to the board, all remuneration, in whatever form, payable to senior management
- Framing suitable policies and systems to ensure that there is no violation, by an employee of any applicable laws in India or overseas, including:

(i) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; or
(ii) The Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003.

Composition of NRC and Attendance of Members at the Meetings of the NRC held during 2018-2019

Sl. No.	Name of the Member	Category	Designation	No of Meetings held during the tenure of the members	Meetings attended
1	Mr. D. Chandra Sekhar Raju	Non Executive Independent Director	Chairman	1	0
2	Mr. D. Venkata Subba Raju	Non Executive Independent Director	Member	1	1
3	Mr. M. Lakshmipathi Raju	Non Executive Independent Director	Member	1	1

During the year, Nomination and Remuneration Committee has met once on 07.02.2019.

(iii) Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee was constituted by our Board of Directors at its meeting held on 01.08.2014 and reconstituted on 27.01.2017. The terms of reference of the Corporate Social Responsibility Committee of our Company shall include the following:

- Formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by our Company in accordance with the provisions of the Companies Act, 2013;
- Review and recommend the amount of expenditure to be incurred on activities to be undertaken by our Company;
- Monitor the Corporate Social Responsibility Policy of our Company and its implementation from time to time;

Composition and attendance of members at the meetings of the audit CSR committee held during 2018-2019

Sl. No.	Name of the Member	Category	Designation	Meetings held during the tenure of the Directors	Meetings attended
1	Karuturi Neelima Devi	Whole-Time Director-Promoter-Women Director	Chairman	3	3
2	Karuturi Satyanarayana Murthy	Chairman and Managing Director- Promoter	Member	3	3
3	Datla Venkata Subba Raju	Non-Executive Independent Director	Member	3	3

The Corporate Social Responsibility Committee of the company has met three times during the year i.e., on 28.05.2018, 22.10.2018, 01.03.2019.

(iv) Stakeholders Relationship Committee (SRC)

The Stakeholders' Relationship Committee was constituted at board meeting held on held on March 08, 2017. The scope and function of the Stakeholders' Relationship Committee is in accordance with Section 178 of the Companies Act, 2013, which includes:

- Considering and resolving the grievances of security holders of the Company, including complaints related to transfer of shares, non-receipt of balance sheet, non-receipt of declared dividends, annual reports of the Company or any other documents or information to be sent by the Company to its shareholders etc.
- Investigating complaints relating to allotment of shares, approval of transfer or transmission of shares, debentures or any other securities, Giving effect to all transfer/transmission of shares and debentures, dematerialization of shares and rematerialisation of shares, split and issue of duplicate/consolidated share certificates, allotment and listing of shares, buy back of shares, compliance with all the requirements related to shares, debentures and other securities from time to time;
- Oversee the performance of the registrars and transfer agents of the Company and to recommend measures for overall improvement in the quality of investor services and also to monitor the implementation and compliance of the code of conduct for prohibition of insider trading pursuant to the SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended and other related matters as may be assigned by the Board of Directors.

Composition of SRC and Attendance of Members at the Meetings of the SRC held during 2018-2019

Sl. No.	Name of the Member	Category	Designation	No of Meetings held during the tenure of the members	Meetings attended
1	Mr. M. Lakshmipathi Raju	Non executive Independent Director	Chairman	1	1
2	Mrs. Karuturi Neelima Devi	Whole time director	Member	1	1
3	Mr. K. Subrahmanya Chowdary	Executive Director	Member	1	1

During the year, the Stakeholders' Relationship Committee has met on 07.02.2019

Details of shareholders' requests/complaints received and resolved during FY 2018-19 are as under:	
No. of requests/complaints received	2
No. of requests/complaints resolved	2
No. of requests/complaints not solved to the satisfaction of the shareholders	0
No. of pending requests/complaints	0

Name of non-executive director heading the committee: Mr. M Lakshmipathi Raju
Name and designation of compliance officer: Ms. S.Sarojini, Company Secretary & Compliance officer

4. Remuneration of Directors

Policy on director's and key managerial personnel appointment & remuneration:

Your company adopted a policy relating to the remuneration for the directors (for both executive & non-executive) and key managerial personnel, which forms part of Policy on Director's and Key Managerial Personnel Appointment & Remuneration and same is available at company website www.apexfrozenfoods.in.

Non-executive Directors' Compensation & Disclosures:

The Non-executive Directors are entitled for (i) a sitting fee of Rs. 20,000/- per meeting of the Board of Directors attended and for committee meetings Rs. 10,000/- per meeting attended and (ii) Reimbursement of travel and hotel accommodation and other expenses incurred by them, for attending Board/Committee Meetings. Pursuant to Reg.34(3) and Sch.V of the SEBI(LODR) Regulations, 2015, the details of the remuneration paid to all directors and Key managerial are indicated in the Extract of MGT-9 enclosed to the Board's Report.

Performance Evaluation Criteria for Directors

The Nomination and Remuneration Committee at its meeting held on 08.03.2017 decided to implement an internal assessment method of evaluation and formulated criteria for evaluation of Directors, Committees and Board taking in to account the criteria indicated by the SEBI in its Guidance Note circulated on 05.01.2017.

Performance evaluation

Pursuant to the provisions of Companies Act, 2013 and SEBI (LODR) Regulations, 2015, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as evaluation of the workings of its Board Committees. A structured questionnaire was prepared after circulating the draft forms, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, obligations and governance.

A meeting of the Independent Directors was held on 07.02.2019, which reviewed the performance of Non-Independent Directors, Chairman and the quality of the information and follow up action is being taken on suggestions made therein.



5. General body meetings

Location and time of last three AGM's held

Year	Location	Date	Time
2015-16	at the Registered Office at 3-160, Panasapadu, Kakinada-533005, East Godavari District, Andhra Pradesh	30.09.2016	at 11.00 am
2016-17	at the Registered Office at 3-160, Panasapadu, Kakinada-533005, East Godavari District, Andhra Pradesh	11.08.2017	at 11.00 am
2017-18	At Hotel Grand Kakinada by GRT Hotels, D.No: 11-3-11, Veterinary Hospital road, Ramaraopeta, Kakinada -533004, Andhra Pradesh	22.09.2019	at 10.30 am

- Special Resolutions passed in previous Three Annual General Meetings: Nil
- Details of Postal Ballot Resolutions passed during the year 2018-19: Nil
- Whether any special resolution is proposed to be conducted through postal ballot:No

6. Means of communication

Sl. No.	Description	Remarks
1	Quarterly results	The quarterly and half-yearly unaudited/audited financial results are informed to Bombay Stock Exchange and National Stock Exchange as prescribed under SEBI(LODR) Regulations and posted at companys website
2	Newspapers wherein results are normally published	Andhra Bhoomi & Business Standard
3	Website	www.apexfrozenfoods.in
4	Whether it also displays official news releases	Yes
5	Presentations made to institutional investors or to analysts	Yes

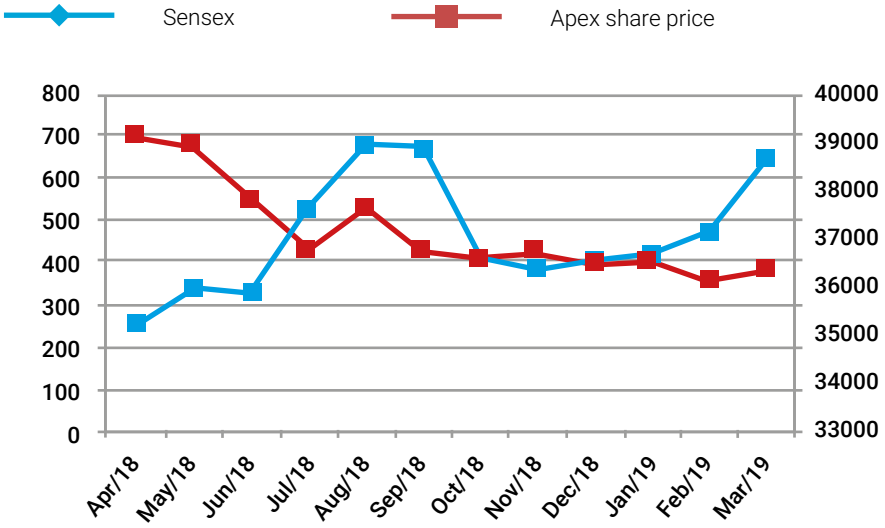
7. General shareholders' information

Sl. No.	Description	Details
i.	Date, time and Venue of AGM	Date: Thursday, 19th September, 2019 Time: 4.00 P.M. Venue: Paradigm Sarovar Portico, D.No.20-1-60, Near Tirumala Theatre, Subash Road , Kakinada-533001, East Godavari District, Andhra Pradesh
ii.	Financial Year	1st April, 2018 to 31st March, 2019
iii.	Dividend payment date	Board of Directors has recommended a dividend of Rs 2.00/- Per Equity share of Rs 10/- each fully paid for the financial year 2018-19. On approval of the shareholders, the dividend will paid on or before 19.10.2019
iv.	Dates of book closure	Friday, 13th September, 2019 to Thursday, 19th September 2019 (both days inclusive)
v.	Name and address of Stock Exchange(s) at which the equity shares are listed and confirmation about payment of annual listing fee to each of such Stock Exchanges.	The Company's Shares are listed on Bombay Stock Exchange (BSE) and National Stock Exchanges. The addresses of these Exchanges is as under: **1.** Bombay Stock Exchange Limited, PhirozeJeejeebhoy Towers, Dalal Street, Mumbai – 400 001. **2.** National Stock Exchange of India Limited, Exchange Plaza , BandraKurla Complex, Bandra (East), Mumbai-400 051. The Company has duly paid the Listing fees for the year 2018-19 and 2019-20 to BSE Limited and National Stock Exchange where the shares of the Company are Listed.
vi.	Stock Code	BSE : 540692 NSE : APEX
vii.	**Market Price Data: High / Low / Close During each month in the last Financial Year:**	

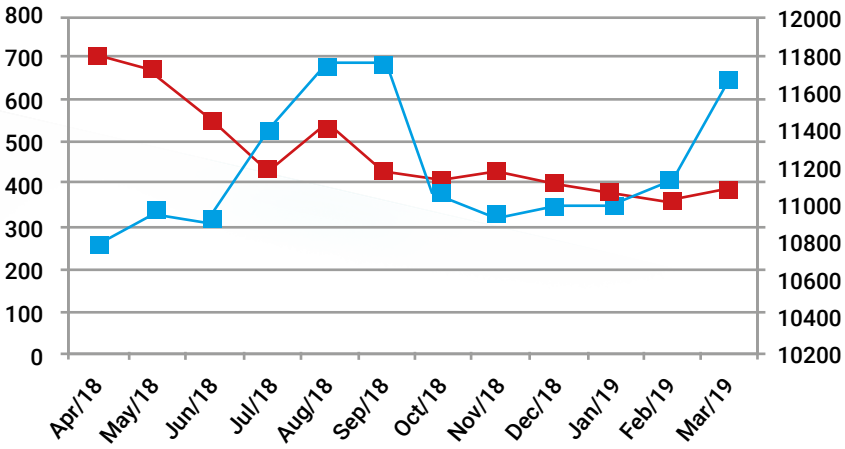
Month	NSE			BSE		
	High	Low	Close	High	Low	Close
Apr-18	700.7	612.25	637.15	699.5	613.85	638.6
May-18	666	520	556.05	680	520.85	554.6
Jun-18	546	376.2	408.15	555	377.25	409.3
Jul-18	430.85	333	421.4	429.95	333.65	420
Aug-18	534	400	406.55	531.8	401	405.8
Sep-18	426.2	344.1	376.6	425.05	346.5	372.55
Oct-18	407.7	331	385.2	407.8	330	385.45
Nov-18	422.65	351.1	356.25	423.95	351.2	356.3
Dec-18	391.85	332.05	373.8	391.9	333.05	375.85
Jan-19	375.05	293.25	354.15	399	292.95	354.5
Feb-19	356	276.05	304.85	356	272	306.5
Mar-19	381.2	305.25	327.9	382	300	329.35

viii.

Relative Performance of Apex Frozen Foods Limited Share Price V/S. BSE Sensex:



Relative Performance of Apex Frozen Foods Limited Share Price V/S. NSE NIFTY 50:



Sl. No.	Description	Details
ix.	Registrar to an issue and share transfer agents	Bigshare Services Private Limited Head office:1st Floor, Bharat Tin Works Building Opp. Vasant Oasis, Makwana Road, Marol, Andheri East, Mumbai- 400059 Tel: +91 22- 6263 8200 Hyderabad Branch: 306, Right Wing, 3rd Floor, Amrutha Ville, Opp.Yashoda Hospital, Somajiguda, Rajbhavan Road, Hyderabad – 500082, Ph: 040 40144582
x.	Share Transfer System	All transfers received are electronically processed and approved by the Share Transfer Committee which normally meets once in a fortnight or more depending upon the volume of transfers. The summary of transfers, trans-missions etc., are placed before every Board Meeting and Stakeholders Relationship Committee Meeting.

xi. Distribution of share holding:

No. of Equity shares	No. of share holders	% of Shareholders	No. of shares	% of Shares
01-5000	38022	96.44	2,640,459	8.45
5001-10000	819	2.08	613,690	1.96
10001-20000	317	0.81	456,471	1.46
20001-30000	98	0.25	254,446	0.81
30001-40000	31	0.08	109,212	0.35
40001-50000	33	0.08	154,296	0.49
50001-100000	52	0.13	379,661	1.21
100001and above	52	0.13	26,641,765	85.25
Total	39424	100.00	31,250,000	100.00

xii. Dematerialization of shares and liquidity as on 31.03.2019

Sl. No.	Description	No. of Shareholders	No. of shares	% of Equity
1	Shares in Demat mode with NSDL	20195	28169550	90.14
2	Shares in Demat mode with CDSL	19228	3080440	9.86
3	Shares in Physical mode	1	10	0.00
	Total	39424	31250000	100.00

The company's shares are regularly traded on BSE and NSE.

Sl. No.	Description	Details
xiii.	Outstanding GDRs/ADRs/Warrants or any Convertible instruments, conversion date and likely impact on equity:	Nil
xiv.	Commodity Price Risk or Foreign Exchange Risk and hedging activities	Nil
xv.	Plant locations	Owned Processing 1. Apex Frozen Foods Limited #3-160, Panasapadu, Kakinada East Godavari District, A.P. - 533005 Owned Pre Processing 2. Apex Frozen Foods Limited # 389/1,Korangi village, Tallarevu (Mandal) East Godavari District , A.P. 533461
xvi.	Address for correspondence	Registered Office: 3-160, Panasapadu, Kakinada, East Godavari District, Andhra Pradesh -533005.
xvii.	Credit ratings given by CRISIL for bank loan facilities	Long term Rating: CRISIL A- (Stable)(Reaffirmed) Short term rating: CRISIL A2+ (Stable)(Reaffirmed)



8. Other disclosures

i. Disclosure on materially significant Related Party Transactions

There are no materially significant related party transactions of the Company which have potential conflict with the interest of the Company at large. Your Company has formulated a Policy on materiality of Related Party Transactions and also dealing with Related Party Transaction same is available at company website www.apexfrozenfoods.in.

ii. Details of non-compliance by the listed entity, penalties, strictures imposed on the listed by Stock Exchange(s) or the Board or any Statutory Authority on any matter related to Capital markets during last 3 years: Nil

iii. Whistle Blower Policy and affirmation that no personnel have been denied access to the Audit Committee.

The Company has in place a Whistle Blower Policy for Vigil mechanism for Directors and employees to report to the management about the unethical behavior, fraud, violation of Company's Code of Conduct. None of the personnel have been denied access to the Audit Committee.

iv. Disclosure under Sexual Harassment of Women at Workplace

The Company has in place the requisite Internal Committees as envisaged in the Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013.

Complaints on the issues covered by the above Act were received during the year as follows:
a. number of complaints filed during the financial year 2018-19: Nil
b. number of complaints disposed of during the financial year 2018-19:Nil
c. number of complaints pending as on end of the financial year 2018-19: Nil

v. Disclosure regarding compliances made with Mandatory requirements and adoption of Non-Mandatory requirements.

All mandatory Requirements were complied with for the year ending 31.03.2019.
The Company has fulfilled the following non-mandatory requirements as prescribed in Schedule II, PART E of Regulation 27(1) of

(Listing Obligations and Disclosure Requirements) Regulations, 2015 with respect to the following:
o Audit Qualification – The financial statements of the Company of the Company are unqualified.

o Shareholders' Rights: As the quarterly and half yearly financial performance are submitted to the Stock Exchanges, published in the press and posted on the Company's website. These are not sent to shareholders separately.

vi. CEO/CFO Certification

In terms of Part-B of Schedule – II read with Regulation 17(8) of the SEBI (LODR) Regulations, 2015, the Certificate duly signed by the Managing Director and CFO of the Company was placed before the Board of Directors along with the financial statements for the year ended 31.03.2019, at its meeting held on 22.05.2019 and forms part of this Annual Report and same is annexed as Annexure -IV , forms an integral part of the Annual Report.

vii. Policy on Material Subsidiaries

Your Company does not have any Subsidiaries; hence, it has not adopted any on Material Subsidiaries.

viii. Disclosure of Accounting Treatment:

The Company in the preparation of financial statements has followed the treatment laid down in the Accounting standards prescribed by the Institute of Chartered Accountants of India. There are no audit qualifications in the Company's financial statements for the year under review.

ix. Compliance with Corporate Governance requirements

Your Company has complied with corporate governance requirements specified in regulations 17 to 27 and Clauses (b) to (i) of sub-regulation (2) of regulation 46 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

x. Details with respect to utilisation of funds raised through Preferential Allotment or Qualified Institutions Placement:

During the Year, the Company has not raised funds through preferential allotment or qualified institutional placement as specified under Regulation 32 (7A) of the LODR Regulations.

xi. Certificates from a Practising Company Secretary

a) The Company has obtained a Certificate from a Practising Company Secretary confirming that none of the Directors of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by SEBI/Ministry of Corporate Affairs or any such statutory authority and is annexed as Annexure -III and forms an integral part of the Annual Report.
b) The Company has obtained a Certificate from a Practising Company Secretary confirming that it is in compliance with the conditions of Corporate Governance as stipulated in Para C of the Schedule V of the LODR Regulations and same is annexed as Annexure –V and forms an integral part of the Annual Report..

xii. Disclosure with respect to payment made to Statutory Auditors

Details with respect to payment made by the Company and its subsidiary for services provided by the Statutory Auditors appear separately under Note No. 29 to the Company's Financial Statements

xiii. During the year, the board has accepted all the recommendations of all the committees of board.

Declaration by the Managing Director under para D of schedule V of the SEBI (Listing obligations and disclosure requirements) regulations, 2015

Code of Conduct

In terms of Reg.26(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby confirm that all the Board members and Senior Management Personnel of the Company have affirmed compliance with the respective Codes of Conduct, as applicable to them for the year ended 31st March, 2019.

For Apex Frozen Foods Limited

Sd/-
K Satyanarayana Murthy
Chairman & Managing Director
DIN 05107525

Place: Panasapadu, Kakinada
Date: 13.08.2018

Annexure-III

Certificate of Non-disqualification of Directors

Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing)

To
The Members,
Apex Frozen Foods Limited

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of APEX FROZEN FOODS LIMITED having CIN L15490AP2012PLC080067 and having registered office at 3-160, Panasapadu, Kakinada, East Godavari, Andhra Pradesh, 533005 (hereinafter referred to as 'the Company'), produced before us 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 our opinion and to the best of my/our 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 us by the Company & its officers, We 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.

Sr. No.	Name of Director	DIN	Date of appointment in Company
1	Karuturi Subrahmanya Chowdary	03619259	30/03/2012
2	Satyanarayana Murthy Karuturi	05107525	30/03/2012
3	Karuturi Neelima Devi	06765515	18/12/2013
4	Chandrasekhar Raju Datla	07714265	25/01/2017
5	Lakshmipathi Mantena Raju	07717931	25/01/2017
6	Venkata Subba Raju Datla	07717952	25/01/2017

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our 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: 13.08.2019
Place: Hyderabad

for M/s A.S.Ramkumar & Associates
Company Secretaries

Sd/-
A.S.Ramkumar
Partner
CP No. 9228,
M.No:8149 (FCS)

Annexure-IV

Compliance Certificate by Managing Director (MD) And Chief Financial Officer (CFO)

We, K. Satyanarayana Murthy, Managing Director and Mr. Ch. Vijay Kumar, CFO of M/s. Apex Frozen Foods Limited, to the best of our knowledge and belief, certify that:

We have reviewed the financial statements and the cash flow statement for the year under review and to the best of our knowledge and belief:

- these statements do not contain any materially untrue statement or omit any material facts or contain statements that might be misleading;
- these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

To the best of our knowledge and belief, no transactions entered into by the Company during the years, which are fraudulent, illegal or violative of the Company's code of conduct.

We are responsible for establishing and maintaining internal controls for financial reporting and have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and disclosed to the auditors and audit committee, the deficiencies in the design and operation of such internal controls and the steps taken to rectify these deficiencies.

We have indicated to the auditors and the audit committee that

- there are no significant changes in internal control over financial reporting during the year.
- there are no significant changes in accounting policies during the year except as stated in the notes to financial statements
- there are no frauds of which we are aware, that involves management or other employees who have a significant role in the Company's internal control system.

For Apex Frozen Foods Limited

Sd/-
K Satyanarayana Murthy
Chairman & Managing Director
DIN 05107525

Sd/-
Ch. Vijay Kumar
CFO

Place: Panasapadu, Kakinada
22.05.2018

Annexure-V

Certificate on Corporate Governance

To
The Members,
Apex Frozen Foods Limited

We have examined the compliance of conditions of Corporate Governance by Apex Frozen Foods Limited ('the Company') for the year ended 31st March, 2019 as per the relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') as referred to in Regulation 15 (2) of the Listing Regulations.

The compliance of conditions of Corporate Governance is the responsibility of management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Regulations.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Date: 13.08.2019
Place: Hyderabad

for M/s A.S.Ramkumar & Associates
Company Secretaries

Sd/-
A.S.Ramkumar
Partner
CP No. 9228,
M.No:8149 (FCS)

Annexure-VI

Secretarial Audit Report

Form No. MR-3
For the financial year ended 31st March 2019
[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
Apex Frozen foods Limited
3-160, Panasapadu, Kakinada,
East Godavari District,
Andhra Pradesh -533005.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s.Apex Frozen Foods Limited. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the M/s. Apex Frozen Foods Limited, Registers, Records, books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, the explanations and clarifications given to us and the representations made by the Management, We hereby report that in our opinion, the Company has, during the audit period covering the financial year from 01st April 2018 to 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 the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records made available to us and maintained by M/s. Apex Frozen Foods Limited for the financial year ended on 31st March 2019, according to the provisions of:

i. The Companies Act, 2013 (the Act) and the rules made there under;
ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
iv. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

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

- **a.** The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- **b.** SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 amended from time to time;
- **c.** The SEBI (Prohibition of Insider Trading) Regulations, 2015
- **d.** The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- **e.** The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008: Not applicable.
- **f.** The Securities and Exchange Board of India (Share based employee benefits) Regulations, 2014: Not applicable.
- **g.** The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- **h.** The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 : Not applicable.
- **i.** The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998: Not applicable

vi. The Company has identified the following laws specifically applicable to the Company:

- **a)** Marine Products Export Development Authority Act, 1972 and rules made thereunder.
- **b)** Coastal Aquaculture Authority Act, 2005 and rules made thereunder.
- **c)** The Water (Prevention and control of pollution) Act, 1974
- **d)** The Air (Prevention and control of pollution) Act, 1981
- **e)** The Environment Protection Act, 1986 and rules made thereunder
- **f)** Hazardous Waste (Management and Handling and transboundary Movement) Rules, 2008
- **g)** Customs Act, 1962

h) The Sexual Harassment of Women at Work Place (Prevention, Prohibition and Redressal) Act, 2013
i) Food Safety and Standards Act, 2006
j) The Legal Metrology (Packaged Commodities) Rules, 2011
k) Factories Act, 1948
l) Industrial Disputes Act, 1947
m) The Payment of Wages Act, 1936
n) The Minimum Wages Act, 1948
o) Employee State Insurance Act, 1948
p) Employees Provident Funds and Miscellaneous Provisions Act, 1952
q) The Payment of Bonus Act, 1965
r) The Payment of Gratuity Act, 1972
s) The Contract Labour (Regulation & Abolition) Act, 1970
t) The Child Labour (Prohibition & Regulation) Act, 1986
u) The Industrial Employment (Standing Order) Act, 1946
v) Equal Remuneration Act, 1976
w) Shops and Establishment Act, 1988
x) Trade Marks Act, 1999

Further, we have also examined compliance with the applicable clauses of the following:

I. Secretarial Standards issued by The Institute of Company Secretaries of India., with respect to Board General Meetings and dividend

II. The Listing Agreements entered into by the Company with the Bombay Stock Exchange Limited and National Stock Exchange of India Limited.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, Listing Agreements, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 etc. as mentioned above except.

- Delay in submission of Monitoring agency Reports for the quarter ended 30.06.2018, 30.09.2018, 31.12.2018 as required under Regulation 16 of SEBI (Issue Of Capital And Disclosure Requirements) Regulations, 2009;

- Delay in submission of Statement of deviation(s) or variation(s) for quarter ended 31.03.2018 as required under Regulation 32 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015;

We further report that the Company has, in our opinion, complied with the provisions of the Companies Act, 2013 and the Rules made thereunder as notified by Ministry of Corporate Affairs and the Memorandum and Articles of Association of the Company.

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. During the period under review, no changes in the composition of the Board of Directors took place.

- 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.

- As per the minutes of the Board Meetings and Committee Meetings, the decisions of the Board and Committee as the case may be were unanimous and no dissenting views have been recorded.

We further report that during the audit period the Company does not have any major events / actions which either directly or indirectly effect the Company's affair in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.
We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that the compliance by the Company of applicable financial laws such as direct and indirect tax laws and maintenance of financial records and books of accounts have not been reviewed in this audit since the same have been subject to review by statutory financial audit and other designated professionals.

Place: Hyderabad
Date: 13.08.2019

for A. S. Ramkumar & Associates
Company Secretaries

A. S. Ramkumar
Partner
FCS 8149, CP.9228

*This Report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this Report.

Annexure A

To
The Members of
Apex Frozen Foods Limited

Our Report of Even date is to be read along with this letter

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

2. We have followed the audit practices and process 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 process and practices we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.

4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events, etc.

5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.

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

Place: Hyderabad
Date: 13.08.2019

for A. S. Ramkumar & Associates
Company Secretaries

A. S. Ramkumar
Partner
FCS 8149, CP.9228

Annual Report On Corporate Social Responsibility (CSR) Activities

ANNEXURE-VII

The CSR is being reported from 1st April, 2018 to 31st March, 2019.

A. A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and projects or programs

Apex Frozen Foods Limited (AFFL) CSR policy is aimed at demonstrating care for the community through its focus on education & skill development, health & wellness and environmental sustainability including biodiversity, energy & water conservation. The projects undertaken will be within the broad framework of Schedule VII of the Companies Act, 2013.

Resources

2% of the average net profits of the Company made during the three immediately preceding financial years; any income arising there from; Surplus arising out of CSR activities.

Areas Identified for CSR activities

The areas where the Company intends to focus its CSR activity are listed below. This is not an exclusive list and the Company may include other activities, based on the areas identified and felt need for improvement by the CSR Committee-

- Eradicating hunger, poverty and malnutrition
- Promoting Health care including Preventive Health care
- Ensuring environmental sustainability and ecological balance
- Employment and livelihood enhancing vocational skills and projects
- Promotion of education especially among children, women, elderly
- Promoting gender equality and empowering women
- Rural Development ProjectsEducation & skill development, health & wellness and environmental sustainability including biodiversity, energy & water conservation.

AFFL will engage in the above activities independently or in such manner that it will complement the work being done by local authorities wherever necessary in such a manner, that the work executed by AFFL will offer a multi fold benefit to the community.

B. Composition of the CSR Committee

- Mrs. K Neelima Devi - Chairman
- Mr. K Satyanarayana Murthy - Member
- Mr. D Venkata Subba Raju - Member

C. Average net profit of the company for last three financial years

Average net profit: Rs. 5999.14 lakhs

D. Prescribed CSR Expenditure (two percent of the amount as in item C above)

The Company is required to spend Rs 120.00 lakhs towards CSR for the financial year 2018-19.

E. Details of CSR spent for the financial year

a. Accumulated outstanding balance of CSR expenditure: Rs 164.11lakhs.

b. During the F.Y. 2018-19, an amount of Rs125.55lakhs has been transferred to Apex foundation (trust) exclusively for spending towards CSR activities.

c. Amount unspent: 100.12 lakhs

d. Manner in which the amount spent during the financial year is detailed alongside.



Sl. No.	CSR project or activity identified	Sector in which the Project is covered./ Relevant Section of Schedule VII in which the project is covered	Project or programs (1) Local area or other (2) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub-heads: (1) Direct expenditure on projects or programs (2) Overheads	Cumulative expenditure upto to the reporting period	Amount spent: Direct or through implementing agency
1	Construction of Water Tank in Villages	Safe drinking water	Construction of water treatment plant in Elurupadu village, West Godavari District.	Rs.15.35 lakhs	Rs.15.35 lakhs	Rs.15.35 lakhs	Direct
2	Promotion of Education among children, women , elderly.	Education among children	Donation to KC Mahendra Education Trust	Rs.7.20 lakhs	Rs.7.20 lakhs	Rs.7.20 lakhs	Direct
3	Education and Skill development, Health and wellness	Health and wellness	Kakinada Runners Trust, Kakinada	Rs.1.50 lakhs	Rs.1.50 lakhs	Rs.1.50 lakhs	Direct
4	Promotion of Education of among children, women , elderly	Midday Meal Scheme	Akshayapatra Foundation	Rs.36.00 lakhs	Rs.36.00 lakhs	Rs.36.00 lakhs	Direct
5	Eradication of hunger, poverty, malnutrition	Charitable Programme-TiTLI Cyclone	Charitable Programme-TiTLI Cyclone, Manikyapuram	Rs.3.69 lakhs	Rs.3.69 lakhs	Rs.3.69 lakhs	Direct
6	Education and Skill development, Health and wellness	Health and wellness	Kriya Society - Children Festival Program	Rs.0.25 lakhs	Rs.0.25 lakhs	Rs.0.25 lakhs	Direct

F. Responsibility statement of the CSR Committee:

We hereby affirm that the CSR Policy, as approved by the Board, has been implemented and the CSR Committee monitors the implementation of CSR Projects and activities in compliance with our CSR objectives.

Sd/-
K Neelima Devi
Whole Time Director &
Chairman of CSR Committee
DIN 06765515

Sd/-
K Satyanarayana Murthy
Managing Director
DIN 05107525

Place: Panasapadu, Kakinada
Date: 13.08.2019

ANNEXURE-VII

Disclosures Pursuant To Section 197 (12) Of The Companies Act, 2013 And Rule 5 Of Companies Appointment And Remuneration Of Managerial Personnel) Rules, 2014

Disclosures pursuant to section 197 (12) of the companies act, 2013 and rule 5 of companies appointment and remuneration of managerial personnel) rules, 2014

1. The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year

Sl.No.	Name	Designation	Total remuneration (Rs in Lakhs)	Ratio of remuneration of director to the median remuneration
1	K Subrahmanya Chowdary	Executive Director	168.00	1348:1
2	K Satyanarayana Murthy	Managing Director	168.00	1348:1
3	K Neelima Devi	Whole time Director	125.00	1003:1

Notes:

i. The aforesaid details are calculated on the basis of remuneration for the financial year 2018-19.
ii. The remuneration to Directors includes sitting fees paid to them for the financial year 2018-19.
iii. Median remuneration of all its employees is Rs.12457/- for the financial year 2018-19.

2. The percentage increase/(decrease) in the median remuneration of employees in the financial year 2018-19: 11%

3.The number of permanent employees on the rolls of Company:

Executive & Staff	450
Workers	2408
Total	2858

4. Average percentage increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentage increase in the Key Managerial Remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration

Particulars	2018-19	2017-18	Increase %
Average salary of all employees (Other than Key Managerial Personnel)	1,24,57.00	11,223.00	11.00%
Salary of Managing Director (Rs in lakhs)	168.00	168.00	0.00
Salary of Whole Time Director (Rs in lakhs)	168.00	168.00	0.00
Salary of Whole Time Director (Rs in lakhs)	125.00	125.00	0.00
Salary of Chief Financial Officer (Rs in lakhs)	8.00	8.00	0.00
Salary of Company Secretary (Rs in lakhs)	3.00	1.90	57.89

List of top ten employees of the Company in terms of remuneration drawn and employed throughout the financial year 2018-19.

Name(s)	Salary P.A (Rs in lakhs)	Qualification	Years of exp.	Previous employment
G.V.Raghava Raju	39.00	B.SC	22	Surya Chakra Sea foods ltd
U. Vinod	24.00	B.A.,	20	-
Ch. Siva Rama Krishna	12.00	B.A.,	15	-
D. Satya Madhavi	12.00	M.SC	17	Jasper Aqua
M. Satyanarayana	10.56	ITI	25	NJR Marine
N. Uday Kumar Raju	9.00	B. TECH	5	-
M. Srikanth	9.00	C.A	5	Mahaveer Automobiles
N. Suresh	9.84	B.SC	10	Sandhya Marine
R. Trimurthulu	8.40	B.SC	12	-
L. Satyanarayana	7.20	B.SC	15	-

Notes:

i. No employee is a relative of any Director or Manager of the Company.

ii. All appointments are contractual and terminable by notice on either side.

iii. Remuneration includes salary, bonus, commission, various allowances, contribution to provident fund and superannuation fund and taxable value of perquisites excluding provision for gratuity and leave encashment.

iv. Company has not paid remuneration to any of the employee exceeding Rs 1.02 Crore

7. There is no employee in the Company, who has drawn remuneration exceeding more than One crore and Two lakhs per annum for the financial year 2018-19; and

There is no employee in the Company, who has drawn the remuneration exceeding Eight lakhs and Fifty thousand per month during the financial year 2018-19.

For **Apex Frozen Foods Limited**

Sd/-
K Satyanarayana Murthy
Chairman & Managing Director
DIN 05107525

Place: Panasapadu, Kakinada
Date: 13.08.2018

Management's Discussion and Analysis

Annexure –IX

A. Economic environment

The World GDP stood at 3.6% in the year 2018 versus 4% in 2017 and is projected to decline further to 3.3% in 2019, as per IMF estimates. The growth was constrained by sluggish investments and risks including rising trade barriers, renewed financial stress and sharper than expected slowdown in several major economies. A downshift was seen in the first half of 2019, while improvement is expected in the second half on the back of significant policy accommodations by major economies and growth in global activities driven by emerging markets and developing countries.

The Indian GDP grew by 6.9% in fiscal 2019 and is projected to grow by 7% in the current fiscal (versus earlier estimate of 7.2% by the RBI). The decline in GDP growth estimate is on account of multiple factors like, fallout of NBFCs, low credit growth primarily leading to tight liquidity conditions causing an overall slump in the Indian economy.

B. Industry overview

Global Shrimp Industry

According to the FAO, the world production of farmed shrimp is estimated to be around 4 million tonnes during the calendar year 2018 (CY18), higher by 3-5% y-o-y. While the low-price factor affected shrimp production in India and Indonesia, it was China which reversed its negative production trend to post a 10% growth in CY18. Despite which, China continued to be a heavy importer of shrimp last year. Among the other conventional markets, imports increased marginally in the USA and Europe but de-grew in Japan and Australia.

In terms of the exporters, India stood at the leading position with a little over 6 lac MT exported in CY18, higher by ~7% y-o-y. Despite lower growth, the top markets continued to be USA, Vietnam and EU; notably, direct exports to China surged almost 3x (although on a low base) to 46,000 MT.

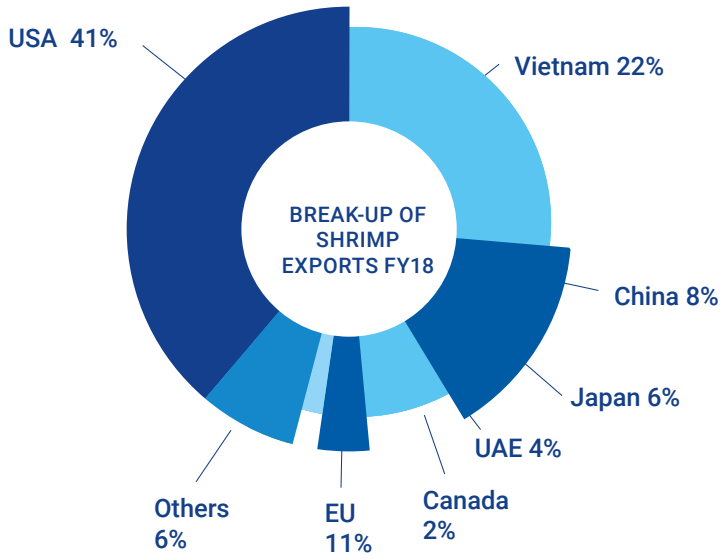
Outlook: As per FAO, the forecast for production in CY19 is similar to that of CY18 as persistent low price of shrimp could keep some of the farmers at bay. However, the longer-term growth drivers like rising per capita consumption of shrimp, higher protein content, etc. remain intact.

India Shrimp Industry

Globally, India ranks third largest in Fisheries and second largest in Aquaculture, based on FY18 data as per National Fisheries Development Board. India's seafood exports have been growing steadily in the past decade, recording a CAGR of 10% over FY09-18. The industry contributes about 5.2% to Agriculture GDP and about 1% to the country's Overall GDP. The total seafood exports from India in fiscal 2018 stood at 1,377,244 MT amounting to Rs 451 bn.

Of the total seafood exports, Frozen Shrimp forms almost 40% at 565,980 MT of sales in fiscal 2018 and amounted to Rs 309 bn. The share of shrimp has grown in the past decade primarily after the Indian Government allowed the commercial production of L. Vannamei specie in 2009-10. The key markets for Indian shrimp are USA, South East Asia and European Union, amongst others. India is the largest supplier of shrimp to the USA – close to 37% market share in fiscal 2019.

Break-up of Shrimp Exports FY18







Fiscal year 2018 and outlook

Although shrimp export in fiscal 2019 is estimated to be flat, in value terms the estimated drop could be 8-10% y-o-y. The tapering off demand which initiated in the second half of fiscal 2018, continued throughout the last fiscal 2019. The extended winters for two consecutive years and higher levels of inventory in consuming markets were the primary reasons for slowdown in demand. This coupled with an overproduction scenario led to a sharp fall in shrimp prices to the extent of 15-20% y-o-y. Consequently, a section of the primary producers in India could not absorb the price impact and altered their farming strategies, thereby leading to a mis-match in demand-supply of certain sizes.

While this has had an impact on revenues of both processors and farmers, we believe that a correction in prices and supply situation was imperative to bring stability in prices which in turn would enhance consumption of Shrimp in the longer term.

Medium term outlook on the Indian Aquaculture Industry:

India could continue to gain global recognition for being able to maintain its quality at competitive prices

- In absence of any large competitor and China becoming a net importer, India should be able to maintain its large pie of share in seafood exporters
- The Industry is likely to witness some level of consolidation at the Farming level
- Disease management to be a key area for Aquaculture industry. It can be controlled by proactive investments in technology aimed at higher productivity and better disease management

C. Business overview:

Company overview

The Company is an integrated producer and exporter of variants of processed L. Vannamei (White-leg) and Black Tiger shrimp. Our clientele consists of food companies, retail chains, restaurants, club stores and distributors spread across the markets of the USA and European countries.

Our integrated operations include five (owned + leased) Hatcheries with a combined breeding capacity of about 1.2 bn SPF seeds, Farming activity over ~1,800 acres of land (owned + leased) and shrimp Processing capacity of 15,240 MTPA (owned + leased).

Our total employee strength as of March 2019 stood at 2,500 permanent employees.

Fiscal year 2019 and outlook

While fiscal 2018 was an exemplary year in terms of financial performance and other milestones, fiscal 2019 was relatively a challenging one.

The Company's operational performance was affected by the demand-supply dynamics of the sector. The total shrimp volumes sold were at 13,051 MT as compared with 14,146 MT in FY18. Additionally, shrimp price correction of an average of 5% y-o-y in Indian Rupee terms led to a fall of almost 12% y-o-y in Total Income which stood at Rs 8,962 mn in fiscal 2019. However,

The new Processing Plant of 20,000 MTPA capacity is ready for trial production and the commercial production will commence after receiving the Regulatory Approvals and Certifications.



the profitability was largely maintained on the back of backward integration efforts and cost efficiencies; EBITDA margin stayed in its 12-13% range but absolute EBITDA and Profit After Tax declined in-line with revenue drop in fiscal 2019.

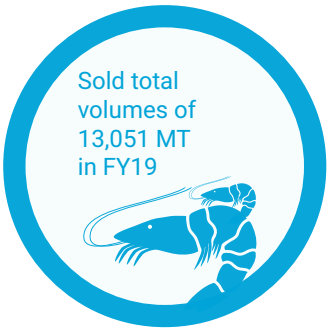
In terms of our geographical mix of revenues, the share of European Union lowered to 20% in fiscal 2019 from 24% in fiscal 2018. We believe this to be a one-time drop, primarily due to the market conditions and subdued demand in Europe. We continue to aim to better the mix in the coming years.

The greenfield project – Processing Plant of 20,000 MTPA capacity at Ragampeta, AP - is nearly complete and expected to be commissioned in the first half of the current fiscal. The total capex incurred as of end of July 2019 amounts to about Rs 108.5 crore, largely funded by IPO proceeds and small portion of internal accruals.



The outlook for your Company in the fiscal 2020 remains positive if the culmination of the following factors plays out, as anticipated:

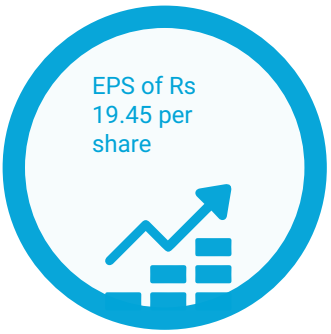
- Shrimp price stability on account of lower production but in-line with demand pattern
- Consumption to improve as inventories are being utilised at the customer's end
- Commissioning of the new plant and foray into higher margin value added 'Ready-to-Eat' category

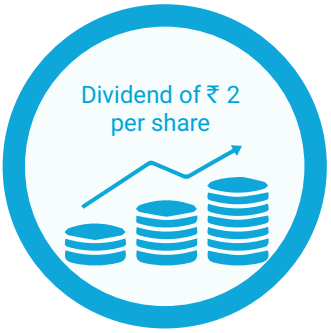


D. Opportunities and threats

Opportunities

With the advent of increasing focus on moving to healthier foods and sourcing quality proteins, the developed economies are relying more heavily than ever on seafood as compared to other forms of meat. With a long coastline and other geographical advantages, India has a competitive edge and is well suited for developing Aquaculture industry. The success story of L. Vannamei could be replicated for other species of fish and thereby strengthening India's position in the seafood export markets, globally. With our vast experience in handling seafood, we hope to be able to cater to this large opportunity.





Threats

The aquaculture activity is susceptible to the vagaries of natural calamities like floods and cyclones, during the culture season. As seen in other countries, the products that we offer are also susceptible to infections. Revenues may also get prone to volatility of international prices of shrimp, including duties and other levies. The industry has, however adopted and created best practices that are indicative of its development. Measures such as traceability and scientific pond management help reduce the impact of diseases. Hedging revenues also offers some protection against fluctuating forex rates.

E. Risk management

Your Company's revenues are largely realised in foreign currency. Further, the nature of the business requires us to invest in working capital and therefore requires us to manage our liquidity positions carefully.

Foreign Exchange Risk

We are exposed to exchange rate risk as a significant portion of our revenues are denominated in foreign currencies, while a large part of our expenses is incurred in Indian Rupees. Products that we export are paid for in foreign currency. Any appreciation in the value of the Rupee against U.S. dollar or other foreign currencies would decrease the realization of Rupee value of our products. The exchange rate between the Rupee and each of the U.S. dollar has changed substantially in recent years and may continue to fluctuate significantly in the future. While we hedge our positions, recent movements in currencies could mean that a certain portion of the risk could still impact our profitability.

Liquidity Risk

Our approach to managing liquidity is to ensure, as far as possible, that we will have sufficient liquidity to meet our liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to our reputation. We have thus far managed to ensure that our relationships with our customers and suppliers are cordial and will continue working on that ethos.

F. Internal control systems

Your Company's independent and robust Internal Audit processes provide assurance on the adequacy and effectiveness of internal controls, compliance with operating systems, internal policies and regulatory requirements.

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

The Audit committee and the management have, at periodic intervals, reviewed the adequacy of the internal control systems and suitable steps are taken to improve the same.

The Internal Controls are also essential for us to maintain the quality and consistency that our global customers expect of us.

G. Discussion on financial perfomance and key financial ratios

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

During the year, your Company recorded total income of Rs 896.2 crore as compared to total income of Rs 1,018.5 crore in fiscal 2018 and Net Profit/(Loss) for the period after tax for the fiscal 2019 stood at Rs 60.8 crore as compared to Rs 79.1 crore in fiscal 2018.

The Directors are pleased to recommend an Ordinary Dividend of Rs 2 per share for fiscal 2019. EPS of Rs 19.45 per share (excluding Dividend Distribution Tax).

Pursuant to Schedule V(B) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015:

Financial Ratio	Fiscal 2019	Fiscal 2018
Operating Profit Margin	12.40%	12.75%
Net Profit Margin	6.78%	7.77%
Debtors Turnover (x)	10.87	13.30
Inventory Turnover (x)	8.42	12.07
Current Ratio (x)	5.50	6.25
Interest Coverage Ratio (x)	15.30	13.94
Debt-Equity Ratio (x)	0.29	0.27
Return on Net-worth	17.12%	26.17%

Notes:

1. Net Profit margin and Return on Net-worth have been calculated based on Profit after Tax and before Other Comprehensive Income.
2. Debtor and Inventory Turnover ratio have been calculated based on Net Revenue.
3. Inventory Turnover reduced due to relatively higher inventory than sales growth
4. Return on Net-worth was higher for fiscal 2018 due to higher rate of growth in Net Profit.



Financial Statements



Independent Auditor's Report



To the Members of Apex Frozen Foods Limited

Report on the Stand alone Ind AS Financial statements

Opinion

We have audited the accompanying standalone Ind AS financial statements of APEX FROZEN FOODS LIMITED ("the Company") which comprise the Balance Sheet as at 31st March, 2019, 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 on that date and notes to financial statements including a summary of significant accounting policies and other explanatory information. (herein after referred to as "Standalone Ind AS Financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Companies act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act read with the Companies (Indian Accounting standards) Rules, 2015 as amended, of State of affairs (financial position) of the Company as at 31st March, 2019, its Profit (financial performance including other comprehensive income), Changes in Equity and its Cash Flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the Standalone Ind AS Financial Statements under the provisions of the Companies Act, 2013 and the Rules made thereunder, and we have fulfilled our 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 a basis for our audit opinion on the standalone Ind AS financial statements.

Key Audit Matters

We have determined that there are no key audit matters to communicate in our report.
Information other than the Standalone Ind AS Financial Statements and Auditor's Report thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Annual Report but does not include the standalone Ind AS financial statements and our auditor's report thereon.

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

In connection with our audit of the standalone Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone Ind AS 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 a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to preparation of these standalone Ind AS financial statements that give a true and fair view of the state of affairs (financial position), profit or loss (financial performance, total comprehensive income), changes in equity and cash flows of the company in accordance with the accounting principles generally accepted in India, including the Ind AS specified under section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
In preparing the standalone Ind AS financial statements, management of the company is responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors of the company are also responsible for overseeing the financial reporting process.
Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements
Our objectives are to obtain reasonable assurance about whether these standalone Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone Ind AS financial statements.

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

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

Materiality is the magnitude of misstatements in the standalone Ind AS financial statements that individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone Ind AS financial statements may be influenced, We consider quantitative materiality and qualitative factors in planning the scope of our audit work and in evaluating the results of our work and to evaluate the effect of any identified misstatements in the standalone Ind AS financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

Report on Other Legal and Regulatory Requirements

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

2. 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, the Statement of Changes in Equit and the Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account.

d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

e) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

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 amended:
In our opinion and to the best of our information and explanations given to us, the remuneration paid by the company to its directors during the year is in accordance with the provisions of section 197 read with Schedule V to 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 does not have any pending litigations which would impact its financial position in its standalone Ind AS financial statements.

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For and on behalf of
BODA RAMAM & CO.,
Chartered Accountants
FRN No: 005383S

(CA.BODA ANAND KUMAR)
Partner
Membership No:029123

Place: Kakinada
Date: 22-05-2019

"Annexure A" to the Independent Auditor's Report
[Referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date]

Based on the audit procedures performed for the purpose of reporting a true and fair view on the standalone financialstatements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal courseof audit, and to the best of our knowledge and belief, we report that:

i.

a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;

b. The Fixed Assets have not been physically verified by the management during the year.

c. According to the information and explanations given to us, the records examined by us, we report that the title deeds of immovable properties are held in the name of the Company as at Balance Sheet date. However it is observed that the title deeds of the factory land at Panasapadu, East Godavari, Andhra Pradesh continued to be in the name of the Partnership Firm M/s. Apex Exports which is an erstwhile firm converted as company under Part IX of the Companies Act, 1956 in March, 2012.

ii. According to the information and explanations given to us, the management has conducted physical verification of inventory at reasonable intervals. The discrepancies noticed on physical verification of the inventory as compared to books &records which has been properly dealt with in the books of account were not material.

iii. According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (C) of the Order are not applicable to the Company and hence not commented upon.

iv. In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities as applicable.

v. According to the information and explanations given to us, the Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2014 with regard to the deposits accepted from the public are not applicable.

vi. The maintenance of Cost records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the business activities carried on by the Company. Thus reporting under Clause 3(vi) of the order is not applicable to the Company.

vii. According to 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, Goods & Service Tax, Customs Duty, Duty of Excise, Cess and other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at 31st March, 2019 for a period of more than six months from the date on when they become payable.

b. According to the information and explanations given to us, there are no dues of income tax, goods & service Tax, duty of customs, duty of excise, outstanding on account of any dispute.

viii. In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks, governments and financial institutions. The Company did not have any debentures outstanding as at the year end.

ix. According to the information and explanations given to us, there were no monies raised by way of initial public offer or further public offer (including debt instruments) during the year and term loans raised during the year are applied for the purpose for which they were sanctioned.

x. To the best of our knowledge and according to the information and explanations given to us, we report that, 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. According to the information and explanations given to us and based on our examination of the records of the company, provisions of Section 197 of Companies Act, 2013 relating to managerial remuneration and restriction thereof are applicable to this company and the same were duly complied.

xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Therefore, clause 3(xii) of the Order are not applicable to theCompany.

xiii. In our opinion and according to the information and explanations to us, the Company is in compliance with section 177 and 188 of Companies Act, 2013 where applicable, for all transactions with the related parties and the details have been disclosed in the standalone Ind AS Financial Statements as required by the applicable Indian accounting standards.

xiv. Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commentedupon.

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 directors or persons connected with them as contemplated under provisions of Section 192 of Companies Act, 2013 and hence the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.

xvi. In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commentedupon.

For and on behalf of
BODA RAMAM & CO.,
Chartered Accountants
FRN No: 005383S

(CA.BODA ANAND KUMAR)
Partner
Membership No: 029123

Place: Kakinada
Date: 22-05-2019

"Annexure B" to the Independent Auditor's Report
[Referred to in paragraph (f) under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date]

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")
We have audited the internal financial controls over financial reporting of APEX FROZEN FOODS LIMITED ("the Company") as of 31st March, 2019 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended as of that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal financial controls over financial reporting issued by ICAI 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 controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting includes 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 standalone Ind AS 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 unqualified 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 standalone Ind AS 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 standalone Ind AS financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
(3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the standalone Ind AS Financial Statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial

control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial control over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2019, based on internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For and on behalf of
BODA RAMAM & CO.,
Chartered Accountants
FRN No: 005383S

(CA.BODA ANAND KUMAR)
Partner
Membership No: 029123

Place: Kakinada
Date: 22-05-2019



Balance Sheet

Balance sheet as at 31st March, 2019

(Rs. in Lakhs)

Particulars	Note	As at 31st March, 2019	As at 31st March, 2018
I. Assets			
Non-current Assets			
(a) Property, Plant and Equipment	3	11,467.75	11,111.11
(b) Capital Work-In-Progress	3	11,631.69	2,085.80
(c) Other Non-current Assets	4	1,139.57	535.25
(c) Deferred Tax Asset (Net)	5	325.19	352.08
Total Non-Current Assets		**24,564.20**	14,084.24
Current Assets			
(a) Inventories	6	10,628.49	10,159.95
(b) Financial Assets			
(i) Trade Receivables	7	9,354.44	6,738.89
(ii) Cash and Cash Equivalents	8	666.61	6,443.89
(iii) Other financial assets	9	2,183.77	1,836.04
(c) Current tax Asset (Net)		183.73	0.00
(d) Other Current Assets	10	3,395.79	3,844.56
Total Current Assets		26,412.83	29,023.33
Total Assets		**50,977.03**	**43,107.57**
II. Equity & liabilities			
Equity			
(a) Equity Share Capital	11	3,125.00	3,125.00
(b) Other Equity	12	32,383.44	27,104.69
Liabilities			
Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	13	709.91	826.01
(b) Deferred Tax Liabilities (Net)	5	0.00	0.00
(c) Other Non-Current Liabilities	14	232.17	184.05
Total Non-Current Liabilities		**942.08**	**1,010.06**



Particulars	Note	As at 31st March, 2019	As at 31st March, 2018
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	15	9,577.33	7,224.52
(ii) Trade Payables	16	3,148.42	2,655.56
(iii) Other Financial Liabilities	17	506.13	492.75
(b) Provisions	18	1,294.63	913.13
(c) Current Tax Liability (Net)	19	0.00	581.86
Total Current Liabilities		**14,526.51**	**11,867.82**
Total Equity and Liabilities		**50,977.03**	**43,107.57**

Notes forming part of the financial statements 1- 34

The accompanying notes are an integral part of the financial statements
As per our report of even date
For Boda Ramam & Co.,
Chartered Accountants
Firm Registration No. 005383S

For and on behalf of the Board of directors

Sd/-
(CA.Boda Anand Kumar)
Partner
Membership No. 029123

Sd/-
K. S. Chowdary
Executive Director
DIN : 03619259

Sd/-
K. Satyanarayana Murthy
Chairman & Managing Director
DIN : 05107525

Place: Kakinada
Date: 22-05-2019

Sd/-
S. Sarojini
Company Secretary

Sd/-
Ch. Vijaya Kumar
Chief Financial Officer

Statement of Profit & Loss

Statement of profit & loss for the year ended 31st March, 2019

(Rs. in Lakhs)

Particulars	Note	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Revenue			
(a) Revenue from Operations	20	87,471.05	99,863.40
(b) Other Income	21	2,146.23	1,987.43
Total Revenue		**89,617.27**	**1,01,850.83**
Expenses			
(a) Cost of Materials	22	58,563.86	74,084.50
(b) Changes in Inventories	23	(468.54)	(3,777.49)
(c) Employee Benefits Expense	24	4,821.32	3,892.31
(d) Finance Cost	25	654.92	869.96
(e) Depreciation and Amortization expense & Others	26	1,086.45	865.24
(f) Other Expenses	27	15,592.10	14,660.98
Total Expenses		**80,250.12**	**90,595.49**
Profit / (Loss) before exceptional items and tax		**9,367.15**	**11,255.33**
Exceptional items		-	-
Profit/(Loss) before tax		**9,367.15**	**11,255.33**
Tax Expenses			
1. Current tax		3,260.66	4,331.86
2. Deferred tax	5	26.89	(986.58)
Total Tax Expenses		**3,287.55**	**3,345.28**
Net Profit/(Loss) for the period after tax		**6,079.60**	**7,910.05**
Other Comprehensive Income (net of tax expense)		193.32	(392.50)
Total Comprehensive Income after tax		**6,272.92**	**7,517.56**
Earnings Per Equity share	28		
(a) Basic		19.45	28.02
(b) Diluted		19.45	28.02

The accompanying notes are an integral part of the financial statements
As per our report of even date
For Boda Ramam & co.,
Chartered Accountants
Firm Registration No. 005383S

For and on behalf of the Board of directors

Sd/-
(CA.Boda Anand Kumar)
Partner
Membership No. 029123

Sd/-
K. S. Chowdary
Executive Director
DIN : 03619259

Sd/-
K. Satyanarayana Murthy
Chairman & Managing Director
DIN : 05107525

Place: Kakinada
Date: 22-05-2019

Sd/-
S. Sarojini
Company Secretary

Sd/-
Ch. Vijaya Kumar
Chief Financial Officer


APEX

Statement of changes in equity

Statement of changes in equity for the year ended 31st March, 2019

(Rs. in Lakhs)

a. Equity

Particulars	Number of Shares	Amount
Balance as at 1st April, 2017	2,40,00,000	2,400
Changes in equity share capital during the year	72,50,000	725
	3,12,50,000	**3,125**
Balance as at 1st April, 2018		
Changes in equity share capital during the year	**-**	**-**
Balance as at 31st March 2019	**3,12,50,000**	**3,125**

b. Other Equity

Particulars	Reserves & Surplus			
	Securities Premium	General Reserve	Retained Earnings	Total
Balance as at 1st April 2017	-	**1,000.00**	**7,542.37**	**8,542.37**
Add: Profit for the Year	-	-	7,517.56	7,517.56
Securities Premium on Fresh issue of Equity Shares	**11,962.50**	-	-	11,962.50
Less: IPO Expenses	(912.01)	-	-	(912.01)
Less: Tax on Other comprehensive Income	-	-	(5.73)	(5.73)
Balance as at 31st March 2018	**11,050.49**	**1,000.00**	**15,054.20**	27,104.69
Balance as at 1st April 2018	**11,050.49**	**1,000.00**	**15,054.20**	27,104.69
Add: Profit for the Year	-	-	6,272.92	6,272.92
Less: Dividend Declared during the year	-	-	(753.47)	(753.47)
Less: IPO Expenses	(11.44)	-	-	(11.44)
Less: GST ITC Reversal	-	-	(229.27)	(229.27)
Balance as at 31st March 2019	**11,039.05**	**1,000.00**	**20,344.38**	**32,383.44**

The accompanying notes are an integral part of the financial statements
As per our report of even date
For Boda Ramam & Co.,
Chartered Accountants
Firm Registration No. 005383S

For and on behalf of the Board of directors

Sd/-
(CA.Boda Anand Kumar)
Partner
Membership No. 029123

Sd/-
K. S. Chowdary
Executive Director
DIN : 03619259

Sd/-
K. Satyanarayana Murthy
Chairman & Managing Director
DIN : 05107525

Place: Kakinada
Date: 22-05-2019

Sd/-
S. Sarojini
Company Secretary

Sd/-
Ch. Vijaya Kumar
Chief Financial Officer



Statement of Cash Flows

Statement of Cash Flows for the year ended 31st March, 2019

(Rs. in Lakhs)

Particulars		For the year ended 31st March, 2019		For the year ended 31st March, 2018
A. Cash Flow from Operating Activities				
Profit before tax		**9,367.15**		**11,255.33**
Adjustments for:				
Depreciation & Amortisation expense		1,086.45		865.24
Finance Costs		540.97		728.05
Interest Income		(110.32)		(187.96)
Other Income - Profit on sale of assets		(104.82)		-
Unrealised Gain/(Loss) on Forward Contracts		182.85		(381.67)
Regrouping of Actuarial Gain or Losses		16.08		(16.55)
Operating Profit before working capital changes		**10,978.36**		**12,262.44**
Changes in Working Capital:	492.86		(433.42)	
Increase / (Decrease) in Payables	13.38		49.08	
Increase / (Decrease) in Other Financial Liabilities	(200.36)		(495.47)	
Increase / (Decrease) in Short Term Provisions	48.12		184.05	
Increase / (Decrease) in Other Non Current Liabilities	(468.54)		(3,777.49)	
Decrease / (Increase) in Inventories	(2,615.55)		1,542.37	
Decrease / (Increase) in Receivables	(347.73)		(559.45)	
Decrease / (Increase) in Other Financial Assets	265.04		(1,143.94)	
Decrease / (Increase) in Other Current Assets				
Cash Generated From Operations		**8,165.58**		**7,628.15**
Net Income Tax Paid		**(3,266.28)**		(4,331.86)
Net Cash Flow from Operating Activities (A)		**4,899.30**		**3,296.29**
B. Cash Flow From Investing Activities	(10,991.49)		(5,697.42)	
Capital Expenditure on Property, Plant & Equipment	107.33		-	
Proceeds on Sale of Property, Plant & Equipment	(604.32)		(327.53)	
Other Non-Current Assets	110.32		187.96	
Interest Received				
Net Cash Flow from Investing Activities (B)		**(11,378.16)**		**(5,836.99)**
C. Cash Flow From Financing Activities	-		-	
Proceeds from issue of Equity	2,455.93		12,687.50	
Proceeds from Borrowings	(219.19)		507.73	
Repayment of Borrowings	(11.44)		(3,027.01)	
Utilisation of Securities Premium	(753.47)		(912.01)	
Dividends Paid (Including Corporate Dividend Tax)	(229.27)		-	
Application of Reserves – GST ITC Reversal	(540.97)		-	
Financing Charges			(728.05)	
Net Cash Flow from Financing Activities (C)		**701.59**		**8,528.17**
Net increase / (Decrease) in cash & Cash Equivalents(A+B+C)		**(5,777.28)**		**5,987.46**
Cash and Cash Equivalents as at the beginning of the year		6,443.89		456.43
Cash and Cash Equivalents as at the end of the year (Refer Note 1 Below)		666.61		6,443.89
Note (i): Cash and Cash Equivalents comprises of	588.42		6,319.17	
Balances with Banks	78.19	**666.61**	124.72	**6,443.89**
Cash in Hand				

The above Statement of Cash Flows has been prepared under the "Indirect Method" set out in IND AS - 7, 'Statement of Cash Flows' specified under section 133 of the Companies Act, 2013.

Purchase of property, plant and equipment includes movements of capital work-in-progress during the year.

The accompanying notes are an integral part of the financial statements
As per our report of even date
For Boda Ramam & co.,
Chartered Accountants
Firm Registration No. 005383S

For and on behalf of the Board of directors

Sd/-
(CA.Boda Anand Kumar)
Partner
Membership No. 029123

Sd/-
K. S. Chowdary
Executive Director
DIN : 03619259

Sd/-
K. Satyanarayana Murthy
Chairman & Managing Director
DIN : 05107525

Place: Kakinada
Date: 22-05-2019

Sd/-
S. Sarojini
Company Secretary

Sd/-
Ch. Vijaya Kumar
Chief Financial Officer



Notes to Financial Statements

for the year ended 31st March, 2019

1. Corporate information

Apex Frozen Foods Limited ("AFFL"- The Company) is a public limited company incorporated under "The Companies Act, 1956", with its registered office at Panasapadu, Kakinada under CIN No: L15490AP2012PLC080067. The Board of Directors consists of

i. Satyanarayana Murthy Karuturi	Managing Director
ii. Subrahmanya Chowdary Karuturi	Whole Time Director
iii. Neelima Devi Karuturi	Whole Time Director
iv. Chandrasekhar RajuDatla	Independent Director
v. Lakshmipathi Raju Mantena	Independent Director
vi. Venkata Subba Raju Datla	Independent Director

The Company is having Shrimp Processing facility at Panasapadu, Kakinada besides Pre-Processing plant at Tallarevu, East Godavari District. The Company is also having Farms & Prawn Hatcheries. Construction of New shrimp processing plant of 20,000 tons capacity per day at G. Ragampeta is in progress.
The Company has its listings on the Bombay Stock Exchange Ltd. and National Stock Exchange of India Ltd. The Financial statements of the company are approved for issue by the company's board of directors on 22nd May, 2019.

2. Basis of Preparation and Significant Accounting Policies

2.1 Basis of Preparation and compliance with Ind AS

Compliance with Ind AS: These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('Act') read with Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act. The accounting policies are applied consistently to all the periods presented in the financial statements.

2.2 Signicant account policies

The preparation of financial statements requires the management of the Company to make estimates, judgements and assumptions that affect the reported balances of assets and liabilities and disclosures of contingent liabilities at the date of the Ind AS financial statements and reported amounts of income and expense during the year. Management believes that the estimates used in the preparation of the standalone financial statements are prudent and reasonable.

Accounting estimates could change from period to period. Actual results could differ from those estimates. Changes in estimates are reflected in the financial statements in the period in which the changes are made and, if material, their effects are disclosed in the notes to financial statements.

This note provides a list of significant accounting policies adopted during the preparation of these financial statements which have been consistently applied to all the years presented, unless otherwise stated.

i. Basis of Measurement

The standalone Ind AS Financial Statements have been prepared on a going concern basis using historical cost convention and on an accrual method of accounting, except for certain financial assets and liabilities which have been measured at fair value as described below and defined benefit plans which have been measured at actuarial valuation as required by relevant Ind AS.

Fair Value Measurement

The Company measures financial instruments, such as forward contracts at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:
In the principal market for the asset or liability, or
In the absence of a principal market, in the most advantageous market for the asset or liability.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. Fair value for measurement and /or disclosure purpose in these financial statements is determined on such basis, except for share based payment transactions that are within the scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 17, and measurements that have some similarities to fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

ii. Functional and presentation currency

These standalone Ind AS Financial statements are prepared in Indian rupee which is the company's functional currency. All financial information presented in Rupees has been rounded to the nearest lakhs with two decimals.

iii. Revenue Recognition

The company derives majority of its revenue through export of processed shrimp to international customers. Revenue is measured at the fair value of the consideration received or receivable.

The Company recognizes revenue upon transfer of significant risks and rewards of ownership of goods to the customer, when the amount of revenue can be reliably measured and it is probable that the future economic benefits will flow to the entity.

iv. Income Taxes

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to the unused tax losses. Provision for current tax is made in accordance with provisions of the Income-tax Act, 1961.
The current income tax charge is calculated on the basis of the tax laws in force. The Management establishes provisions, where appropriate, on the basis of amounts expected to be paid to the tax authorities.

Deferred Tax is provided in full on all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the standalone financial statements. It is determined using tax rates that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realized or the deferred tax liability is settled.
Deferred Tax assets are recognized regarding all temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

The Deferred Tax Assets and Liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when deferred tax balance relates to the same taxation authority. Current Tax Asset and current tax liabilities are offset when the entity has a legally enforceable right to offset and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

v. Leases

The company in capacity of a Lessee, holds many farm lands and hatcheries in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight line basis over the period of lease.

vi. Impairment of Assets

The company periodically tests its assets for impairment and if the carrying values are found in excess of recoverable value, impairment loss is recognized. The recoverable amount is higher of an asset's fair value less costs of disposal and value in use. There is no impairment loss or gain during the current financial year.

vii. Cash and Cash Equivalents

Cash and Cash equivalents for the purposes of Statement of Cash Flows includes Cash on hand, Cash at bank and Deposits.

viii. Trade Receivables
Trade Receivables are initially recognized at the amount for which Invoice is raised and subsequently restated with the RBI rate as at the end of the reporting period.

ix. Bad Debts
Bad Debts are written off to Profit and Loss account as and when the debt is determined as un-realizable as per opinion of the Management.

x. Inventories
Inventories comprises of Finished Goods, Work-In-Progress of Shrimp at Farms & Hatcheries and Stores & Spares. Finished goods are valued at lower of cost or net realizable value. Work-in-progress and Stores & Spares are valued at Cost.

xi. Other Financial Assets
Other Financial Assets include MEIS Receivable by the Company as at the end of the reporting period.

xii. Property, Plant and Equipment:
a) Property, Plant and Equipment
The Initial cost of property, plant and equipment comprises its purchase price, including the import duties and non-refundable purchase taxes, attributable borrowing costs of bringing an asset to working condition and location for its intended use. It also includes the present value of the expected cost for the decommissioning and removing of an asset and restoring the site after its use, if the recognition criteria for a provision are met.

Expenditure incurred after the property, plant and equipment have been put into operation such as repairs and maintenance are normally charged to the statement of profit and loss in the period in which the costs are incurred. Major inspection and overhaul expenditure is capitalized if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognised in the statement of profit and loss as incurred.

Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognized net within other income/other expenses in statement of profit and loss.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss, when the asset is derecognised.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

b) Capital Work in progress
Assets in the course of construction are capitalized to capital work in progress account. At the point when an asset is capable of operating in the manner intended by the management, the cost of construction is transferred to the appropriate category of property, plant and equipment. Costs associated with the commissioning of an asset are capitalized when the asset is available for use but incapable of operating at normal levels until the period of commissioning has been completed.

c) Depreciation
Assets in the course of development or construction and freehold land are not depreciated. Other property, plant and equipment are stated at cost less accumulated depreciation and any provision for impairment. Depreciation commences when the assets are ready for their intended use.
Depreciation is calculated on the depreciable amount, which is the cost of an asset less its residual value. Depreciation on tangible assets has been provided on the straight line method as per the useful life prescribed in Schedule II to the Companies Act, 2013. Depreciation methods, useful lives and residual values are reviewed at each financial year end and changes in estimates, if any, are accounted for prospectively.

xiii. Trade and Other Payables

These amounts represent liabilities that are unpaid for goods provided to the Company prior to the year end.

xiv. Borrowing Cost

Borrowing Cost directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is required to complete and prepare the asset for its intended use. Qualifying assets are those assets that necessarily take a substantial period of time to get ready for their intended use. Other borrowing costs are recognized as an expense in the period in which these are incurred.

xv. Borrowings

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

xvi. Provisions:

Provisions are recognized when there is a present legal or constructive obligation as a result of past events that it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognized for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period.

These are reviewed at the end of each reporting period and adjusted to reflect the current best estimates. Contingent assets and liabilities are not recognized, however contingent liabilities are disclosed in Note No. 31.

xvii. Employee Benefits:

Gratuity:

Gratuity is provided for the year under Defined Benefit Gratuity Plan as per the Actuarial valuation. The liability or asset recognized in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in the statement of profit and loss as past service cost.

Provident Fund & E.S.I:

Expenditure pertaining to contributory provident fund and E.S.I account is charged to profit or loss.

xviii. Contributed Equity

Equity shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in Other equity as a deduction (net of tax) from the IPO proceeds.

xix. Dividend:

The Board of directors at its meeting held on 22nd May, 2019 recommended a final dividend of Rs. 2 per equity share for the financial year ended March 31, 2019. This payment is subject to approval of shareholders in the ensuing Annual General Meeting of the Company and if approved, would result in a net cash outflow of Rs. 753.47 Lakhs including dividend distribution tax. The final dividend of Rs. 2 per equity share and the resultant expected cash outflow is based on the outstanding number of shares of the company as at March 31, 2019.

Generally, Provision is made for the amount of any dividend declared, if any, being appropriately authorized and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period. However, no Provision is made as it is yet to be approved by the Share Holders.

The following is a detailed description of carrying amount of Dividend payable by the company for the Financial Year 2017-18

Particulars	Amount
Opening Balance of Dividend Payable as at 1st April 2018	-
Add: Final Dividend Declared during the Year in the 6th AGM of the Company pertaining to results of FY 2017-18	625.00
Less: Dividend Paid during the Year	(624.30)
Closing Balance of Dividend Payable as at 31st March 2019	**0.70**

xx. Earnings per Share

a) Basic Earnings per Share:

Basic Earnings per share is calculated by dividing the Profit attributable to Owners of the Company by the weighted average number of equity shares outstanding during the financial year.

b) Diluted Earnings per Share:

Diluted Earnings per Share adjusts the figures used in determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming conversion of all dilutive potential equity shares.

xxi. Rounding of Amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest Lakh as per the requirement of Schedule III, unless otherwise stated.

xxii. Critical Estimates & Judgments

Areas involving critical estimates:

- Estimation of defined benefit obligation, refer note 29.





3. Property, plant and equipment and capital work-in-progress

(Rs. in Lakhs)

Particulars	Land	Factory Buildings	Building Other than Factory Buildings	Plant & Machinery	Computers	Furniture & Fixtures	Vehicles	Total	Capital Work-In-Progress	Lease Hold Land Amortisation	Grand Total
Gross Block											
Closing Gross carrying amount as at 1st April, 2017	**2,256.01**	**1,124.11**	**279.87**	**4,565.11**	**14.22**	**721.26**	**1,194.28**	**10,154.86**	**77.57**	**-**	**10,232.44**
Additions	**804.96**	**89.42**	**22.00**	**1,331.82**	**7.93**	**622.69**	**503.36**	**3,382.17**	**2,090.34**	**307.02**	**5,779.54**
Disposals	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**82.12**	**-**	**82.12**
Closing Gross carrying amount as at 31st March, 2018	**3,060.97**	**1,213.53**	**301.87**	**5,896.93**	**22.15**	**1,343.95**	**1,697.64**	**13,537.04**	**2,085.80**	**307.02**	**15,929.85**
Additions	**602.11**	**6.26**	**1.35**	**362.80**	**23.57**	**52.91**	**335.04**	**1,384.05**	**9,545.89**	**61.55**	**10,991.49**
Disposals	**-**	**-**	**-**	**74.83**	**-**	**-**	**44.50**	**119.33**	**-**	**-**	**119.33**
Closing Gross carrying amount as at 31st March, 2019	**3,663.07**	**1,219.79**	**303.22**	**6,184.90**	**45.72**	**1,396.86**	**1,988.19**	**14,801.76**	**11,631.69**	**-**	**26,802.02**
Accumulated Depreciation/ Amortisation		**82.82**	**10.20**	**1,131.30**	**9.26**	**159.77**	**474.36**	**1,867.70**	**-**	**29.67**	**1,867.70**
Balance as at 1st April, 2017		**38.33**	**4.55**	**506.67**	**3.82**	**97.15**	**185.04**	**835.57**	**-**	**-**	**865.24**
Depreciation/ Amortisation for the Year				**-**	**-**	**-**	**-**	**-**	**-**	**29.67**	**-**
Disposals	**-**	**-**	**-**	**1,637.98**	**13.08**	**256.92**	**659.40**	**2,703.27**	**-**	**63.98**	**2,732.94**
Balance as at 31st March, 2018	**-**	**121.14**	**14.74**	**580.00**	**6.26**	**129.75**	**261.15**	**1,022.47**	**-**	**-**	**1,086.45**
Depreciation/ Amortisation for the Year											
Disposals	**-**	**40.51**	**4.80**	**74.83**	**-**	**-**	**41.99**	**116.82**	**-**	**93.65**	**116.82**
Balance as at 31st March, 2019	**-**	**161.66**	**19.54**	**2,143.15**	**19.34**	**386.68**	**878.56**	**3,608.92**	**-**	**-**	**3,702.57**
Net Carrying amount											
As at April 1, 2017	**2,256.01**	**1,041.30**	**269.68**	**3,433.80**	**4.96**	**561.49**	**719.93**	**8,287.16**	**77.57**	**-**	**8,364.73**
As at March 31, 2018	**3,060.97**	**1,092.39**	**287.13**	**4,258.95**	**9.06**	**1,087.02**	**1,038.24**	**10,833.76**	**2,085.80**	**277.35**	**13,196.91**
As at March 31, 2019	**3,663.07**	**1,058.14**	**283.68**	**4,041.75**	**26.38**	**1,010.18**	**1,109.63**	**11,192.84**	**11,631.69**	**274.91**	**23,099.44**

4. Other non-current assets		(Rs. in Lakhs)
Particulars	**As at 31st March, 2019**	**As at 31st March, 2018**
Advances for Capital Goods & Others	818.49	535.25
Advance for land	321.08	-
TDS Receivables	-	-
Total	**1,139.57**	**535.25**

5. Net deferred tax asset / (Liability)				(Rs. in Lakhs)
Particulars	**Opening Balance**	**Recognised in Profit & Loss**	**Recognised in Other Comprehensive Income**	**Closing Balance**
Deferred Tax Asset/ Liability for the Year ended March 31, 2018				
Depreciation & Amortisation	634.50	(986.58)	-	(352.08)
Total	**634.50**	**(986.58)**	**-**	**(352.08)**
Deferred Tax Asset/ Liability for the Year ended March 31, 2018				
Depreciation & Amortisation	(352.08)	26.89	-	(325.19)
Total	**(352.08)**	**26.89**	**-**	**(325.19)**

6. Inventories		(Rs. in Lakhs)
Particulars	**As at 31st March, 2019**	**As at 31st March, 2018**
Farming and Hatchery Work-in-progress	2,705.62	3,925.49
Finished goods	7,604.07	5,915.76
Stores & Spares	318.80	318.70
Total	**10,628.49**	**10,159.95**

Inventory quantities & values as at Balance Sheet date are as certified by the management. Shrimp Farming Work-in-Progress includes the amount spent on the Un-harvested Crops at the end of reporting period.

7. Trade receivables		(Rs. in Lakhs)
Particulars	**As at 31st March, 2019**	**As at 31st March, 2018**
Export Debtors	8,624.09	6,065.41
Hatchery & Other Debtors	357.87	267.47
Duty Drawback Receivable	372.48	406.01
Total	**9,354.44**	**6,738.89**

Sundry Debtors are subject to Confirmation and Reconciliation.

8. Cash & cash equivalents		(Rs. in Lakhs)
Particulars	**As at 31st March, 2019**	**As at 31st March, 2018**
Balances with Scheduled Banks:		
Current Accounts	226.55	142.09
Margin & IPO Deposits	361.87	6,177.09
Cash in Hand	78.19	124.72
Total	**666.61**	**6,443.89**

9. Other financial assets		(Rs. in Lakhs)
Particulars		
MEIS Receivable	2,183.77	1,836.04
Total	**2,183.77**	**1,836.04**

10. Other current assets		(Rs. in Lakhs)
Particulars	**As at 31st March, 2019**	**As at 31st March, 2018**
a. Advances - Others	191.49	421.09
b. Advances - Employees	68.63	92.94
c. Deposits and Other Receivables	1,505.41	1,454.29
d. Other Advances	1,179.62	1,608.46
e. Forward Premiums Receivable	450.64	267.78
Total	**3,395.79**	**3,844.56**

11. Equity share capital		(Rs. in Lakhs)
Particulars	**As at 31st March, 2019**	**As at 31st March, 2018**
Authorised		
3,60,00,000 fully paid up Equity Shares of Rs.10/- each	3,600	3,600
Issued, Subscribed and Paid-up		
3,12,50,000 fully paid Equity Shares ofRs. 10/- each (31st March,2019 - 3,12,50,000; 31st March, 2018 - 3,12,50,000)	3,125	3,125

(a) Reconciliation of number of shares outstanding		(Rs. in Lakhs)
Particulars	**Number of Shares**	**Amount**
Balance as at 1st April, 2017	2,40,00,000	2,400
Increase in equity share capital due to Fresh Issue of Equity Shares	72,50,000	- **725**
Balance as at 31st March 2018	**3,12,50,000**	**3,125**
Changes in Equity Share Capital during the year	-	**-**
Balance as at 31st March 2019	**3,12,50,000**	**3,125**

(b) Details of shares held by each shareholder holding more than 5% shares				
Name of Shareholder	**As at March 31st , 2019**		**As at 31st March 2018**	
	No. of Shares	% Held	No. of Shares	% Held
K.S.Murthy	89,18,779	28.54	89,18,779	28.54
K.Padmavathi	40,54,853	12.97	40,54,853	12.97
K.S.Chowdary	96,33,942	30.83	96,04,000	30.73

12. Other equity		(Rs. in Lakhs)
Particulars	**As at 31st March, 2019**	**As at 31st March, 2018**
Securities Premium Account	11,039.05	11,050.49
General Reserve	1,000.00	1,000.00
Retained Earnings	20,344.38	15,054.20
Total Other Equity	**32,383.44**	**27,104.69**

Particulars	**As at 31st March, 2019**	**As at 31st March, 2018**
Securities Premium Account		
Balance at the Beginning of the year	11,050.49	-
Add: Securities Premium on Fresh Issue of Equity Shares	-	11,962.50
Less: IPO Expenses	(11.44)	(912.01)
Balance at the end of the year	**11,039.05**	**11,050.49**



Particulars	As at 31st March, 2019	As at 31st March, 2018
General Reserve		
Balance at the Beginning of the year	1,000.00	1,000.00
Balance at the end of the year	**1,000.00**	**1,000.00**
Retained Earnings	15,054.20	7,542.37
Balance at the Beginning of the year	6,272.92	7,517.56
Add: Profit attributable to the Owners of the Company	(753.47)	-
Less: Dividend (including Corporate Dividend Tax)	(229.27)	-
Less: Tax on Other Comprehensive Income	-	(5.73)
Balance at the end of the year	**20,344.38**	**15,054.20**

Securities premium reserve:
Securities premium reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of Companies Act 2013.

13. Financial liabilities (Rs in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
(i) Borrowings		
Secured		
Term Loans from Banks	90.48	309.67
Vehicle Loans	394.30	291.21
Unsecured		
Loan From Directors and Shareholders	225.13	225.13
Total	**709.91**	**826.01**

* Current maturities on long-term borrowings have been disclosed under the head Other financial liabilities grouped under current liabilities.

Secured borrowings

Secured Borrowings

i. Term Loans from Banks: As at the end of the period, the Company has a secured term borrowings of Rs. 271.42 Lakhs from HDFC Bank excluding Vehicle Loans. The same has been classified under Non-current Financial Liabilities (Rs. 90.48 lakhs) and Other Current Financial Liabilities (Rs. 180.94 lakhs).

ii. Primary Securities:

a. Term Loan-I from Bank of India, Kakinada Branch has no outstanding balance as on 31st March, 2019, but still secured by way of first charge of Company's Land, Buildings and Plant & machineries.

b. Term loan – II from Bank of India, Kakinada Branch has no outstanding balance as on 31st March, 2019, but still secured by way of first charge on Company's Land, Building and Plant & machineries.

c. Term loan – III from Bank of India, Kakinada Branch has no outstanding balance on 31st March, 2019, but still secured by way of first charge on Machinery of the Company.

d. Term loan – IV from HDFC Bank, Kakinada Branch Rs. 271.42 lakhs is outstanding as on 31st March, 2019, which is secured by Property situated near D.No. 2-56, R.S.No. 389/1, Korangi Village, Tallarevu Mandal comprising of Land, Building and Plant & Machinery.

iii. Vehicle Loans

The Company has availed term loans for Vehicles from Banks and financial Institutions with tenor ranging from 36 to 38 Installments. As on 31st March, 2019, the Company has total such loans of Rs. 719.49 lakhs of which Rs. 325.19 lakhs has been classified

under Other Financial liabilities under Financial Liabilities and Rs. 394.30 lakhs has been classified under Non-current Financial Liabilities.

14. Other non-current liabilities (Rs. in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Other Non-Current Liabilities	232.17	184.05
Total	232.17	184.05

15. Current liabilities
(a) Financial liabilities - borrowings (Rs. in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Secured		
Working Capital Loans From Bank of India	6,970.06	5,286.05
Working Capital Loans From HDFC Bank Limited	2,607.27	1,938.46
Total	**9,577.33**	**7,224.52**

The company has been availing its Working Capital requirements from Bank of India and HDFC Bank. Working Capital limits utilised as at the yearend are as per the above table, while the total working capital limits sanctioned by the bank are in the table given below.

Name of the Bank	Nature of Borrowing	Limits as at	
		31st March, 2019	31st March 2018
Bank of India	EPC	3,000	3,000
Bank of India	SWC	1,500	1,500
Bank of India	FBP	2,500	2,500
HDFC	PCFC	3,000	3,000
Total		**10,000**	**10,000**

EPC- Export Packing Credit
SWC- Standby Working Capital
FBP - Foreign Bill Purchase
PCFC - Packing Credit Foreign Currency
PCFC limit @ 50% of the EPC limits and SWC Limit
Working Capital facilities from the Banks are secured by hypothecation by way of first charge on the following assets of the company:

Primary security

Exclusive charge on Current assets of the Company by way of hypothecation of stocks of raw material, work in process, finished goods.

Collateral securities

Equitable mortgage of residential land & building owned by Mr.K.S.Murthy, Managing Director of the company situated at D.No.2.23.14/1, Ward no.2, Block No.2, Sarada Street, Srinagar, Kakinada.
Equitable mortgage of residential land and building owned by Mr.K.S.Murthy, Managing Director of the company extent of 477.20 sq.yards situated at D.No.7-30, SeetharamapuramSivaru, TallarevuMandal, East Godavari District.
Equitable mortgage of agricultural land owned by Mrs.K.Padmavathi, Share Holder of the Company extent of 12 acres situated at Survey No.273, 274 & 275, S.Yanam Village, UppalagupthamMandal, East Godavari District.
Factory land and building and plant and machinery situated vide Survey No.214, 271/5, 271/4 at Panasapadu village, AchampetaPanchayat, SamalkotaMandal and at Tallarevu vide Survey No.389/1 that are shown as principal security for the Term loans have been obtained as collateral security for the working capital limit

Guarantors

1. Mr. K.S.Murthy
2. Mr. K.S.Choudary
3. Mrs. K. Padmavathi

16. Trade payables

(Rs. in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Creditors for Raw materials	1,860.51	1,524.38
Creditors for Stores & Expenses		
Packing Material Suppliers	290.95	138.03
Creditors for Expenses	996.96	993.15
Total	**3,148.42**	**2,655.56**

* Credit Balances are subject to confirmation and Reconciliation.
In the absence of necessary information relating to the registration status of suppliers under the Micro, Small and medium Enterprises development Act, 2006, the information required under the said Act could not be complied and disclosed.

17. Other financial liabilities

(Rs. in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Secured		
Current Maturities of Long-term Borrowings (refer note 13)		
From Bank of India - Term Loan - I	-	57.70
From Bank of India - Term Loan - II	-	8.05
From Bank of India - Term Loan - III	-	49.92
From HDFC Bank Ltd - Term Loan - IV	180.94	160.15
From Kotak Mahindra Bank - Vehicle Loans	305.15	155.49
From HDFC Bank - Vehicle Loans	20.04	61.44
Total	**506.13**	**492.75**

18. Provisions		(Rs. in Lakhs)
Particulars	**As at 31st March, 2019**	**As at 31st March, 2018**
Other Provisions	1,294.63	913.13
Total	**1,294.63**	**913.13**

19. Current tax liability (Net) & provisions		(Rs. in Lakhs)
Particulars	**As at 31st March, 2019**	**As at 31st March, 2018**
Provision for Taxation (Net of Advance Tax)	-	581.86
Total	**-**	**581.86**

Revenue

20. Revenue from operations		(Rs. in Lakhs)
Particulars	**As at 31st March, 2019**	**As at 31st March, 2018**
Sales of Products	79,648.60	92,411.26
Export Benefits (Net)	7,822.45	7,452.14
Total	**87,471.05**	**99,863.40**

Revenue from operations

Sale of products

a. Export Sales are accounted for as and when Sale Invoices are raised and goods are dispatched out of factory as per RBI reference rate on the date of invoice. The difference if any between negotiation / realization rate and exchange rate of invoice is accounted as foreign exchange difference on receipt of particulars from negotiating bank.

b. The company during the year, besides processing and exporting of Shrimp has developed Hatcheries and the sales above include seed sales. Sales also includes sale of scrap arising out of processing of Shrimp.

Export benefits

a. Company is entitled for Duty Draw Back @ Rs. 21.60 p. per Kg Or 2.70% on FOB (whichever is lower) of Exports done. Accordingly, income on account of Duty Draw Back is recognized for Sale Invoices raised up to March 31st, 2019 at the applicable rate.

b.Company is also entitled for Merchandise Exports from India Scheme (MEIS) from D.G.F.T. As per the scheme, company is eligible for grant of Duty Credit Scrip from D.G.F.T. The said Scripts are in turn, encashed by way of sale to importers at agreed rate.

21. Other income		(Rs. in Lakhs)
Particulars	**As at 31st March, 2019**	**As at 31st March, 2018**
Interest Income on		
Fixed Deposits	110.32	187.96
Others	104.82	-
Surplus from Foreign Currency Fluctuation	1,931.09	1,799.47
Total	**2,146.23**	**1,987.43**

Expenses

22. Cost of materials		(Rs. in Lakhs)
Particulars	**As at 31st March, 2019**	**As at 31st March, 2018**
Raw Material Purchases	48,456.46	62,670.78
In house Shrimp Farming & Hatchery Expenses	9,838.47	11,413.72
Feed Purchases	268.93	-
Total	**58,563.86**	**74,084.50**

23. Changes in inventories		(Rs. in Lakhs)
Particulars	**As at 31st March, 2019**	**As at 31st March, 2018**
Opening Stocks		
Farming and Hatchery Work-in-Progress	3,925.49	2,591.40
Finished Goods	5,915.76	3,613.83
Stores & Spares - Packing Material & Chemicals	318.70	177.23
Total	**10,159.95**	**6,382.46**
Closing Stocks		
Farming and Hatchery Work-in-Progress	2,705.62	3,925.49
Finished Goods	7,604.07	5,915.76
Stores & Spares - Packing Material & Chemicals	318.80	318.70
Total	**10,628.49**	**10,159.95**
Increase / Decrease	**(468.54)**	**(3,777.49)**

Inventories include the unsold finished goods produced at both the production locations i.e., Kakinada and Bapatla and work in progress includes the cost incurred on un-harvested shrimp farms and Hatcheries while stores and spares included chemicals and packing material.

24. Employee benefit expenses		(Rs. in Lakhs)
Particulars	**Year Ended 31st March, 2019**	**Year Ended 31st March, 2018**
Salaries, Wages & Other Benefits	3,087.18	2,233.42
Contribution to Funds	245.41	171.95
Director's Remuneration	461.00	461.00
Staff Welfare Expenses	103.99	121.82
Employee and Employer's Insurance Scheme	923.74	904.13
Total	**4,821.32**	**3,892.31**

25. Finance cost		(Rs. in Lakhs)
Particulars	**Year Ended 31st March, 2019**	**Year Ended 31st March, 2018**
Interest Expense		
Term Loans	18.30	45.46
Working Capital	469.94	559.71
Others	52.73	122.88
Bank Charges	113.96	141.91
Total	**654.92**	**869.96**

Interest on Others includes Interest on Vehicle Loans of Rs. 52.59 Lakhs and Other Interest expenditure.

26. Depreciation and amortisation expense & others		(Rs. in Lakhs)
Particulars	**Year Ended 31st March, 2019**	**Year Ended 31st March, 2018**
Depreciation on Property, Plant & Equipment	1,022.47	835.57
Amortisation of Leasehold Land Development	63.98	29.67
Total	**1,086.45**	**865.24**



27. Other Expenses		(R.s in Lakhs)
Particulars	**Year Ended 31st March, 2019**	**Year Ended 31st March, 2018**
Manufacturing Expenses		
Inward Transport Charges	1,222.97	1,146.46
Purchase Expenses	104.06	127.51
Electricity Charges	893.66	884.89
Generator Diesel & Maintenance	51.78	89.85
Repairs& Other Maintenance	66.69	192.60
Ice Purchase	225.02	211.01
Wages	684.67	941.63
Plant Maintenance	1,027.00	1,412.44
Machinery Maintenance	163.87	131.66
Freezing & Storage Expenses	246.78	89.93
Uniform Expenses	23.72	30.51
Water Charges	18.78	21.33
Rents	19.97	14.17
Sample Testing Expenses	65.72	93.03
Security Expenses	52.27	47.12
Processing Charges	1,756.85	1,649.76
Lab Maintenance	47.22	30.33
Administrative & Selling Expenses		
Rates & Taxes	297.80	470.62
Export Expenses	5,465.82	3,170.02
Other Expenses	21.21	21.71
Survey Charges	25.34	29.26
Loading & Unloading Charges	27.52	41.23
Business promotion expenses	34.87	90.05
Vehicle Maintenance	127.93	123.93
Printing & Stationery	25.98	28.75
Computer Maintenance	3.87	4.78
Travelling & Conveyance	78.58	92.25
Consultancy & Certification Fee	104.83	167.87
Statutory & Tax Audit Fee	10.00	6.59
News Papers & Periodicals	0.26	0.30
Telephones	16.57	13.56
Membership & Subscriptions	5.81	6.00
Bad debts	- 6.64	52.59
Insurance Premium	257.86	400.21
Stores & Spares	2,303.48	2,763.06
CSR Expenses	119.98	64.00
Total	**15,592.10**	**14,660.98**



28. Earnings per share		(Rs. in Lakhs)
Particulars	**Year Ended 31st March, 2019**	**Year Ended 31st March, 2018**
Profit available for Equity Shareholders	6,079.60	7,910.05
Weighted average number of Equity shares outstanding for Basic EPS	312.50	282.29
Weighted Average number of potential equity shares, Warrants and ESOP's outstanding	NIL	NIL
Weighted average number of Equity shares outstanding for Diluted EPS	312.50	282.29
Earnings per Share*		
Basic (Rs.)	19.45	28.02
Diluted(Rs.)	19.45	28.02

Note: There is no dilution to Basic Earnings per share as there are no dilutive potential equity shares

29. Employee benefits

i. Post-employment benefit obligation gratuity

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement / termination is the employee's last drawn basic salary per month computed proportionately for 15days salary multiplied for the number of years of service.
The amounts recognised in the balance sheet and the movements in the defined benefit obligation over the year are as follows:

Changes in Present Value of Obligation		(Rs. in Lakhs)
Particulars	**For the Year Ended 31st March, 2019**	**For the Year Ended 31st March, 2018**
Present Value of Obligation as at the beginning	46.09	34.84
Current Service Cost	40.22	24.76
Interest Expense or Cost	3.63	2.44
Actuarial (gain)/ loss on obligations	(15.06)	(15.95)
Past Service Cost	-	-
Effect of change in foreign exchange rates	-	-
Benefits Paid	-	-
Acquisition Adjustment	-	-
Effect of business combinations or disposals	-	-
Present Value of Obligation as at the end	**74.87**	**46.09**

Changes in Fair Value of Plan Assets		(Rs in Lakhs)
Particulars	**For the Year Ended 31st March, 2019**	**For the Year Ended 31st March, 2018**
Fair Value of Plan Assets at the beginning	**26.77**	**15.48**
Acquisition Adjustments	(4.25)	(2.01)
Expected Return on Plan Assets	2.11	1.08
Contributions	23.34	11.63
Actuarial Gain /(loss) on Plan Assets	1.02	0.60
Fair Value of Plan Assets as at the end	**48.99**	**26.77**

Expenses recognised in the Income Statement		(Rs. in Lakhs)
Particulars	**For the year ended 31st March, 2019**	**For the year ended 31st March, 2018**
Current Service Cost	40.22	24.76
Past Service Cost	-	-
Expected Return on Plan Assets	(2.11)	(1.08)
Interest cost	3.63	2.44
Total Expenditure recognised in Income Statement	**41.74**	**26.11**

Expenses recognised in Other Comprehensive Income		(Rs. in Lakhs)
Particulars	**Year ended 31st March,2019**	**Year ended 31st March,2018**
(Gain)/Loss due to Change in demographic assumptions	-	-
(Gain)/Loss due to Change in financial assumptions	1.42	(3.35)
Actuarial (gain)/ loss on obligations - Experience Variance	(16.49)	(12.60)
Total Actuarial (gain)/ loss on obligations	**(15.06)**	**(15.95)**
Actuarial Gain /(loss) on Plan Assets	1.02	0.60
Total Expenditure recognised in OCI	**(16.08)**	**(16.55)**

Significant Estimates: Actuarial Assumptions

The significant actuarial assumptions for defined benefit plans are as follows

Particulars	**For the year ended 31st March, 2019**	**For the year ended 31st March, 2018**
Discount Rate (per annum)	7.63%	7.88%
Salary Escalation Rate (per annum)	5.00%	5.00%
Employee Attrition Rate		
Age at Valuation date:		
18-30	10.00%	10.00%
31-40	5.00%	5.00%
40+	1.00%	1.00%
Assumptions regarding mortality rate are set based on actuarial advice in accordance with published statistics.	IALM (2006-08)	IALM (2006-08)

Sensitivity Analysis		(Rs. in Lakhs)
Particulars	**Year ended 31st March, 2019**	**Year ended 31st March, 2018**
Defined Benefit Obligation (base)	74.87	46.09
Discount rate:(% change compared to base due to sensitivity)		
Increase: +1%	69.44	42.73
Decrease: -1%	81.06	49.93
salary growth rate:(% change compared to base due to sensitivity)		
Increase: +1%	80.37	49.99
Decrease: -1%	70.00	42.61
Attrition rate:(% change compared to base due to sensitivity)		
Increase: +50%	87.33	53.69
Decrease: -50%	57.75	35.65
Mortality rate:(% change compared to base due to sensitivity)		
Increase: +10%	75.45	46.43
Decrease: -10%	74.29	45.74

30. Payments to auditor		(Rs. in Lakhs)
Particulars	**For the year ended 31st March, 2019**	**For the year ended 31st March, 2018**
Statutory Audit Fees	8.00	4.00
Tax Audit & Related Matters	2.00	2.00
Other Matters	-	15.00

31. Corporate social responsibility expenditure (Rs. in Lakhs)

Expenditure related to CSR as per Section 135 of Companies Act, 2013 read with Schedule VII thereof, against the mandatory spend of Rs.64 lakhs (Previous year Rs. 52.06 lakhs)

Particulars	**For the year ended 31st March, 2019**	**For the year ended 31st March, 2018**
Revenue Expenditure spent on CSR Activities	63.98	31.60
Total	63.98	31.60

Export obligations

Export Obligations on FOB Value of sales amounting to 69.31 crores under E.P.C.G. scheme is pending as on 31st March, 2019

32. Additional information pursuant to the provisions of paragraph Viii (a), Viii (b) & Viii (e) of Part II of Schedule III to the Companies Act 2013

CIF value of imports		(Rs. in Lakhs)
Particulars	**For the Year Ended 31st March, 2019**	**For the Year Ended 31st March, 2018**
Raw Materials	0.00	0.00
Capital Goods & Maintenance Spares	1,497.42	465.14
Total	**1,497.42**	**465.14**

Earnings in foreign currency (on accrual basis)		(Rs. in Lakhs)
Particulars	**For the Year Ended 31st March, 2019**	**For the Year Ended 31st March, 2018**
FOB Value of Exports	74,655.90	89,120.11

Expenditure in Foreign Currency		(USD in lakhs)
Particulars	**For the Year Ended 31st March, 2019**	**For the Year Ended 31st March, 2018**
Administration and Selling Expenses	61.22	53.65
Stores and Spares Consumed	6.04	4.72
Financial Expenses	0.50	0.25
Exhibition & Others	NIL	NIL
Dividend to Non Resident Share Holders (No.of Shares)	NIL	NIL

33. Related party disclosures

Related parties and nature of relationship :

NIL

NIL

Key management personnel :

Mr. K.Satyanarayana Murthy	Chairman & Managing Director
Mr. K.Subrahmanya Chowdary	Executive Director
Mrs. K.Neelima Devi	Director

Related party transactions (Rs. in Lakhs)

Name of the Party	Relationship	Nature of Transaction	Year Ended 31st March, 2019	Year Ended 31st March, 2018
K.S. Murthy	KMP	Total Remuneration	168.00	168.00
		Un-secured Loan Payable	190.00	190.00
K.S. Chowdary	KMP	Total Remuneration	168.00	168.00
		Un-secured Loan Payable	25.13	25.13
K Neelima Devi	KMP	Total Remuneration	125.00	125.00
		Un-secured Loan Payable	10.00	10.00
Ch. Vijaya Kumar	CFO	Remuneration	8.00	8.00
S. Sarojini	Company Secretary	Remuneration	3.00	1.90

Previous year figures have been regrouped / reclassified wherever necessary to conform to this year's classification.



Notice of 7th Annual General Meeting

Notice is hereby given that the 7th Annual General Meeting of the members of APEX FROZEN FOODS LIMITED will be held on Thursday, 19th day of September 2019 at 4.00 P.M at Paradigm Sarovar Portico, D.No.20-1-60, Near Tirumala Theatre, Subash Road , Kakinada-533001, East Godavari District, Andhra Pradesh to transact with or without modification(s), as may be permissible, the following items of business

Ordinary Business

1. To Consider and Adopt the Audited Financial Statements of the Company for the Financial Year 2018-19, together with the Report of the Board of Directors and Auditors thereon.

2. To Declare final dividend of Rs. 2.00/- (20%) per equity Share of Rs. 10/- each to the shareholders for the Financial year 2018-19.

3. To Re-appoint a Director in place of Mrs. Karuturi Neelima Devi (DIN 06765515), who retires by rotation and being eligible, offers herself for re-appointment.

4. **Re-Appointment of Statutory Auditors of the Company**

   To consider and if thought fit to pass the following resolution with or without modification as an ordinary resolution:

   "RESOLVED THAT pursuant to Sections 139,141,142 and other applicable provisions, if any, of the Companies Act, 2013 ("Act") and Companies (Audit and Auditors) Rules, 2014 made thereunder and other applicable rules, if any, under the Act and pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force),M/s. Boda Ramam& Co., Chartered Accountants, Kakinada, (Firm Reg No. 005383S), be and are hereby pre-appointed as the Statutory Auditors of the Company, for a period of 3 years commencing from the conclusion of this Annual General Meeting till the conclusion of 10th Annual General Meeting at a remuneration of Rs. 11,00,000/- per annum plus out of pocket expenses and taxes at the applicable rates.

Special business

5. **Re-Appointment of Mr. K. Satyanarayana Murthy(DIN 05107525) as the Managing Director**

   To To consider and if thought fit, to pass with or without modification(s), the following Resolution as a Special Resolution:
   "RESOLVED THAT' pursuant to Section 196, 197 and other applicable provisions, if any, of the Companies Act, 2013 (Act), read with Schedule V (as amended from time to time) to the said Act, and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, consent of the members be and is hereby accorded for the re-appointment of Mr.K. Satyanarayana Murthy (DIN 05107525) as Chairman cum Managing Director of the Company as approved by the Board of Directors on recommendation made by Nomination and Remuneration Committee, for a period of 3 years with effect from 01st December, 2019, at such remuneration and upon such terms and conditions as detailed below:

   I. Basic Salary
   Basic Salary shall be Rs. 1.68 crores (Rupees One Crore Sixty Eight Lakhs Only) per annum and the same (along with the allowances and perquisites mentioned below) may be revised on time scale basis by the Board of Directors based on the recommendation of the Remuneration Committee of the Company, considering industry trends.

   II. Allowances and Perquisites
   In addition to the above salary, he shall be entitled to the following allowances and perquisites. The allowances and perquisites shall be valued as per the actual expenditure incurred by the Company.
   - Reimbursement of Medical Expenses actually incurred for self and his family. Leave Travel Concession for self and his family once in a year in accordance with the rules of the Company.
   - No Fees payable for attending Meetings of the Board or any Committee thereof, where so appointed.
   - Any expenditure wholly and exclusively incurred for the business of the Company will not be treated as remuneration. Such expenditure will either be paid by the Company directly or reimbursed to him.

The following perquisites shall not be included in the computation of the remuneration:

- Contribution to provident fund, superannuation fund or annuity fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.
- Gratuity payable at a rate not exceeding half a month's salary for each completed year of service subject to a maximum of Rs. 20 Lakhs.
- Leave encashment at the end of tenure.
- In addition to the above he shall be provided free of cost, with the following, for official purpose.
- Use of Company's car and Communication facility at his residence.

III. Overall Remuneration

That the total remuneration (i.e., salary, perquisites, commission and allowances) in any one financial year shall not exceed the limits prescribed from time to time under sections 196, 197 and other applicable provisions of the Act read with Schedule V to the said Act, as may be for the time being, be in force and any amendments thereto. In case of any doubt / discrepancy / clarification that may arise with respect to payment of remuneration the same shall be determined and decided by the Board of Directors on the recommendation of remuneration committee of directors. Further, within the overall remuneration, the individual components may be changed as desired by Mr.K. Satyanarayana Murthy and accepted by the remuneration committee.

IV. Minimum Remuneration

In the event of loss or inadequacy of profits, in any financial year during the tenure of service, the payment of salary, commission, perquisites and other allowances shall be governed by Schedule V to the Act, including any statutory modifications or re-enactment thereof, as may, for the time being, be in force.

"FURTHER RESOLVED THAT the Board of Directors of the Company or any committee thereof be and is hereby authorized to do all such acts, deeds and things as in its absolute discretion it may think necessary, expedient or desirable; to settle any question or doubt that may arise in relation thereto in order to give effect to the foregoing resolution and to seek such approval/consent from the Government departments, as may be required in this regard."

6. **Re-Appointment of Mr. K. Subrahmanya Chowdary (DIN 03619259) as the Executive director**

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

"RESOLVED THAT pursuant to Section 196, 197 and other applicable provisions, if any, of the Companies Act, 2013 (Act), read with Schedule V (as amended from time to time) to the said Act, and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, consent of the members be and is hereby accorded for the re-appointment of Mr.K.Subrahmanya Chowdary (DIN 03619259) as Executive Director of the Company as approved by the Board of Directors on recommendation made by Nomination and Remuneration Committee, for a period of 3 years with effect from 01st December, 2019, at such remuneration and upon such terms and conditions as detailed below:

I. Basic Salary

Basic Salary shall be Rs. 1.68 crores (Rupees One Crore Sixty Eight Lakhs Only) per annum and the same (along with the allowances and perquisites mentioned below) may be revised on time scale basis by the Board of Directors based on the recommendation of the Remuneration Committee of the Company, considering industry trends.

II. Allowances and Perquisites

In addition to the above salary, he shall be entitled to the following allowances and perquisites. The allowances and perquisites shall be valued as per the actual expenditure incurred by the Company.

- Reimbursement of Medical Expenses actually incurred for self and his family. Leave Travel Concession for self and his family once in a year in accordance with the rules of the Company.
- No Fees payable for attending Meetings of the Board or any Committee thereof, where so appointed.
- Any expenditure wholly and exclusively incurred for the business of the Company will not be treated as remuneration. Such expenditure will either be paid by the Company directly or reimbursed to him.
- The following perquisites shall not be included in the computation of the remuneration:
- Contribution to provident fund, superannuation fund or annuity fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.
- Gratuity payable at a rate not exceeding half a month's salary for each completed year of service subject to a maximum of Rs. 20 Lakhs.
- Leave encashment at the end of tenure.

In addition to the above he shall be provided free of cost, with the following, for official purpose.
• Use of Company's car and Communication facility at his residence.

III. Overall Remuneration
That the total remuneration (i.e., salary, perquisites, commission and allowances) in any one financial year shall not exceed the limits prescribed from time to time under sections 196, 197 and other applicable provisions of the Act read with Schedule V to the said Act, as may be for the time being, be in force and any amendments thereto. In case of any doubt / discrepancy / clarification that may arise with respect to payment of remuneration the same shall be determined and decided by the Board of Directors on the recommendation of remuneration committee of directors. Further, within the overall remuneration, the individual components may be changed as desired by Mr.K.Subrahmanya Chowdary and accepted by the remuneration committee.

IV. Minimum Remuneration
In the event of loss or inadequacy of profits, in any financial year during the tenure of service, the payment of salary, commission, perquisites and other allowances shall be governed by Schedule V to the Act, including any statutory modifications or re-enactment thereof, as may, for the time being, be in force.
"FURTHER RESOLVED THAT the Board of Directors of the Company or any committee thereof be and is hereby authorized to do all such acts, deeds and things as in its absolute discretion it may think necessary, expedient or desirable; to settle any question or doubt that may arise in relation thereto in order to give effect to the foregoing resolution and to seek such approval/consent from the Government departments, as may be required in this regard."

7. **Re-Appointment of Mrs. K. Neelima Devi (DIN 06765515) as Whole time Director**

To consider and if thought fit, to pass with or without modification(s), the following Resolution as a Special Resolution:
"RESOLVED THAT pursuant to Section 196, 197 and other applicable provisions, if any, of the Companies Act, 2013 (Act), read with Schedule V (as amended from time to time) to the said Act, and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, consent of the members be and is hereby accorded for the re-appointment of Mrs. K. Neelima Devi (DIN 06765515) as Whole time Director of the Company as approved by the Board of Directors on recommendation made by Nomination and Remuneration Committee, for a period of 3 years with effect from 01st December, 2019, at such remuneration and upon such terms and conditions as detailed below:

I. Basic Salary
Basic Salary shall be Rs. 1.25 crores (Rupees One Crore Twenty five Lakhs Only) per annum and the same (along with the allowances and perquisites mentioned below) may be revised on time scale basis by the Board of Directors based on the recommendation of the Remuneration Committee of the Company, considering industry trends.

II. Allowances and Perquisites
In addition to the above salary, she shall be entitled to the following allowances and perquisites. The allowances and perquisites shall be valued as per the actual expenditure incurred by the Company.
- Reimbursement of Medical Expenses actually incurred for self and his family. Leave Travel Concession for self and his family once in a year in accordance with the rules of the Company.
- No Fees payable for attending Meetings of the Board or any Committee thereof, where so appointed.
- Any expenditure wholly and exclusively incurred for the business of the Company will not be treated as remuneration. Such expenditure will either be paid by the Company directly or reimbursed to him.

The following perquisites shall not be included in the computation of the remuneration:
- Contribution to provident fund, superannuation fund or annuity fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.
- Gratuity payable at a rate not exceeding half a month's salary for each completed year of service subject to a maximum of Rs. 20 Lakhs.
- Leave encashment at the end of tenure.
- In addition to the above he shall be provided free of cost, with the following, for official purpose.
- Use of Company's car and Communication facility at her residence.

III. Overall Remuneration

That the total remuneration (i.e., salary, perquisites, commission and allowances) in any one financial year shall not exceed the limits prescribed from time to time under sections 196, 197 and other applicable provisions of the Act read with Schedule V to the said Act, as may be for the time being, be in force and any amendments thereto. In case of any doubt / discrepancy / clarification that may arise with respect to payment of remuneration the same shall be determined and decided by the Board of Directors on the recommendation of remuneration committee of directors. Further, within the overall remuneration, the individual components may be changed as desired by Mrs. K. Neelima Devi and accepted by the remuneration committee.

IV. Minimum Remuneration

In the event of loss or inadequacy of profits, in any financial year during the tenure of service, the payment of salary, commission, perquisites and other allowances shall be governed by Schedule V to the Act, including any statutory modifications or re-enactment thereof, as may, for the time being, be in force.

"FURTHER RESOLVED THAT the Board of Directors of the Company or any committee thereof be and is hereby authorized to do all such acts, deeds and things as in its absolute discretion it may think necessary, expedient or desirable; to settle any question or doubt that may arise in relation thereto in order to give effect to the foregoing resolution and to seek such approval/consent from the Government departments, as may be required in this regard."

By order of Board of Directors
For Apex Frozen Foods Limited

Sd/-
K Satyanarayana Murthy
Chairman & Managing Director
DIN 05107525

Place: Panasapadu, Kakinada
Date: 13.08.2018

Notes

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and a proxy need not be a member of the company.

2. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

3. Proxies, in order to be effective, must be received at the registered office of the Company, duly completed and signed, not less than forty-eight hours before the commencement of the meeting. A proxy form is sent herewith. Proxies submitted on behalf of the Companies, Societies etc. must be supported by appropriate resolution / authority, as applicable.

4. The notice of Annual General Meeting will be sent to the members, whose name appears in the Register of members/ depositories as at closing hours of business on 16.08.2019.

5. Details in respect of Director seeking appointment / reappointment at the Annual General Meeting are given at the end of this Notice. The Directors have furnished the requisite declarations for their appointment / re-appointment.

6. Register of Members and Share Transfer Books of the Company shall remain closed from Friday, 13th September, 2019 to Thursday, 19th September 2019 (both days inclusive) for annual closing and determining the entitlement of the shareholders for the payment dividend for Financial year 2018-19, if declared, at the Annual General Meeting.
If dividend on Equity Shares, as recommended by the Board, is approved at the ensuing Annual General Meeting, the payment of such dividend will be made on or before .Saturday, 19th October, 2019, as under:

i. to all beneficial owners in respect of Shares held in electronic form as per details furnished by the Depositories for this purpose as at the end of business hours on 12th September, 2019.
ii. to all Members in respect of Shares held in physical form, after giving effect to valid share transfers lodged with the Company's Registrar on or before 12th September, 2019.

7. In case you are holding the Company's shares in dematerialized form, please contact your depository participant and give suitable instructions to update your bank details in your demat account and to notify any changes with respect to their addresses, email id, ECS mandate. In case you are holding Company's shares in physical form, please inform Company's RTA viz. Bigshare Services Pvt.Ltd. having their address at "306, Right Wing, 3rd Floor, Amrutha Ville, Opp.Yashoda Hospital, Somajiguda, Rajbhavan Road, Hyderabad – 500082, Telangana " by enclosing a photocopy of blank cancelled cheque of your bank account.

8. In case of joint holders attending the meeting, only such joint holder who is first in order of names will be entitled to vote.

9. M/s. Bigshare Services Pvt. Ltd, 306, Right Wing, 3rd Floor, Amrutha Ville, Opp.Yashoda Hospital, Somajiguda, Rajbhavan Road, Hyderabad – 500082, Telangana, the Share Transfer Agent(STA) of the Company. All communications in respect of share transfers and change in the address of the members may be communicated to them.

10. Members holding shares in the same name under different Ledger Folios are requested to apply for consolidation of such Folios and send the relevant share certificates to the Share Transfer Agent/Company.

11. Corporate members intending to send their authorised representatives to attend the meeting are requested to send to the Company a certified copy of the Board resolution authorising their representative to attend and vote on their behalf at the meeting.

12. Members attending the Meeting are requested to bring with them the Attendance Slip attached to the Annual Report duly filled in and signed and handover the same at the entrance of the hall. As a measure of austerity, copies of the Annual Report will not be distributed at the Annual General Meeting. Members are, therefore, requested to bring their copies of the Annual Report to the Meeting.

13. As required under the Secretarial Standards on General Meetings (SS-2) issued by the Institute of Company Secretaries of India, a route map, including a prominent land mark, showing directions to reach the AGM venue is annexed hereto.

14. Members desiring any information as regards 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 at the Meeting.

15. In accordance with the provisions of Section 101 and other applicable provisions, if any of the Companies Act, 2013, read with Rule 18 of the Companies (Management and Administration) Rules, 2014, as amended, the Notice of AGM, Attendance Slip, Proxy Form and Annual Report are being sent by email to those Members who have registered their email addresses with their DP (in case of shares held

in demat form) or with the Company's Registrar and Share Transfer Agent (in case of shares held in physical form). For Members whose email ids are not registered, physical copies of the Notice of AGM, Attendance Slip, Proxy Form and Annual Report are being sent by permitted mode. Members may also note that the Notice of the 7th Annual General Meeting and the Annual Report 2018-19 will also be available on the Company's website **www.apexfrozenfoods.in**.

16. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company / RTA.

17. The facility for voting through poll shall also be made available at the AGM and the Members attending the meeting, who have not cast their vote by remote e-Voting shall be able to exercise their right to vote at the Annual General Meeting.

18. The Members who have cast their vote by remote e-Voting prior to the Annual General Meeting may also attend the Annual General Meeting but shall not be entitled to cast their vote again.

19. The Company has appointed Mr. A.S.Ramkumar and / or Mr. Arun Marepally, partners of M/s. A.S.Ram Kumar & Associates, Company Secretaries as the Scrutinizer to scrutinize the voting at the meeting and remote e-voting process, in a fair and transparent manner.

20. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast at the Meeting, thereafter unblock the votes cast through remote e-voting, in the presence of at least two (2) witnesses not in the employment of the Company.

21. The Scrutinizer will collate the votes cast at the AGM votes downloaded from the e-voting system and make not later than 48 hours from the conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same.

22. The results declared along with the Scrutinizer's Report shall immediately be placed on the Company's website www.apexfrozenfoods.in and will be communicated to BSE Limited and National Stock Exchange of India Limited, where the shares of the Company are listed.

23. E-voting

The business as set out in the Notice will be transacted through electronic voting system and the Company is providing facility for voting by electronic means. Pursuant to the provisions of Section108 of the Companies Act, 2013, read with the Companies (Management and Administration) Rules, 2014, the Company is pleased to offer e-voting facility as an alternate to its members to cast their votes electronically on all resolutions set forth in the Notice convening the 7th Annual General Meeting. The Company has engaged the services of Central Depository Services India Limited (CDSL) to provide the e-voting facility.

The Members whose names appear in the Register of Members/ List of Beneficial Owners as on Thursday, 12th September, 2019(cut off date), are entitled to vote on the resolutions set forth in this Notice.
The e-voting period will commence on Monday, 16th September, 2019 (09:00 hrs) and will end on Wednesday, 18th September 2019(17:00 hrs). During this period, shareholders of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Members will not be able to cast their votes electronically beyond the date & time mentioned above.

The Company has appointed Mr.A.S. Ramkumar and/or Mr.M.Arun, partners of M/s. A.S.Ram Kumar & Associates, Company Secretaries, to act as Scrutinizer to conduct and scrutinize the electronic voting process and poll at the AnnualGeneral Meeting in a fair and transparent manner. The members desiring to vote through electronic mode may refer to the detailed procedure on e-voting given hereunder.

Procedure for e-voting

Instructions for members for voting electronically are as under:

i. The voting period begins on Monday, 16th September, 2019 at 9.00 A.M. and ends on Wednesday, 18th September 2019 at 5.00 P.M. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of Thursday, 12th September, 2019 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(ii) The shareholders should log on to the e-voting website www.evotingindia.com.

(iii) Click on "Shareholders" tab.
(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.
(v) If you are holding shares in demat form and had logged onto www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
(vi) If you are a first time user, follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
Pan	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat share-holders as well as physical shareholders) • Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. • In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 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 APEX FROZEN FOODS LTD 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 a print of the votes cast by clicking on "Click here to print" option on the Voting page.

(xvii) If a demat account holder has forgotten the login 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 PlayStore.

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 Corporate.

A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed tohelpdesk.evoting@cdslindia.com. After receiving the login details a compliance user should be created using the admin login and password. The compliance user would be able to link the account(s) for which they wish to vote on.

The list of accounts 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.

General instructions:

i. The voting rights of Members shall be in proportion to the shares held by them in the paid up equity share capital of the Company as on 12th september 2019

ii. Members can opt for only one mode of voting, i.e., either by physical voting at venue or e-voting. In case Members cast their votes through both the modes, voting done by e-voting shall prevail and votes cast through Physical voting at venue will be treated as in valid.

iii. Members who do not have access to e-voting facility have been additionally provided the facility through Ballot Form. They may send duly completed Ballot Form to the Scrutinizer, Mr.A.S.Ramkumar or Mr. Arun Marepally at the Registered Office of the Company so as to reach on or before the conclusion of the 7th Annual General Meeting or can carry the same to the AGM and deposit in the Ballot Box during the Meeting. Members have the option to request for physical copy of Ballot Form by sending an e-mail to cs@apexfrozenfoods.com by mentioning their Folio No. / DP ID and Client ID.

iv. The facility for voting through polling paper shall also be made available at the meeting and the members attending the meeting who have not already cast their vote by e-voting shall be able to exercise their right at the meeting.

v. The member who cast their vote by e-voting prior to the meeting may also attend the meeting, but shall not be entitled to cast their vote again.

vi. The Scrutinizer, after scrutinising the votes cast at the meeting through poll and through remote e-voting will, not later than three days of conclusion of the Meeting, make a consolidated scrutinizer's report and submit the same to the Chairman. The results declared along with the consolidated scrutinizer's report shall be placed on the website of the Company www.apexfrozenfoods.in and on the website of www.cdslindia.com. The results shall simultaneously be communicated to the Stock Exchanges.

vii. The result of the voting on the Resolutions at the Meeting will be announced by the Chairman or any other person authorized by him within two days of the AGM.

By order of Board
For Apex Frozen Foods Limited

Sd/-
K Satyanarayana Murthy
Chairman & Managing Director
DIN 05107525

Place: Panasapadu, Kakinada
Date: 13.08.2018

Explanatory statement in respect of the special business pursuant to section 102 of the Companies Act, 2013

Item no. 4:

In terms of Section 139 of the Companies Act, 2013 ("the Act"), and the Companies (Audit and Auditors) Rules, 2014, made there under, the term of the present Statutory Auditors of the Company, M/s. Boda Ramam& Co., Chartered Accountants, Kakinada, (Firm Reg No. 005383S) will be expiring at the ensuing Annual General Meeting.

The Board of Directors at its meeting held on 13th August, 2019, after considering the recommendations of the Audit Committee, had recommended the appointment of M/s. Boda Ramam& Co., Chartered Accountants, Kakinada, (Firm Reg No. 005383S), as the Statutory Auditors of the Company for another term of three years at a remuneration of Rs. 11,00,000/- per annum plus out of pocket expenses and taxes at the applicable rates from the conclusion of the 7th Annual General Meeting till the conclusion of 10th Annual General Meeting of the Company.

M/s. Boda Ramam & Co., a Chartered Accountancy Firm registered with Institute of Chartered Accountants of India with Firm Registration No. 005383S. The Firm provides range of services which include Audit & Assurance, Taxation, Accounting and Risk Advisory.

M/s. Boda Ramam& Co, Chartered Accountants, have consented to the aforesaid appointment and confirmed that their appointment, if made, will be within the limits specified under Section 141(3)(g) of the Companies Act, 2013. They have further confirmed that they are not disqualified to be appointed as the Statutory Auditors in terms of the Companies Act. 2013 and the rules made thereunder.

Pursuant to Section 139 of the Companies Act, 2013, Approval of the members is required for appointment of the Statutory Auditors and fixing their remuneration by means of an ordinary resolution. Accordingly, approval of the members is sought for appointment of M/s. Boda Ramam & Co, Chartered Accountants as the Statutory Auditors of the Company and to authorise the Board of Directors, on the recommendation of the Audit Committee, to determine the remuneration payable to them.

None of the Directors, Key Managerial Personnel of the Company and their respective relatives is concerned or interested in the Resolution.

Item no. 5:

Mr. K. Satyanarayana Murthy has appointed as first director of the company on 30.03.2012, since the inception of the company. Subsequently appointed as Managing Director 01.12.2016 for a period of 3 years and his tenure will come to end by 30.11.2019. Based upon a recommendation of its Nomination and Remuneration Committee, Board proposes to re-appointed him as Chairman cum Managing Director for a period of 3 years, whose office shall be liable to determination by retirement of directors by rotation at such remuneration and terms and condition as set out in item No. 5 of the Notice of this AGM.

The remuneration being offered is in linewith the Company's Remuneration Policy as well as present corporate remuneration trends taking due account of his rich background, experience and time devoted.

Brief profile of Mr. K. Satyanarayana Murthy is given in the annexure to this Notice.

Information required to be disclosed under the provisions of the Second Proviso to Section-II(B), Part-II of Schedule V of the Act is as follows:

i. the proposed remuneration has been approved by the Nomination and Remuneration Committee as well as the Board;
ii. the Company has not defaulted in the payment of dues to any bank or public financial institution or non-convertible debenture holders or any other secured creditor;
iii. a Special Resolution is being passed at the forthcoming Annual General Meeting for payment of the remuneration for a period not exceeding three years;
iv. a statement containing further specified information is set out hereunder:

I. Information about the appointee:

(1) Background details: Mr. K. Satyanarayana Murthy, aged 64 years, is a co-promoter and Managing Director of the Company and having over 23 Years of experience in Aqua Industry. He is an under graduate.

He has pivotal role in the overall performance of the company by defining and executing business strategy, strengthening governance practices and providing overall leadership to the company.

(2) Past remuneration: Rs. 168.00 lakhs for the FY 2018-19.

(3) Recognition or awards: Nil

(4) Job profile and his suitability:

He is entrusted with the management of the whole of the affairs of the Company being the Managing Director of the company. Within the above parameters, he performs such duties as are or may be entrusted to him by the Board or its Committees from time to time.

(5) Remuneration proposed: As set out in Item No.5 of the Notice of the Annual General Meeting.

(6) Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of her origin): Remuneration is in line with that drawn by his peers in Industry.

(7) Pecuniary relationship directly or indirectly with the Company:Nil

(8) Relationship with the managerial personnel, if any: Mr. K

Subrahmanya Chowdary, executive director and Mrs. K Neelima Devi, whole time director are relatives of appointee.
He is not disqualified from being appointed as Directors in terms of Section 164 of the Act. Members are requested to note that in terms of Section 196 of the Companies Act, 2013, the appointment of Mr.K. Satyanarayana Murthy as Managing Director of the Company and remuneration payable to him requires the approval of the shareholders of the Company.

Except Mr. K Satyanarayana Murthy being an appointee and Mr. K Subrahmanya Chowdary and Mrs. K Neelima Devi, being relatives of appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the resolution except and to the extent they are member of the Company.

The Board recommends the resolution set out at Item No. 5 of this Notice to the Members for their consideration and approval by way of Special Resolution.

ITEM NO. 6

Mr. K. Subrahmanya Chowdary has appointed as first director of the company on 30.03.2012, since the inception of the company and subsequently appointed as Executive Director 01.12.2016 for a period of 3 years and his tenure will come to end by 30.11.2019. Based upon a recommendation of its Nomination and Remuneration Committee, Board proposes to re-appointed him as Executive Director for a period of 3 years, whose office shall be liable to determination by retirement of directors by rotation at such remuneration and terms and condition as set out in item No. 6 of the Notice of this AGM.
The remuneration being offered is in linewith the Company's Remuneration Policy as well as present corporate remuneration trends taking due account of his rich background, experience and time devoted.
Brief profile of Mr. K Subrahmanya Chowdary is given in the annexure to this Notice.
Information required to be disclosed under the provisions of the Second Proviso to Section-II(B), Part-II of Schedule V of theAct is as follows:
i. the proposed remuneration has been approved by the Nomination and Remuneration Committee as well as the Board;
ii. the Company has not defaulted in the payment of dues to any bank or public financial institution or non-convertible debenture holders or any other secured creditor;
iii. a Special Resolution is being passed at the forthcoming Annual General Meeting for payment of the remuneration for a period not exceeding three years;
iv. a statement containing further specified information is set out hereunder:

II. Information about the appointee:
(1) Background details:
Mr. K Subrahmanya Chowdary, aged 39 years, is a co-promoter and Whole time Director of the Company and having over 15 years of aqua industry. He has a bachelor degree in commerce.
He has excellent grasp and thorough knowledge and experience of not only Aqua Industry but also of general management. His knowledge of various aspects relating to the Company's affairs and long business experience.
(2) Past remuneration: Rs. 168.00 lakhsfor the FY 2018-19.
(3) Recognition or awards: Nil
(4) Job profile and his suitability:
He is entrusted with the management of the whole of the affairs of the Company being the Executive Director of the company. Within the above parameters, he performs such duties as are or may be entrusted to him by the Board or its Committees from time to time.
(5) Remuneration proposed: As set out in Item No.6 of the Notice of the Annual General Meeting.
(6) Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of her origin): Remuneration is in line with that drawn by his peers in Industry.
(7) Pecuniary relationship directly or indirectly with the Company: Nil
(8) Relationship with the managerial personnel, if any: Mr.K Satyanarayana Murthy, Managing director and Mrs. K Neelima Devi, whole time director are relatives of appointee.
He is not disqualified from being appointed as Directors in terms of Section 164 of the Act. Members are requested to note that in terms of Section 196 of the Companies Act, 2013, the appointment of Mr. K. Subrahmanya Chowdary as Executive director (Whole time Director) of the Company and remuneration payable to him requires the approval of the shareholders of the Company.
The Board recommends the resolution set out at Item No. 6 of this Notice to the Members for their consideration and approval by way of Special Resolution.
Except Mr. K. Subrahmanya Chowdary, being an appointee and Mr.K Satyanarayana Murthy and Mrs. K Neelima Devi, being relatives of appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the resolution except and to the extent they are member of the Company.
Broad particulars of the terms of Appointment of and remuneration payable to Mr K Subrahmanya Chowdary are as under:

ITEM NO. 7

Mrs. K. Neelima Devi has appointed as director of the company on 18.12.2013. Subsequently appointed as Whole time director 01.12.2016 for a period of 3 years and her tenure will come to end by 30.11.2019. Based upon a recommendation of its Nomination and Remuneration Committee, Board proposes to appointed her as Whole time Director for a period of 3 years, whose office shall be liable to determination by retirement of directors by rotation at such remuneration and terms and condition as set out in item No. 7 of the Notice of this AGM.

The remuneration being offered is in line with the Company's Remuneration Policy as well as present corporate remuneration trends taking due account of her rich background, experience and time devoted.

Brief profile of Mrs. K. Neelima Devi is given in the annexure to this Notice.

Information required to be disclosed under the provisions of the Second Proviso to Section-II(B), Part-II of Schedule V of theAct is as follows:

i. the proposed remuneration has been approved by the Nomination and Remuneration Committee as well as the Board;

ii. the Company has not defaulted in the payment of dues to any bank or public financial institution or non-convertible debenture holders or any other secured creditor;

iii. a Special Resolution is being passed at the forthcoming Annual General Meeting for payment of the remuneration for a period not exceeding three years;

iv. a statement containing further specified information is set out hereunder:

III. Information about the appointee:

(1) Background details:

Mrs. K. Neelima Devi, aged 35 years, is a co-promoter of the Company and having experience over 8 years of Aqua industry. She has a graduate degree in science. She has excellent grasp and thorough knowledge and experience of Administration also of general management.

(2) Past remuneration: Rs. 125 lakhs for the FY 2018-19.

(3) Recognition or awards: Nil

(4) Job profile and his suitability:

She is entrusted with the management of the whole of the affairs of the Company being the Executive Director of the company. Within the above parameters, he performs such duties as are or may be entrusted to him by the Board or its Committees from time to time.

(5) Remuneration proposed: As set out in Item No.6 of the Notice of the Annual General Meeting.

(6) Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of her origin): Remuneration is in line with that drawn by her peers in Industry.

(7) Pecuniary relationship directly or indirectly with the Company: nil

(8) Relationship with the managerial personnel, if any: Mr. K Subrahmanya Chowdary, executive director and Mr. K Satyanarayana Murthy, Managing director are relatives of appointee

She is not disqualified from being appointed as Directors in terms of Section 164 of the Act. Members are requested to note that in terms of Section 196 of the Companies Act, 2013, the appointment of Mrs. K. Neelima Devi as Whole time Director of the Company and remuneration payable to her requires the approval of the shareholders of the Company.

The Board recommends the resolution set out at Item No. 7 of this Notice to the Members for their consideration and approval by way of Special Resolution.

Except Mrs. K Neelima Devi, being an appointee, Mr. K Subrahmanya Chowdary and Mr. K Satyanarayana Murthy, being relatives of appointee, None of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the resolution except and to the extent they are member of the Company.

Statement pursuant to clause (b) of section ii of Part-II of Schedule v of the Companies Act, 2013 for item No's 5 to 7 of Notice :

(I) General Information:

1. Nature of Industry

M/s. APEX FROZEN FOODS LIMITED integrated producer and exporter of shelf stable quality aquaculture products. The Company was incorporated on 30.03.2012 and is based in Andhra Pradesh, India.

2. Date of Commencement of Commercial Production

The commercial operations of the Company started during the year 2012

3. Financial Performance of the Company

Particulars	2018-19	2017-18	2016-17
Income from Operations (Gross)	87,471.05	99,863.40	69869.5
Profit / (Loss) before Tax	9,367.15	11,255.33	3743.64
Profit / (Loss) after Tax	6,079.60	7,910.05	2512.68

4. Export Performance and net foreign exchange earnings: 74655.89
5. Foreign Investments or Collaborations, if any : nil

(II) Other Information:

1. Reasons of Loss or Inadequate Profits:
At present the financial performance of the company is good and possesses adequate profits The Company's Earnings Before Interest, Depreciation, Taxation and other Amortizations ("EBIDTA") are positive.

2. Steps taken or proposed to be taken for improvement:
Management continues to put in our best efforts to optimally utilize our capacities by foraying into new markets and also by working on developing value-added products for our existing customers in the existing markets.
Management believes that value-added focused product portfolio of company and upcoming capacity for ready to eat products would help in the enhancing the company's performance.

3. Expected increase in productivity and profits in measurable terms:
The above measures undertaken are expected to yield positive results in the coming years. While it is difficult to give precise figures, the above initiatives are expected to improve the financial performance of the Company.

Details of directors seeking Re-Appointment at the forthcoming annual general meeting

[Pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards-2 of General Meetings]

Name of the Director	K Satyanarayana Murthy	K Subrahmanya Chowdary	K Neelima Devi
Date of Birth & Age	06.03.1955 (64 Years)	02.12.1979 (39 Years)	27.08.1984 (35 Years)
Date of Appointment	30.03.2012	30.03.2012	18.12.2013
Qualifications	PUC	B.Com	B.Sc
Relationship between Directors inter-se	K S Chowdary – Son K Neelima devi – daughter in law	K S Murthy – Father, K Neelima devi –wife	K S Chowdary – Husband K S Murthy – uncle (Father of husband)
Expertise in specific functional area	He has experience of 23 years in aquaculture industry. He is responsible for making strategic decisions and decisions relating to business development and overall administration of the operations of our Company	He has an experience of 15 years in aquaculture industry. He has played a significant role in the development of our business. He is involved in the business operations and marketing activities of our Company	She has over 8 years of experience in the aqua industry. she is involved in the administration & business operations of our Company
Directorship in other listed companies	Nil	Nil	Nil
Remuneration Drawn For the FY 2018-19	Rs.168.00 Lakhs	Rs.168.00 Lakhs	Rs.125.00 Lakhs
Share holding as on 31.03.2019	89,18,779 (28.54%)	96,33,942 (30.83%)	24,000 (0.08%)

Route map for AGM Venue



Venue and land Mark:

Paradigm Sarovar Portico, D.No.20-1-60, Near Tirumala Theatre, Subash Road , Kakinada-533001, East Godavari District

Apex Frozen Foods limited

Registered office: 3-160, Panasapadu, Kakinada, East Godavari District - 533005, Andhra Pradesh
(CIN: L15490AP2012PLC080067)

Attendance Slip
(Please present this slip at the meeting venue)

I/We hereby record my/our presence at the 7th Annual General Meeting of the Company Thursday, 19th day of Septemer, 2019 at 4.00 P.M. at Paradigm Sarovar Portico, D.No.20-1-60, Near Tirumala Theatre, Subash Road , Kakinada-533001, East Godavari District, and any adjournment thereof.
Signature of the Shareholder(s)/Proxy's: _____

Shareholders/Proxy's Full Name (In Block Letters): _____

Folio No. /Client ID: _____ No. of Shares Held: _____

Notes:
1. Shareholder/Proxy holder wishing to attend the meeting must bring the Attendance Slip/Proxy from as the case may be meeting and handover at the entrance duly signed.
2. Shareholder/Proxy holder desiring to attend the meeting should bring his copy of the Annual Report for reference at the meeting.
3. A Proxy need not be a member of the company.
4. In case of joint holders, the vote of the senior who tends a vote, whether in person or by Proxy, shall be accepted to the exclusion of the vote of the other joint holders. Seniority shall be determined by the order in which the names stand in the Register of Members.

Form_MGT—11

Proxy Form

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

CIN : L15490AP2012PLC080067
Name of the company : APEX FROZEN FOODS LIMITED
Registered office : 3-160, Panasapadu, Kakinada-533005, East Godavari District-533005, Andhra Pradesh.

Name of the member (s) .....
Registered address .....
E-mail Id .....
Folio No/ Client Id .....
DP ID .....
I/We, being the member (s) of ..... shares of the above named company, hereby appoint
1. Name .....
Address .....
E-mail Id .....
Signature .....
or failing him
2. Name .....
Address .....
E-mail Id .....
Signature .....

or failing him as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 7th Annual General Meeting of the company, to be held onThursday, 19th day of Septemer, 2019 at 4.00 P.M. at Paradigm Sarovar Portico, D.No.20-1-60, Near Tirumala Theatre, Subash Road , Kakinada-533001, East Godavari District, any adjournment thereof in respect of such resolutions as are indicated below:

Sl.No.	Resolution
1	To Receive, Consider and Adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2019, including the Audited Balance Sheet as at 31st March, 2018, the Statement of Profit & Loss, Notes to Accounts and Cash Flow Statement for the year ended on that date and reports of the Board of Directors and Auditors thereon
2	To Declare final dividend of Rs. 2.00/- (20%) per equity Share of Rs. 10/- each to the shareholders for the Financial year 2018-19
3	To Appoint a Director in place of Mrs. Karuturi Neelima Devi (DIN 06765515), who retires by rotation and being eligible, offers herself for re-appointment.
4	Re-Appointment of Statutory Auditors of the Company
5	Re-Appointment of Mr. K Satyanarayana Murthy (DIN 05107525) as the Managing Director
6	Re-Appointment of Mr. K. Subrahmanya Chowdary (DIN 03619259) as the Executive director
7	Re-Appointment of Mrs. K Neelima Devi (DIN 06765515) as Whole time Director

Signed this ____ day of September 2019

Affix Rs.1/- Revenue Stamp

Signature of shareholder Signature of Proxy holder(s)

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

Registered office & Corporate office

Apex Frozen Foods Limited
3-160, Panasapadu, Kakinada,
East Godavari District,
Andhra Pradesh - 533005.
Ph: 0884 - 2383902/3/4
Email: info@apexfrozenfoods.com
Website : www.apexfrozenfoods.in
CIN: L15490AP2012PLC080067

