

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

Ashok C. Shah	Director
Shalin A. Shah	Director
Chandrakant N. Chauhan	Independent Director
Daxaben M. Shah	Independent Director

AUDITORS

M/s. GMCA & Co.
 101, "Parishram", 5-B, Rashmi Society,
 Nr. L.G. Showroom, Mithakhali Six Roads,
 Navrangpura, Ahmedabad-380009
 Email: gmca1973@gmail.com
 Phone No. 079-40037372

REGISTERED OFFICE

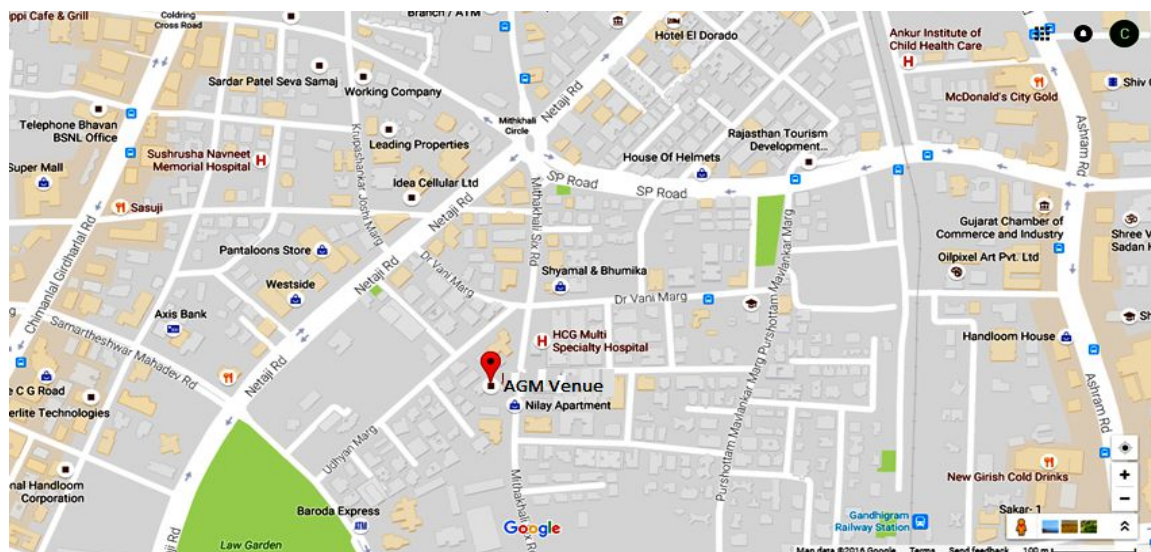
7th Floor, Ashoka Chambers,
 Opp. HCG Hospital,
 Mithakhali Six Roads,
 Ahmedabad - 380006.

REGISTRAR & SHARE TRANSFER AGENTS

Accurate Securities & Registry Pvt. Ltd.
 23, 3rd Floor, Sarthik Complex,
 Nr. Fun Republic, Iscon Cross Road,
 Satellite, Ahmedabad- 380015

COMPANY SECRETARY

Ms. Dimpal J. Solanki

ROAD MAP TO AGM VENUE

NOTICE

Notice is hereby given that **Annual General Meeting of Ashnisha Industries Limited** will be held at the registered office of the Company on Friday, 28th Day of September, 2018 at 12:00 noon to transact following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Financial Statements of the Company for the year ended 31st March, 2018 including audited Balance Sheet as at 31st March, 2018 and Statement of Profit and Loss and the cash flow statement for the year ended on that date and the Reports of the Directors and the Auditors thereon.
2. To re-appoint Mr. Shalin A. Shah (DIN: 00297447), who is liable to retire by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:**3. APPOINTMENT OF MANAGING DIRECTOR**

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

“RESOLVED THAT, pursuant to the provisions of sections 196, 197, 198 and 203 read with schedule V and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modifications or re-enactment(s) thereof or any other law and subject to such consent(s), approval(s) and permission as may be necessary, consent of the members be and is hereby accorded to appoint Mr. Ashok C. Shah (DIN: 02467830) as a Managing Director of the company, who has attained age above 70 years, from the conclusion of this Annual General Meeting for a term of 5 years.”

“RESOLVED FURTHER THAT, his appointment as Managing Director is as per the recommendation of Nomination and Remuneration Committee and that he will not draw any remuneration from the Company.”

“RESOLVED FURTHER THAT, the Board of Directors (including any Committee thereof) be and is hereby authorized to do all such other acts, deeds and things as are necessary and expedient in this respect.”

4. REGULARIZATION OF MR. CHANDRAKANT N. CHAUHAN AS AN INDEPENDENT DIRECTOR

To consider, and if thought fit to pass, with or without modification, the following resolution as an Ordinary Resolution for Regularization of Additional Director:

“RESOLVED THAT, pursuant to the provisions of section 149, 152 and all other applicable provisions of the Companies Act, 2013, if any and Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV, Mr. Chandrakant Natubhai Chauhan (DIN: 08057354) who was appointed as an Additional Director in the meeting of the Board of Directors held on February 8, 2018 and whose term expires at the ensuing Annual General Meeting of the Company and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013, from the member proposing his candidature for the office of a Non-Executive, Independent Director of the Company, and who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company for a term of 5 years from 08/02/2018 to 07/02/2023.”

“RESOLVED FURTHER THAT, Board of Directors of the Company be and are hereby authorized as to do all such acts, deeds and things incidental thereto to give effect to aforesaid resolution.”

5. REGULARIZATION OF MRS. DAXABEN M. SHAH AS AN INDEPENDENT DIRECTOR

To consider, and if thought fit to pass, with or without modification, the following resolution as an Ordinary Resolution for Regularization of Additional Director:

“RESOLVED THAT, pursuant to the provisions of section 149, 152 and all other applicable provisions of the Companies Act, 2013, if any and Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with

Schedule IV, Mrs. Daxaben Mahendrakumar Shah (DIN: 08054390) who was appointed as an Additional Director in the meeting of the Board of Directors held on February 8, 2018 and whose term expires at the ensuing Annual General Meeting of the Company and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013, from the member proposing his candidature for the office of a Non-Executive, Independent Director of the Company, and who has submitted a declaration that she meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company for a term of 5 years from 08/02/2018 to 07/02/2023."

"RESOLVED FURTHER THAT, Board of Directors of the Company be and are hereby authorized as to do all such acts, deeds and things incidental thereto to give effect to aforesaid resolution."

For and on behalf of the Board

Place: Ahmedabad

Date: August 13, 2018

**SD/-
Shalin Shah
Director
DIN: 00297447**

**Annexure to the Notice of Annual General Meeting
Details of Directors seeking Appointment/Reappointment in Annual General Meeting**

Name of the Director	Shalin A. Shah (DIN: 00297447)	Ashok Shah (DIN: 02467830)	Chandrakant N. Chauhan (DIN: 08057354)	Daxaben M. Shah (DIN: 08054390)
Age (Yrs.)	45 Years	74 Years	24 Years	66 Years
Date of Birth	31/08/1973	07/09/1944	27/06/1951	12/07/1993
Brief Resume and expertise	He completed his Civil Engineering from L.D. Engineering College, Ahmedabad. He has more than 20 years' experience in various fields like trading, real estate, oil and gas exploration etc. and has vast exposure into the fields of management, finance, accounting, information technology and legal. He has been guiding force behind the growth and business strategy of our Company.	Engineering and Administrative Degree. He has vast experience of more than 40 years in technical and administrative fields.	He is engaged in the marketing activity and has varied experience moreover he has dynamic qualities and rich managerial skills.	She has very sound knowledge of management and administration. She has capability and valuable experience of managing business activities and taking important decision in the interest of the Company.
Designation	Director	Director	Independent Director	Independent Director

Chairman/Member of the Committee of the Board of Directors of the Company	Member of Audit Committee and Nomination and Remuneration Committee	Member of Stakeholders' Relationship Committee	Chairperson of Audit Committee and Member of Nomination and Remuneration Committee & Stakeholder's Relationship Committee	Chairperson of Nomination and Remuneration Committee & Stakeholder's Relationship Committee and Member of Audit Committee
No. of Shares held in the Company	398621	152401	17254	35617
Directorship in Other Listed Company	<ul style="list-style-type: none"> Gujarat Natural Resources Limited Ashoka Metcast Limited Lesha Industries Limited 	<ul style="list-style-type: none"> Gujarat Natural Resources Limited Ashoka Metcast Limited Lesha Industries Limited 	Nil	Nil
Related to other directors	Mr. Shalin Shah and Mr. Ashok C. Shah are related as Son-Father. No other directors are related inter se.	Mr. Ashok C. Shah and Mr. Shalin Shah are related as Father-Son. No other directors are related inter se.	Mr. Chandrakant N. Chauhan does not have any relationship with any other Directors of the Company.	Mrs. Daxaben M. Shah does not have any relationship with any other Directors of the Company.

Explanatory Statement as required under Section 102 of the Companies Act, 2013.

Item No. 3 to the Notice

Section 196(3) of the Companies Act, 2013 inter alia, provides that no company shall continue the employment of a person who has attained the age of seventy years, as Managing Director, Whole – time Director or Manager unless it is approved by the members by passing a special resolution.

Keeping in view that Mr. Ashok C. Shah has more than four decades of rich and varied experience in technical and administrative fields and has been involved in the operations of the Company, it would be in the interest of the company to appoint him as the Managing Director of the Company. Hence, approval of shareholders by way of Special Resolution is required as set out in Item No.3 for appointment of Mr. Ashok C. Shah as the Managing Director of the company from the conclusion of this Annual General Meeting till the conclusion of Annual General Meeting of the company to be held in the year 2023.

Mr. Ashok C. Shah being appointee is interested in the resolution. Save as aforesaid, none of the Company's Directors, Key Managerial Personnel or their relatives except Mr. Shalin A. Shah has any concern or interest, financial or otherwise, in this resolution. The Board accordingly recommends the resolution as set out in Item No.3 of the Notice for approval of the members.

The draft Agreement between the Company and the Managing Director is available for inspection by the members at the company's Registered office between 10:00 a.m. to 1:00 p.m. on all working day's up to the date of Annual General Meeting.

Item No. 4 to the Notice

The Board of Directors (based on the recommendation of Nomination and Remuneration Committee) had appointed Mr. Chandrakant N. Chauhan (DIN: 08057354), as an Additional Director w. e. f. February 8, 2018. In terms of Section 161 (1) of the Companies Act, 2013 read with Articles of Association of the Company, Mr. Chandrakant N. Chauhan holds the office as an Additional Director up to the date of the forthcoming Annual General Meeting scheduled to be held on Friday, 28th September, 2018.

The Company has received a notice pursuant to Section 160 of the Companies Act, 2013 from one of the members signifying his intention to propose the appointment of Mr. Chandrakant N. Chauhan as a Director.

Mr. Chandrakant N. Chauhan is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent in writing to act as Director. Moreover, Copy of the draft formal letter for appointment of Mr. Chandrakant N. Chauhan as a Director setting out the terms and conditions are available for inspection by members at the Registered Office of the Company.

The Board of Directors is of the opinion that his rich knowledge in managing and regulating the Organizational affairs will be of great significance to the Company and hence recommends the Resolution at Item No. 4 of this Notice for your approval. Notice received under Section 160 of the Companies Act, 2013 is available for inspection by the members at the Registered Office of the Company during the business hours on any working day up to the date of the Annual General Meeting.

None of the Directors, Key Managerial Personnel and relatives thereof is concerned or interested in the Resolution at Item No. 4 of the Notice.

Item No. 5 to the Notice

The Board of Directors (based on the recommendation of Nomination and Remuneration Committee) had appointed Mrs. Daxaben M. Shah (DIN: 08054390), as an Additional Director w. e. f. February 8, 2018. In terms of Section 161 (1) of the Companies Act, 2013 read with Articles of Association of the Company, Mrs. Daxaben M. Shah holds the office as an Additional Director up to the date of the forthcoming Annual General Meeting scheduled to be held on Friday, 28th September, 2018.

The Company has received a notice pursuant to Section 160 of the Companies Act, 2013 from one of the members signifying her intention to propose the appointment of Mrs. Daxaben M. Shah as a Director.

Mrs. Daxaben M. Shah is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given her consent in writing to act as Director. Moreover, Copy of the draft formal letter for appointment of Mrs. Daxaben M. Shah as a Director setting out the terms and conditions are available for inspection by members at the Registered Office of the Company.

The Board of Directors is of the opinion that his rich knowledge in managing and regulating the Organizational affairs will be of great significance to the Company and hence recommends the Resolution at Item No. 5 of this Notice for your approval. Notice received under Section 160 of the Companies Act, 2013 is available for inspection by the members at the Registered Office of the Company during the business hours on any working day up to the date of the Annual General Meeting.

None of the Directors, Key Managerial Personnel and relatives thereof is concerned or interested in the Resolution at Item No. 5 of the Notice.

Place: Ahmedabad
Date: August 13, 2018

For and on behalf of the Board

SD/-
Shalin Shah
Director
DIN: 00297447

NOTES:

1. Any member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and such 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 ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy, provided such person shall not act as a proxy for any other person or shareholder.
3. The Proxy form duly completed must reach the Registered Office of the Company not later than forty-eight hours before the time of commencement of the meeting.
4. Corporate Members intending to send their authorised representatives to attend the Annual General Meeting are requested to send to the Company a certified copy of the Board resolution authorizing their representative to attend and vote on their behalf at the Meeting.
5. The Register of Members and share transfer books of the Company will remain closed from 25th September, 2018 to 28th September, 2018 (both days inclusive).
6. Members, Proxies and Authorised Representatives are requested to bring to the meeting, the Attendance Slip enclosed herewith, duly completed and signed, mentioning therein details of their DP ID and Client ID/Folio No.
7. All documents referred to in the Notice are open for inspection at the Registered Office of the Company between 11:00 a.m. and 1:00 p.m. on any working day except Saturdays and holidays up to the date of Annual General Meeting. Shareholders seeking any information with regards to accounts are requested to write to the Company at least 10 days before the date of Annual General Meeting so as to enable the management to keep the information ready.
8. Updation of Email Id: The Shareholders are requested to intimate their Email Id to the Company or update their email registered with Depository Participants, if the same is changed.
9. The relative Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("Act") setting out material facts concerning the business under Item No. 3 of the Notice, is annexed hereto. The relevant details as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), of the person seeking re-appointment as Director under Item No. 2 and 3 of the Notice, are also annexed.
10. The Notice of the AGM along with the Annual Report 2017-18 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company / Depositories, unless any Member has requested for a physical copy of the same. For Members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode. Members may note that this Notice and the Annual Report 2017-18 will also be available on the Company's website viz. www.ashnisha.in.
11. To support the 'Green Initiative', Members who have not registered their e-mail addresses are requested to register the same with DPs/RTA. The registered e-mail address will be used for sending future communications. Members whose email ids are already registered may update the changes therein, if any.
12. Members holding shares in dematerialised mode are requested to intimate all changes pertaining to their bank details, National Electronic Clearing Service (NECS), Electronic Clearing Service (ECS), mandates, nominations, power of attorney, change of address/name, e-mail address, contact numbers, etc. to their Depository Participant (DP) only, and not to the Company's Registrar & Share Transfer Agent. Changes intimated to the Depository Participant will then be automatically reflected in the Company's records which will help the Company and its Registrar & Share Transfer Agent to provide efficient and better services to the Members.
13. Members holding shares in physical form are requested to intimate all changes pertaining to their bank details, National Electronic Clearing Service (NECS), Electronic Clearing Service (ECS), mandates, nominations, power of attorney, change of address / name, etc. to the Company's Registrar & Share Transfer Agent, quoting their Registered Folio Number.
14. Members holding shares in physical form are requested to consider converting their shareholding in dematerialised form to eliminate all risks associated with physical shares and for ease of portfolio management. Members can contact the Company or the Company's Registrar & Share Transfer Agent for assistance in this regard.

15. 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 to the Company/ Company's Registrar & Share Transfer Agent.

16. Voting through electronic means:

Pursuant to the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Amendment Rules, 2015, and in terms of Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide its members the facility to exercise their right to vote by electronic means. The facility of casting votes using an electronic voting system from a place other than the AGM venue ('remote e-voting') will be provided to the members by Central Depository Services (India) Limited (CDSL).

The Company is providing facility for voting by electronic means and the business may be transacted through such electronic voting. The facility for voting through ballot paper shall also be made available at the meeting and members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their right at the meeting. The members who have cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.

In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote. The voting rights of Members shall be in the proportion of their shareholding in the Company as on Cut-off Date. The Company has appointed Mr. Chintan Patel, Partner, M/s. Patel & Associates, Company Secretaries, Ahmedabad, as the Scrutinizer, to scrutinize the entire voting process including remote e-Voting in a fair and transparent manner.

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on <September 25, 2018, 9:00 a.m.> and ends on < September 27, 2018, 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 September 21, 2018, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iv) Click on Shareholders.
- (v) 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.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Postal Ballot / Attendance Slip indicated in the PAN field.

Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. • If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).
-----------------------------------------------------------	----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) 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.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for **Ashnisha Industries Limited**.
- (xiii) 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.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xv) 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.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xviii) 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.
- (xix) Shareholders can also cast their vote using CDSL's mobile app - CDSL m-Voting available for iphone as well as android and windows based mobiles. Please follow the instructions as prompted by the mobile app while voting on your mobile.

I. Note for Non – Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com 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.
- II. 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.
 - III. Any person, who acquires shares of the Company and become Member of the Company after dispatch of the notice and holding shares as of the Cut-off Date i.e. September 21, 2018, may obtain the login ID and password by sending a request at helpdesk.evoting@cdslindia.com. However, if he/she is already registered with CDSL for remote e-Voting then he/she can use his/ her existing User ID and password for casting vote.

If you forgot your password, you can reset your password by using “Forgot User Details/Password” option available on www.evotingindia.com or contact CDSL at the Toll Free No.: 1800-200-5533.

- V. A person, whose name is recorded in the Register of Members or in the list of Beneficial Owners maintained by the Depositories as on Cut-off Date only shall be entitled to avail the facility of remote e-Voting as well as voting at the Meeting through Polling Paper.
- VI. The result of voting at the Meeting including remote e-Voting shall be declared after the Meeting but not later than Forty Eight Hours of the conclusion of the Meeting.
- VII. The result declared alongwith the Report of the Scrutinizer shall be placed on the website of the Company www.ashnisha.in and on the website of CDSL immediately after the declaration of result by the Chairman or a person authorised by him in writing. The Company shall simultaneously forward the results to BSE Limited where the shares of the Company are listed.
- 17. For any further assistance, you may contact Mr. Shalin A. Shah, Director at Telephone No. (079) 2646 3227 or at E-mail Id: ashnishalimited@gmail.com. Address: 7th Floor, Ashoka Chambers, Mithakhali Six Roads, Ahmedabad - 380006.

Directors' Report

To,
The Members,

Your Directors have pleasure in presenting their **Annual Report** on the business and operations of the Company and the Audited Accounts for the Financial Year ended 31st March, 2018.

1. FINANCIAL SUMMARY/HIGHLIGHTS OF PERFORMANCE OF THE COMPANY:

Particulars	Financial Results	
	Year ended 31/03/2018	Year ended 31/03/2017
Total Revenue	11,83,45,497	54,44,842
Expenditure	11,82,28,639	55,80,334
Depreciation	1,01,594	-
Profit/(Loss) before Tax	(65,82,166)	(1,35,492)
Provision for Taxation	-	-
Income Tax	-	-
Deferred Tax	-	-
Profit/(Loss) after Tax	(65,82,166)	(1,35,492)

2. PERFORMANCE:

Income from trading of Steel products and dealing in shares and securities increased as compared to previous year and consequently total revenue for the year has increased. But due to rise in cost of expenses, the Company has incurred loss during the year. The Management of the Company is taking efforts for the development of the Company.

3. DIVIDEND:

Due to loss during the year, the Company is not able to declare Dividend.

4. TRANSFER TO RESERVE:

Reserves & Surplus at the end of the year stood at Rs. 9,16,40,916 /- as compared to Rs. (2,26,006) /- at the beginning of the year.

5. SHARE CAPITAL:

At present, the Company has only one class of shares – equity shares with face value of Rs.10/- each. The authorized share capital of the company is Rs. 3,07,00,000/- divided into 30,70,000 equity shares of Rs. 10/- each. The paid up share capital of the company as on March 31, 2018 was Rs. 3,01,87,640/- divided into 3018764 equity shares of Rs. 10/- each.

6. DEPOSITS:

Your Company has not accepted any deposits within the meaning of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

7. ENERGY, TECHNOLOGY AND FOREIGN EXCHANGE:

During the period under review, several energy conservation initiatives were adopted and were taken by the Company. There are no plans to import any kind of technology for the project and hence information regarding its absorption is not applicable. There was no research activities carried out during the year as well as no foreign exchange income or outgo during the year.

8. MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY:

There were no such material changes occurred subsequent to the close of the financial year of the Company to which the balance sheet relates and the date of the report which can affect the financial position of the Company.

The Equity Shares of the Company got listed on BSE Limited and trading of shares commenced with effect from 31st July, 2018

9. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS:

The National Company Law Tribunal (NCLT), Ahmedabad Bench had sanctioned the Scheme for Demerger of Trading and Investment Business of Lesha Industries Limited (Demerged Company) and vesting the same into Ashnisha Industries Limited (then Ashnisha Alloys Private Limited) (Resulting Company) pursuant to sections 391 to 394 of the Companies Act, 1956, vide its order dated May 29, 2017 and other relevant provisions of the Companies Act. Pursuant to the scheme, trading & investment business of the Company was transferred to Ashnisha Industries Limited (Formerly known as Ashnisha Alloys Private Limited).

In consideration the Resulting Company issued and allotted 30,18,764 new Equity Shares of Rs. 10/- each to the shareholders of the Demerged Company whose names appear in the Register of Members of the Demerged Company in the ratio of 8 (Eight) new Equity Share of the Resulting Company for every 25 (Twenty Five) Equity Shares held by the shareholders in the Demerged Company on the Record Date 18.08.2017.

No other orders have been passed by the Regulators/Court or Tribunals which can impact the going concern status and Company's operation in future.

10. DETAILS OF SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES:

There are no Subsidiary/Joint Ventures/Associate Companies.

11. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENT BY THE COMPANY:

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

12. MEETING OF BOARD OF DIRECTORS:

During the year under the review, 4 (Four) Board meetings were held, with gap between Meetings not exceeding the period prescribed under the Companies Act, 2013 and Rules made thereunder. Details of Board and Board committee meetings held during the year are given in the Corporate Governance Report.

The Board meeting dates are finalized in consultation with all directors and agenda papers backed up by comprehensive notes and detailed background information are circulated well in advance before the date of the meeting thereby enabling the Board to take informed decisions.

The intervening gap between the Board Meetings was within the period prescribed under the Companies Act, 2013. During the financial year 2017-18, 4 (Four) Board Meetings were held on 23/05/2017, 21/08/2017, 16/12/2017 and 08/02/2018.

13. EXTRA-ORDINARY GENERAL MEETING OF THE COMPANY HELD DURING THE YEAR 2017-18

During the year under review, Extra-Ordinary General Meeting of the Company was held on 17th June, 2017 and following resolutions were passed with the consent of the Members of the Company.

- The Authorised Share Capital of the Company was increased from Rs. 5,00,000 to Rs. 3,02,00,000.
- M/s. GMCA & Co., Chartered Accountants (Firm Registration No. 109850W) were appointed as the Statutory Auditors of the Company to fill the casual vacancy caused by the resignation of M/s. Shah Shreyas & Associates, Chartered Accountant (Firm Registration No. 130249W).

14. EXTRACTS OF ANNUAL RETURN:

An extract of Annual Return in Form **MGT-9** is attached herewith as **ANNEXURE-II**.

15. CORPORATE SOCIAL RESPONSIBILITY (CSR):

Pursuant to provisions of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, every company with a Net Worth of Rs. 500 Crores or more or an annual turnover of Rs. 1000 Crores or more or with a net profit of Rs. 5 Crores or more is required to constitute a CSR Committee. At present, the Company is not required to constitute a CSR Committee in this regards as none of the above referred limits have been triggered.

16. INSURANCE:

All the Properties of the Company are adequately insured.

17. RELATED PARTY TRANSACTIONS:

There are no materially significant related party transactions made by the Company which may have a potential conflict with the interest of the Company at large and thus disclosure in Form AOC-2 is not required.

18. DIRECTORATE AND KEY MANAGERIAL PERSONNEL:

The Board of Directors of your company has various executive and non-executive directors including Independent Directors who have wide and varied experience in different disciplines of corporate functioning.

In accordance with the provisions of Section 152 of the Companies Act, 2013 and Articles of Association of the Company, Mr. Shalin A. Shah (DIN: 00297447) retires by rotation at the ensuing Annual General Meeting and being eligible in terms of Section 164 of the Act offers himself for re-appointment.

The Company had, pursuant to the provisions of Regulation 17 (1) (b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 entered into with Stock Exchanges, appointed Mrs. Daxaben M. Shah (DIN: 08054390), and Mr. Chandrakant N. Chauhan (DIN: 08057354), as an Independent Directors of the Company w.e.f 08/02/2018.

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013.

As required under Section 203 of the Companies Act, 2013, the Company has appointed Ms. Dimpal J. Solanki w.e.f 08/02/2018 as Company Secretary.

19. EVALUATION OF BOARD, COMMITTEES AND DIRECTORS:

Pursuant to the provisions of the Act and the corporate governance requirements as prescribed by Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations 2015, the Board had carried out performance evaluation of its own, the Board Committees and of the Independent directors. Independent Directors at a separate meeting evaluated performance of the Non-Independent Directors, Board as a whole and of the Chairman of the Board.

The following were the Evaluation Criteria:

- | | |
|--------------------------------|-------------------------------------------------------------------------|
| (a) For Independent Directors: | (b) For Executive Directors: |
| - Knowledge and Skills | - Performance as Team Leader/Member. |
| - Professional conduct | - Evaluating Business Opportunity and analysis of Risk Reward Scenarios |
| - Duties, Role and functions | - Key set Goals and achievements |
| | - Professional Conduct, Integrity |
| | - Sharing of Information with the Board |

The Directors expressed their satisfaction with the evaluation process.

20. POLICY ON APPOINTMENT AND REMUNERATION OF DIRECTORS:

The Board has on the recommendation of the Nomination & Remuneration Committee, formulated criteria for determining Qualifications, Positive Attributes and Independence of a Director. No remuneration is paid to any of the Directors of the Company.

21. MANAGERIAL REMUNERATION:

The Company had not paid any remuneration to Executive Directors or any sitting fees to Non-Executive Directors for attending any meetings during the financial year ended 31st March, 2018.

22. COMMITTEES OF THE BOARD:

During the year, in accordance with the Companies Act, 2013, the Board constituted some of its Committees.

AUDIT COMMITTEE: The Company constituted its Audit Committee comprising of following Directors:

Sr. No.	Name & DIN of the Director	Status	Category
1	Mr. Chandrakant N. Chauhan	Chairman	Non-Executive Independent Director
2	Mrs. Daxaben M. Shah	Member	Non- Executive Independent Director
3	Mr. Shalin A. Shah	Member	Non-Executive Director

Attendance of each member of the Audit Committee:

Committee Members	Meetings held	Meetings attended
Mr. Chandrakant N. Chauhan	2	2
Mrs. Daxaben M. Shah	2	2
Mr. Shalin A. Shah	2	2

NOMINATION AND REMUNERATION COMMITTEE:

The Company is having a Nomination and Remuneration Committee comprising of following Directors:

Sr. No.	Name & DIN of the Director	Status	Category
1	Mrs. Daxaben M. Shah	Chairman	Non- Executive Independent Director
2	Mr. Shalin A. Shah	Member	Non- Executive Director
3	Mr. Chandrakant N. Chauhan	Member	Non- Executive Independent Director

Attendance of each member of the Nomination and Remuneration Committee:

Committee Members	Meetings held	Meetings attended
Mrs. Daxaben M. Shah	1	1
Mr. Shalin A. Shah	1	1
Mr. Chandrakant N. Chauhan	1	1

STAKEHOLDERS RELATIONSHIP COMMITTEE:

The Company is having a Stakeholders Relationship Committee comprising of following Directors:

Sr. No.	Name & DIN of the Director	Status	Category
1	Mrs. Daxaben M. Shah	Chairman	Non- Executive Independent Director
2	Mr. Ashok C. Shah	Member	Non- Executive Director
3	Mr. Chandrakant N. Chauhan	Member	Non- Executive Independent Director

Attendance of each member of the Stakeholders Relationship and Share Transfer Committee:

Committee Members	Meetings held	Meetings attended
Mrs. Daxaben M. Shah	1	1
Mr. Ashok C. Shah	1	1
Mr. Chandrakant N. Chauhan	1	1

23. AUDITORS:**A. Statutory Auditors**

In terms of the provisions of Section 139 of the Companies Act, 2013 read with provisions of the Companies (Audit and Auditors) Rules, 2014 as amended, M/s. GMCA & Co., Chartered Accountants, Ahmedabad (Firm Registration No.109850W) was appointed as Statutory Auditors of the Company for a consecutive period of 5 (Five) years from the conclusion of Annual General Meeting in the year 2017 till the conclusion of the Annual General Meeting to be held in the year 2022.

The Members may note that consequent to the changes made in the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 by the Ministry of Corporate Affairs (MCA) vide notification dated May 7, 2018, the proviso to Section 139(1) of the Companies Act, 2013 read with explanation to sub-rule 7 of Rule 3 of the Companies (Audit and Auditors) Rules, 2014, the requirement of ratification of appointment of Auditors by the Members at every AGM has been done away with. Therefore, the Company is not seeking any ratification of appointment of M/s. GMCA & Co., Chartered Accountants as the Auditors of the Company, by the Members at the ensuing AGM.

The Company has received a certificate from M/s. GMCA & Co., Chartered Accountants, confirming their eligibility to continue as Auditors of the Company in terms of the provisions of Section 141 of the Companies Act, 2013 and the Rules framed thereunder.

The Report given by the M/s. GMCA & Co., Auditors on the financial statements for March 2018 of the Company is part of the Annual Report. The notes to the accounts referred to in the Auditors' Report are self-explanatory and therefore do not call for any further comments.

There has been no qualification, reservation, adverse remark or disclaimer given by the Auditors in their Report.

B. Secretarial Auditors

Pursuant to the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s. Patel & Associates, Practicing Company Secretaries, Ahmedabad to undertake the Secretarial Audit of the Company. The Secretarial Audit Report is self-explanatory and therefore do not call for any further comments and annexed herewith as **Annexure IV**.

There is no qualification, reservation or adverse remark in the report.

C. Internal Auditors:

The Board of Directors has appointed M/s. Naimish K. Shah & Co., Chartered Accountant (FRN 106828W) as Internal Auditors of the Company for the F. Y. 2017-18.

24. INTERNAL FINANCIAL CONTROL SYSTEM AND COMPLIANCE FRAMEWORK:

The Company has an Internal Financial Control System, commensurate with size, scale and complexity of its operations. The internal financial controls are adequate and are operating effectively so as to ensure orderly and efficient conduct of business operations. The Company has appointed M/s. Naimish K. Shah & Co., Chartered Accountant (FRN 106828W) as an Internal Auditors of the Company. The Audit Committee in consultation with the internal auditors formulates the scope, functioning, periodicity and methodology for conducting the internal audit. The internal auditors carry out audit, covering inter alia, monitoring and evaluating the efficiency & adequacy of internal control systems in the Company, its compliance with operating systems, accounting procedures and policies at all locations and submit their periodical internal audit reports to the Audit Committee. Based on the internal audit report and review by the Audit committee, process owners undertake necessary actions in their respective areas. The internal auditors have expressed that the internal control system in the Company is robust and effective. The Board has also put in place requisite legal compliance framework to ensure compliance of all the applicable laws and that such systems are adequate and operating effectively.

25. RISK MANAGEMENT:

The Company has implemented an integrated risk management approach through which it reviews and assesses significant risks on a regular basis to help ensure that there is a robust system of risk controls and mitigation in place. Senior management periodically reviews this risk management framework to keep updated and address emerging challenges. Major risks identified for the Company by the management are Compliances of various applicable Laws, Regulatory changes, Manufacturing & Supply, Litigation and Technological Changes. The management is however, of the view that none of the above risks may threaten the existence of the Company as robust risk mitigation mechanism is put in place to ensure that there is nil or minimum impact on the Company in case any of these risks materialize.

26. VIGIL MECHANISM AND WHISTLE BLOWER POLICY:

In accordance with Section 177 of the Companies Act, 2013 and Regulation 22 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has constituted a Whistle Blower Policy/ Vigil Mechanism to establish a vigil mechanism for the directors and employees to report genuine concerns in such manner as may be prescribed and to report to the management instances of unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct.

27. PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE:

As per the requirement of The Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 ('Act') and Rules made thereunder, your Company has assigned the responsibilities to Audit Committee. During the year, no complaint with allegations of sexual harassment was filed with the Company.

28. MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

The Report on Management Discussion and Analysis Report as required under SEBI Listing Regulations is included in this Report. Certain statements in the said report may be forward looking. Many factors may affect the actual results, which could be different from what the Directors envisage in terms of the future performance and outlook.

29. PREVENTION OF INSIDER TRADING:

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company's shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Board is responsible for implementation of the Code. All Board Directors and the designated employees have confirmed compliance with the Code.

30. DIRECTORS' RESPONSIBILITY STATEMENT:

In accordance with Section 134(5) of the Companies Act, 2013 and to the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors state that-

- i. In the preparation of the annual accounts, the applicable Accounting Standards had been followed along with proper explanation relating to material departures;
- ii. The directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year 31st March, 2018 and of the profit and loss of the company for that period;
- iii. The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 2013 and Rules made thereunder for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- iv. The directors had prepared the annual accounts on a going concern basis;
- v. The directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively, and
- vi. The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

31. CORPORATE GOVERNANCE:

The compliance with the corporate governance provisions as specified in regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and Para C, D and E of Schedule V shall not apply for the financial year 2017-18 to the listed entity as the paid up equity share capital does not exceed rupees ten crore and the net worth does not exceed rupees twenty five crore, as on the last day of the previous financial year i.e. on 31st March, 2018. Therefore, at present, the Company is not required to comply with Corporate Governance regulations as the above referred limits have not been triggered.

32. CORPORATE GOVERNANCE CERTIFICATE – NON APPLICABILITY:

The Certificate of the non applicability of submission of Report on Corporate Governance as stipulated in Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is appended to the report on Corporate Governance, herewith attached as **Annexure V**.

33. GENERAL SHAREHOLDER INFORMATION:

General Shareholder Information is given in Report on Corporate Governance forming part of the Annual Report.

34. ACKNOWLEDGEMENT:

Your Directors take this opportunity to express their gratitude for the unstinted commitment, dedication, hard work and significant contribution made by employees at all levels in ensuring sustained growth of the Company. Your Directors also sincerely thank to all the stakeholders, customers, vendors, bankers, business associates, government, other statutory bodies and look forward to their continued assistance, co-operation and support.

Place: Ahmedabad
Date: August 13, 2018

For and on behalf of the Board

SD/-	SD/-
Ashok Shah	Shalin Shah
Director	Director
DIN: 02467830	DIN: 00297447

MANAGEMENT DISCUSSION AND ANALYSIS REPORT➤ **INDUSTRIAL STRUCTURE AND DEVELOPMENT:**

India was the third-largest steel producer in the world in 2018 and it is expected to become the second largest steel producer in the world by 2018. India's economic growth is contingent upon the growth of the Indian steel industry. The Government has released the National Steel Policy, which has laid down the broad roadmap for encouraging long term growth for the Indian steel industry, both on demand and supply sides, by 2030-31. The Company is in business of trading of steel products, electronics goods and dealing in shares and securities. However Competition in the industry is continuously increasing and management is taking steps to sustain in the emerging high tech market. The steel industry contributes 2% to the GDP of the nation. The growth in the Indian steel sector has been driven by domestic availability of raw materials such as iron ore and cost-effective labour.

➤ **OVERVIEW:**

This Management Discussion & Analysis report presents the key performance highlights of the year 2017-18 pertaining to the business of the Company. The Company's financial statements have been prepared in accordance with Accounting Standards, complying with the requirements of the Companies Act 2013 and the guidelines issued by Securities and Exchange Board of India (SEBI).

➤ **OPPORTUNITY & THREATS:****Opportunities:**

To take advantage of the various initiatives taken by the Government in the Financial Year 2017. Government is taking many steps to increase per capita consumption of stainless steel products. These will generate a lot of opportunities for the Company which will ultimately lead to achieve the organisation's set goals.

Threats:

Dumping of steel from abroad and increased competition from domestic and international steel companies located in India. These factors have eventually exposed enormous strain to the company to survive in this competitive market.

➤ **COMPETITION:**

Competition in the market has intensified and forced the players to adopt aggressive marketing strategy and promotional campaigns to capture and protect their market shares, The Company has the plans to penetrate better in to world market, especially through the customer retention and business development in the regions which have not been tapped.

Sharp fluctuations in value of the Indian Rupee and the rising inventory prices have put pressure on the profitability of the Company.

➤ **SEGMENT WISE AND PRODUCT WISE PERFORMANCE:**

Details on segment wise performance of the Company is provided separately in Notes to Accounts.

➤ **RISK AND CONCERN:**

The company has Robust Risk Management framework that identifies and evaluates business risks and opportunities to protect the interest of stakeholders and shareholders with a view to achieve the business objective effectively. The Risk Management System in the company is an integral part of the comprehensive planning, controlling and reporting systems. Risk assessment is undertaken based on likelihood of occurrence and possible impact on the functioning of the company. It reviews, assesses the quality, integrity and effectiveness of the Risk Management plan and systems and ensures that the risk policies and strategies are effectively managed by the management.

However, the changes in the tax laws, Government policies and regulatory requirement might affect the company's business. Uncontrolled variation in price of input materials could impact the company's profitability to the extent that the same are not absorbed by the market through price increase and / or could have a negative impact on the demand in the market.

The company closely monitors the potential risks and opportunities that arise from Political, Economic & Regulatory environment, Technology Changes, Environment and Competition. We also countered the economic risks with proactive production planning, structural adjustments and cost flexibility.

➤ **INITIATIVES BY THE COMPANY:**

The Company has taken the following initiatives:

- Concentration on reduction of costs by undertaking specific exercise in different fields.
- Concentration on Operational Efficiency and strategic expansion.
- Concentration in Increase of Shareholders Wealth and Profit of the Company.

The Company is quite confident that the overall productivity, profitability would improve in a sustainable manner, as a result of this strategy.

➤ **OUTLOOK:**

In the recent years, the steel industry has seen significant volatility. The profit margins in the industry are under pressure. However, the Company has taken remedial measures. The Company is confident to meet the challenges with its strength in marketing network, its strategic planning, Research & Development, productivity improvement and cost reduction exercise. The market outlook is expected to improve, but with a slow growth.

➤ **INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:**

Your Company places significant emphasis and efforts on the internal control systems. The Company has appointed an independent firm of Chartered Accountant for the same with such powers and responsibilities that are required to ensure the adequacy of the internal Control System.

➤ **HUMAN RESOURCE:**

The Company recognizes the value and contribution of its employees and earnestly endeavors to create a responsive organization with emphasis on performance with responsibility and accountability. Continuous appraisal of the competencies of the personnel in line with job requirements is carried out to facilitate higher levels of output and productivity. Developing skills and capabilities of employees to improve manpower utilization and labour productivity is the key thrust area of Human Resource Management (HRM) in the Company.

➤ **HEALTH, SAFETY AND ENVIRONMENTAL PROTECTION:**

Your Company has complied with all the applicable environmental laws and labour laws. The Company has been complying with the relevant laws and has taking all necessary measures to protect the environment. Various initiatives have been taken to reduce environmental footprint and enhance operational efficiency have led to significant improvement in environmental parameters as well as techno-economic efficiency.

➤ **CAUTIONARY STATEMENT**

The statements in the "Management Discussion and Analysis Report" section describes the Company's objectives, projections, estimates, expectations and predictions, which may be "forward looking statements" within the meaning of the applicable laws and regulations. The annual results can differ materially from those expressed or implied, depending upon the economic and climatic conditions, Government policies and other incidental factors.

Place: Ahmedabad

Date: August 13, 2018

For and on behalf of the Board

SD/-	SD/-
Ashok Shah	Shalin Shah
Director	Director
DIN: 02467830	DIN: 00297447

ANNEXURE – I TO THE DIRECTORS REPORT**FOREIGN EXCHANGE EARNINGS AND OUTGO:**

	2017-18	2016-17
Foreign Exchange Earning	Nil	Nil
Foreign Exchange out go	Nil	Nil

Place: Ahmedabad
Date: August 13, 2018

For and on behalf of the Board

SD/-
Ashok Shah
Director
DIN: 02467830

SD/-
Shalin Shah
Director
DIN: 00297447

ANNEXURE – II TO THE DIRECTORS REPORT

FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN
As on financial year ended on 31.03.2018

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

I. REGISTRATION & OTHER DETAILS:

1.	CIN	U74110GJ2009PLC057629
2.	Registration Date	27 th July, 2009
3.	Name of the Company	Ashnisha Industries Limited
4.	Category/Sub-category of the Company	Company limited by shares and Indian Non-Government Company
5.	Address of the Registered office & contact details	7 th Floor, Ashoka Chambers, Opp. HCG Hospital, Mithakhali Six Roads, Ahmedabad-380006.
6.	Whether listed company	Yes
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Accurate Securities & Registry Pvt. Ltd. 23, 3 rd Floor, Sarthik Complex, Nr. Fun Republic, Iscon Cross Road, Satellite, Ahmedabad- 380015. Contact No. : +91 9033009602-05

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

Sr. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Trading of Steel	46620	99.82%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES - NO HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

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

IV. SHARE HOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY):

A) CATEGORY-WISE SHARE HOLDING

Category of Shareholders	No. of Shares held at the beginning of the year as on 31 st March, 2017				No. of Shares held at the end of the year as on 31 st March, 2018				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	NIL	40000	40000	80	643530	NIL	643530	21.32	(58.68)
b) Central Govt	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	
c) State Govt(s)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	
d) Bodies Corp.	Nil	10000	10000	20	440381	Nil	440381	14.59	(5.41)
e) Banks / FI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	
f) Any other Foreign Individual	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	
Total shareholding of Promoter (A)	NIL	50000	50000	100	1083911	NIL	1083911	35.91	(64.09)
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	-	Nil	Nil	Nil	Nil	-
b) Banks / FI	-	-	-	-	NIL	95	95	0.00	0.00
c) Central Govt	-	-	-	-	Nil	Nil	Nil	Nil	-
d) State Govt(s)	-	-	-	-	Nil	Nil	Nil	Nil	-
e) Venture Capital Funds	-	-	-	-	Nil	Nil	Nil	Nil	-
f) Insurance Companies	-	-	-	-	Nil	Nil	Nil	Nil	-
g) FIs	-	-	-	-	Nil	Nil	Nil	Nil	-
h) Foreign Venture Capital Funds	-	-	-	-	Nil	Nil	Nil	Nil	-
i) Others (specify)	-	-	-	-	Nil	Nil	Nil	Nil	-
Sub-total (B)(1):-	-	-	-	-	Nil	95	95	0.00	0.00
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	-	-	-	-	632981	2743	635724	21.06	21.06
ii) Overseas	-	-	-	-	Nil	Nil	Nil	Nil	-
b) Individuals	-	-	-	-					
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	-	-	-	-	547023	164750	711773	23.58	23.58
ii) Individual shareholders holding nominal share	-	-	-	-	567927	NIL	567927	18.81	18.81

capital in excess of Rs 1 lakh									
c) Others (specify)									
NRI/OCB	-	-	-	-	-	-	-	-	-
OTHERS	-	-	-	-					
Non Resident Indians	-	-	-	-	1346	NIL	1346	0.04	0.04
Overseas Corporate Bodies	-	-	-	-	Nil	Nil	Nil	Nil	-
Foreign Nationals	-	-	-	-	Nil	Nil	Nil	Nil	-
Clearing Members	-	-	-	-	0	1	1	0.00	0.00
Hindu Undivided Family	-	-	-	-	17987	NIL	17987	0.60	0.60
Foreign Bodies - D R	-	-	-	-	Nil	Nil	Nil	Nil	-
Sub-total (B)(2):-	-	-	-	-	1767264	167494	1934758	64.09	64.09
Total Public Shareholding (B)=(B)(1)+ (B)(2)	-	-	-	-	1767264	167589	1934853	64.09	64.09
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	Nil	Nil	Nil	Nil	
Grand Total (A+B+C)	-	50000	50000	100	2851175	167589	3018764	100	

B) SHAREHOLDING OF PROMOTER

Sr. No.	Shareholder's Name	No. of Shares held at the beginning of the year as on 31 st March, 2017			No. of Shares held at the end of the year as on 31 st March, 2018			% change in shareholding during the year
		No. of Shares	% of total Shares of the co.	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the co.	%of Shares Pledged / encumbered to total shares	
1	Leena Ashok Shah	5000	10	Nil	92508	3.06	Nil	(6.94)
2	Ashok Chinubhai Shah	5000	10	Nil	152401	5.05	Nil	(4.95)
3	Shalin Ashok Shah	20000	40	Nil	398621	13.20	Nil	(26.80)
4	Payal S. Shah	5000	10	Nil	Nil	Nil	Nil	(10.00)
5	Ashoka Metcast Ltd (Formerly Tanya Estates Private Limited)	5000	10	Nil	165197	5.47	Nil	(4.53)
6	Shalin A. Shah HUF	5000	10	Nil	Nil	Nil	Nil	(10.00)
7	Shree Ghantakarna Rolling Mills Pvt. Ltd	5000	10	Nil	145584	4.82	Nil	(5.18)
8	Lesha Agro Foods Private Limited	0	0	Nil	129600	4.29	Nil	4.29

C) CHANGE IN PROMOTERS' SHAREHOLDING (PLEASE SPECIFY, IF THERE IS NO CHANGE)

Sr. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding During the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Mr. Shalin A. Shah				
2	At the beginning of the year	20,000	40	398621	13.20
3	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):	Increase in the no. of shares and decrease in the percentage of shareholding due to allotment and cancellation of equity shares as per the Scheme of Arrangement on 18/08/2017.*			
4	At the end of the year	398621	13.20	398621	13.20
5	Ashoka Metcast Limited (Formerly Tanya Estates Pvt. Ltd.)				
6	At the beginning of the year	5000	10	165197	5.47
7	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):	Increase in the no. of shares and decrease in the percentage of shareholding due to allotment and cancellation of equity shares as per the Scheme of Arrangement on 18/08/2017.*			
8	At the end of the year	165197	5.47	165197	5.47
9	Mr. Ashok C. Shah				
10	At the beginning of the year	5000	10	152401	5.05
11	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):	Increase in the no. of shares and decrease in the percentage of shareholding due to allotment and cancellation of equity shares as per the Scheme of Arrangement on 18/08/2017.*			
12	At the end of the year	152401	5.05	152401	5.05
13	Shree Ghantakarna Rolling Mills Pvt. Ltd.				
14	At the beginning of the year	5000	10	145584	4.82
15	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):	Increase in the no. of shares and decrease in the percentage of shareholding due to allotment and cancellation of equity shares as per the Scheme of Arrangement on 18/08/2017.*			
	At the end of the year	145584	4.82	145584	4.82
16	Lesha Agro Foods Pvt. Ltd.				
17	At the beginning of the year	0	0	129600	4.29
18	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):	Increase in the no. of shares percentage of shareholding due to allotment of equity shares as per the Scheme of Arrangement on 18/08/2017.*			
19	At the end of the year	129600	4.29	129600	4.29

20	Leena A. Shah				
21	At the beginning of the year	5000	10	92508	3.06
22	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):	Increase in the no. of shares and decrease in the percentage of shareholding due to allotment and cancellation of equity shares as per the Scheme of Arrangement on 18/08/2017.*			
23	At the end of the year	92508	3.06	92508	3.06

*As per the Scheme of Arrangement in nature of Demerger sanctioned by the Hon'ble National Company Law Tribunal, Ahmedabad Bench, the Ashnisha Industries Limited, Resulting Company shall issue and allot 30,18,764 new Equity Shares of Rs. 10/- each to the shareholders of the Lesha Industries Limited, Demerged Company whose names appear in the Register of Members of the Demerged Company in the ratio of 8 (Eight) new Equity Share of the Resulting Company for every 25 (Twenty Five) Equity Shares held by the shareholders in the Demerged Company on the Record Date i.e. 18/08/2017.

The entire pre arrangement capital of the Resulting Company cancelled.

**D) SHAREHOLDING PATTERN OF TOP TEN SHAREHOLDERS AS ON 31ST MARCH, 2018:
(OTHER THAN DIRECTORS, PROMOTERS AND HOLDERS OF GDRS AND DRS):**

Sr. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Increase / Decrease	Reason	Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company			No. of shares	% of total shares of the company
1	Hitesh Jagdish Panara	--	--	Increase	*	284869	9.44%
2	Midrina Oil And Gas Services Pvt. Ltd.	--	--	Increase	*	134352	4.45%
3	Shaurya Organics Private Limited	--	--	Increase	*	134352	4.45%
4	Suryaja Infrastructure Pvt. Ltd.	--	--	Increase	*	134352	4.45%
5	Tiw Systems Pvt. Ltd	--	--	Increase	*	134352	4.45%
6	Vishnubhai G. Chauhan	--	--	Increase	*	53524	1.77%
7	Advanced Energy Resources & Management Pvt. Ltd.	--	--	Increase	*	45792	1.52%
8	Janak B. Patel	--	--	Increase	*	36124	1.20%
9	Kintu Manojbhai Raichura	--	--	Increase	*	27239	0.90%
10	Satveer Ashok Nanda	--	--	Increase	*	21600	0.72%

*As per the Scheme of Arrangement in nature of Demerger sanctioned by the Hon'ble National Company Law Tribunal, Ahmedabad Bench, the Ashnisha Industries Limited, Resulting Company shall issue and allot 30,18,764 new Equity Shares of Rs. 10/- each to the shareholders of the Lesha Industries Limited, Demerged Company whose names appear in the Register of Members of the Demerged Company in the ratio of 8 (Eight) new Equity Share of the Resulting Company for every 25 (Twenty Five) Equity Shares held by the shareholders in the Demerged Company on the Record Date i.e. 18/08/2017.

E) SHAREHOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

Sr. No.	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Mr. Shalin A. Shah				
2	At the beginning of the year	20000	40	398621	13.20
3	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / sweat equity etc.):	Increase in the no. of shares and decrease in the percentage of shareholding due to allotment and cancellation of equity shares as per the Scheme of Arrangement on 18/08/2017.*			
4	At the end of the year	398621	13.20	398621	13.20
5	Mr. Ashok C. Shah				
6	At the beginning of the year	5000	10	152401	5.05
7	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	Increase in the no. of shares and decrease in the percentage of shareholding due to allotment and cancellation of equity shares as per the Scheme of Arrangement on 18/08/2017.*			
8	At the end of the year	57150	5.05	57150	5.05
9	Mr. Chandrakant N. Chauhan				
10	At the beginning of the year	0	0	17254	0.57
11	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / sweat equity etc.):	Increase in the no. of shares and percentage of shareholding due to allotment of equity shares as per the Scheme of Arrangement on 18/08/2017.*			
12	At the end of the year	17254	0.57	17254	0.57
13	Mrs. Daxaben M. Shah				
14	At the beginning of the year	0	0	35617	1.18
15	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / sweat equity etc.):	Increase in the no. of shares and percentage of shareholding due to allotment of equity shares as per the Scheme of Arrangement on 18/08/2017.*			
16	At the end of the year	35617	1.18	35617	1.18

*As per the Scheme of Arrangement sanctioned by the Hon'ble National Company Law Tribunal, Ahmedabad Bench, the Ashnisha Industries Limited, Resulting Company shall issue and allot 30,18,764 new Equity Shares of Rs. 10/- each to the shareholders of the Lesha Industries Limited, Demerged Company whose names appear in the Register of Members of the Demerged Company in the ratio of 8 (Eight) new Equity Share of the Resulting Company for every 25 (Twenty Five) Equity Shares held by the shareholders in the Demerged Company on the Record Date i.e. 18/08/2017.

The entire pre arrangement capital of the Resulting Company cancelled.

V. INDEBTEDNESS –

Indebtedness of the Company including interest outstanding/accrued but not due for payment.

(in ₹)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	0.00	2,12,42,816.00	0.00	2,12,42,816.00
ii) Interest due but not paid	0.00	0.00	0.00	0.00
iii) Interest accrued but not due	0.00	0.00	0.00	0.00
Total (i+ii+iii)	0.00	2,12,42,816.00		2,12,42,816.00
Change in Indebtedness during the financial year				
* Addition	0.00	0.00	0.00	0.00
* Reduction	0.00	(4494570)	0.00	(4494570)
Net Change	0.00	(4494570)	0.00	(4494570)
Indebtedness at the end of the financial year				
i) Principal Amount	0.00	1,67,48,246.00	0.00	1,67,48,246.00
ii) Interest due but not paid	0.00	0.00	0.00	0.00
iii) Interest accrued but not due	0.00	0.00	0.00	0.00
Total (i+ii+iii)	0.00	1,67,48,246.00	0.00	1,67,48,246.00

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-**A. REMUNERATION TO MANAGING DIRECTOR, WHOLE-TIME DIRECTORS AND/OR MANAGER:**

(Rs. in Lacs)

Sr. No.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount
	Name of Director		
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	NIL	NIL
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	NIL	NIL
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	NIL	NIL
2	Stock Option	NIL	NIL
3	Sweat Equity	NIL	NIL
4	Commission - as % of profit - others, specify...	NIL	NIL
5	Others, please specify 1. PF Contribution 2. Gratuity Accrued for the year (Payable at Retirement/resignation)	NIL	NIL
	Total (A)	NIL	NIL
	Ceiling as per the Companies Act 2013		5%

B. REMUNERATION TO OTHER DIRECTORS

Sr. No.	Particulars of Remuneration	Name of Directors			Total Amount
1	Independent Directors	NIL			NIL
	Fee for attending board committee meetings				
	Commission				
	Others, please specify				
	Total (1)				
2	Other Non-Executive Directors				
	Fee for attending board committee meetings				
	Commission				
	Others, please specify				
	Total (2)				
	Total (B)=(1+2)	NIL	NIL	NIL	NIL
	Total Managerial Remuneration				NIL
	Overall Ceiling as per the Companies Act 2013				1%

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

Sr. No.	Particulars of Remuneration	Key Managerial Personnel			
		CS	CEO	CFO	Total
		Dimpal Solanki	NIL		
1	Gross salary	20,000			
	(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				
3	Sweat Equity				
4	Commission				
	- as % of profit				
	Others specify...				
5	Others, please specify				
	Total	20,0000			

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	NONE				
Punishment					
Compounding					
B. DIRECTORS					
Penalty	NONE				
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty	NONE				
Punishment					
Compounding					

Place: Ahmedabad
Date: August 13, 2018

For and on behalf of the Board

SD/-	SD/-
Ashok Shah	Shalin Shah
Director	Director
DIN: 02467830	DIN: 00297447

ANNEXURE-III TO THE DIRECTORS REPORT**1. Details pertaining to remuneration as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:**

- i. The ratio of the remuneration of each Director to the Median Remuneration of the Employees of the Company for the Financial Year 2017-18 and
- ii. The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the Financial Year

(Rs. In Lacs)

Sr. No.	Name of Director/KMP and its Designation	Remuneration to the Director / KMP for the Financial Year 2017-18	Percentage increase / decrease in remuneration in the Financial Year 2017-18	Ratio of Remuneration of each Director to the Median Remuneration of Employees
1	Mr. Shalin Shah (Director)	Nil	Nil	Nil
2	Mr. Ashok Shah (Director)	Nil	Nil	Nil
3	Mr. Chandrakant N. Chauhan (Independent Director)	Nil	Nil	Nil
4	Mrs. Daxaben M. Shah (Independent Director)	Nil	Nil	Nil

- iii. Median Remuneration of Employees (MRE) of the Company for the Financial Year 2017-18 – **N.A.**
- iv. There were no permanent employees on the rolls of the Company during the year ended 31st March, 2018.
- v. There was no increase in the remuneration during the year.
- vi. The remuneration of the Key Managerial Personnel (KMP) is in line with the performance of the company—**N.A.**
- vii. The Market Capitalization and Price Earnings Ratio of the Company as on 31st March, 2018- **N.A.**
- viii. Average percentage increase made in the salaries of employees other than the managerial personnel in the last Financial Year was Nil. Average percentage increase made in the salary of the managerial personnel in the last Financial Year—**N.A.**
- ix. Variable component in remuneration of Directors of the Company—**N.A.**
- x. The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year—**N.A.**
- xi. Affirmed that the remuneration paid is as per the Remuneration Policy of the Company—**N.A.**

2. There were no employees covered under rule 5(2) of the Companies (Appointment and Remuneration) Rules, 2014

Place: Ahmedabad
Date: August 13, 2018

For and on behalf of the Board

SD/- Ashok Shah Director DIN: 02467830	SD/- Shalin Shah Director DIN: 00297447
-------------------------------------------------	--------------------------------------------------

ANNEXURE – IV TO THE DIRECTORS REPORT**FORM NO. MR-3
SECRETARIAL AUDIT REPORT**FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2018*[Pursuant to section 204(1) of the Companies Act, 2013 and rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]*

To,
The Members,
Ashnisha Industries Limited.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Ashnisha Industries Limited** (hereinafter called the Company) (CIN:U74110GJ2009PLC057629) having its registered office at **7th Floor, Ashoka Chambers, opp. HCG Hospital, Mithakhali Six Roads, Ahmedabad-380006**. Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2018 complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by **Ashnisha Industries Limited** (the Company) for the financial year ended on 31st March, 2018 according to the provisions of:

- I. The Companies Act, 2013 (the Act) and the rules made thereunder;
- II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- IV. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
 - (i) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with Bombay Stock Exchange.
- (iii) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

- A) The Company has maintained a Register of Directors' Attendance as prescribed in the Secretarial Standards.
- B) The Directors have signed against their respective names after the meeting has been held.
- C) The Company had not received any proxy forms for the Annual General Meeting for the financial year ended 31st March, 2017.
- D) The Company has complied with requirements of at least one-third of the total number of directors as independent directors as stated in Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- E) The Company has complied with the of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- F) The Company has obtained all necessary approvals under the various provisions of the Act;
- G) There was no prosecution initiated and no fines or penalties were imposed during the year under review under the Act, SEBI Act, SCRA, Depositories Act, Listing Agreement and Rules, Regulations and Guidelines framed under these Acts against / on the Company, its Directors and Officers.

I further report that

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

As explained by the Management the Company had already appointed Company Secretary and proposed the appointment of Mr. Ashok C. Shah as Managing Director in the ensuing Annual General Meeting and looking for the suitable candidate to be appointed as CFO, and the Management had given assurance that they will appoint the CFO at the earliest possible on availability of suitable candidate to comply with the all provisions of the section 203 of the Companies Act, 2013.

The Company had complied with the all provisions of the section 186 of the Companies Act, 2013, except the non charging of interest as per section 186 (7) in respect of some of the loans granted by the Company.

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

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

The following mentioned observations are made:

- A) The Directors have complied with the requirements as to disclosure of interests and concerns in contracts and arrangements, shareholdings and directorships in other companies and interests in other entities;
- B) The Directors have complied with the disclosure requirements in respect of their eligibility of appointment, their being independent and compliance with the Code of Business Conduct and ethics for Directors and Management Personnel;

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

I further report that Company had make allotment of 30,18,764 new Equity Shares of Rs. 10/- each to the shareholders of the Lesha Industries Limited, Demerged Company whose names appear in the Register of Members

of the Demerged Company in the ratio of 8 (Eight) new Equity Share of the Ashnisha Industries Limited, Resulting Company for every 25 (Twenty Five) Equity Shares held by the shareholders in the Demerged Company on the Record Date i.e. 18/08/2017.

The entire pre arrangement capital of the Resulting Company cancelled.

The Authorised Capital of the Company was raised from Rs. 5 Lakh to Rs. 3.02 Crore by passing an ordinary resolution by the members of the Company in the Extra Ordinary General Meeting held on 17/06/2017. Further the Authorised Capital of the Company was raised from Rs. 3.02 Crore to Rs. 3.07 Crore by passing an ordinary resolution by the members of the Company in the Annual General Meeting held on 14/08/2017.

I further report that during the audit period, the Company has no other major / specific events, actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above viz.

- i. Public/Right/Preferential issue of shares / debentures/sweat equity etc.
- ii. Redemption / buy-back of securities
- iii. Merger / amalgamation / reconstruction etc.
- iv. Foreign technical collaborations.

Place: Ahmedabad

Date: August 13, 2018

**For, Patel & Associates
Company Secretaries**

**SD/-
Chintan K. Patel
Partner
Mem. No.: A31987
COP No.: 11959**

ANNEXURE - A to the Secretarial Audit Report

**To,
The Members,
Ashnisha Industries Limited
Our report of even date is to be read along with this letter.**

1. The Management of the company is responsible for maintenance of secretarial records, devise proper system to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.
2. Our responsibility is to express an opinion on these secretarial records and procedures followed by the company with respect to Secretarial Compliances.
3. 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 processes and practices, we followed provide a reasonable basis for our opinion.
4. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
5. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
6. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
7. The secretarial Audit Report is neither an assurance as to the future viability of the company nor of the efficacy of effectiveness with which the management has conducted the affairs of the company.

**Place: Ahmedabad
Date: August 13, 2018**

**For, Patel & Associates
Company Secretaries**

**SD/-
Chintan K. Patel
Partner
Mem. No.: A31987
COP No.: 11959**

ANNEXURE – V TO THE DIRECTORS REPORT**NON APPLICABILITY OF SUBMISSION OF REPORT ON CORPORATE GOVERNANCE AS PER EXEMPTION GIVEN IN
REGULATION 15 (2) (A) OF CHAPTER IV OF SEBI (LODR) REGULATIONS, 2015**

To the Members of the **ASHNISHA INDUSTRIES LIMITED**

This is to certify that in order to comply with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with, Regulation 15 (2) (a) of Chapter IV of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Paid up capital of the Company Ashnisha Industries Limited is not exceeding Rs. 10 Crores i.e. Rs. 3,01,87,640/- (Rupees Three Crore One Lacs Eighty Seven Thousand Six Hundred Forty only) and the Networth is less than Rs. 25 Crores i.e. Rs. 12,18,28,556/- (Rupees Twelve Crore Eighteen Lacs Twenty Eight Thousand Five Hundred Fifty Six Only) as on the last day of the previous financial year i.e. 31st March, 2018. Therefore it is not required to submit Report on Corporate Governance.

Place: Ahmedabad
Date: August 13, 2018

For and on behalf of the Board

SD/-
Shalin A. Shah
Director
DIN: 00297447

CEO CERTIFICATION

**To,
The Board of Directors,
ASHNISHA INDUSTRIES LIMITED
Ahmedabad**

We hereby certify that:

- i. We have reviewed the financial statements and the cash flow statement of the Financial Year 2017-18 and that to the best of our knowledge and belief.
 - a. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - b. 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.
- ii. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violated of the Company's code of conduct.
- iii. We accept responsibility for establishing and maintaining internal controls and that we have evaluated the effectiveness of the internal control systems of the Company and we hereby disclose to the Auditors and the Audit Committee that there have been no inefficiencies in the design or operation of internal controls, prevailing in the company.
- iv. We hereby certify that :
 - a. There have been no significant changes in internal control during the year.
 - b. There have been no significant changes in accounting policies during the year and
 - c. No instances of fraud were observed in the Company by the management or an employee having a significant role in the company's internal control system.

**Place: Ahmedabad
Date: August 13, 2018**

For and on behalf of the Board

**SD/-
Shalin A. Shah
Director
DIN: 00297447**

Independent Auditors' Report

To,
The Members,
Ashnisha Industries Limited

Report on the Financial Statements

We have audited the accompanying financial statements of **Ashnisha Industries Limited**. ("The Company"), which comprise the Balance Sheet as at **March 31, 2018**, the Statement of Profit and Loss and Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the 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 internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the standards on auditing issued by the Institute of Chartered Accountants of India. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from misstatements.

Audit involves performing procedure to obtain audit evidence about the amounts and disclosure in the financial statements. The procedure selected depends upon auditor's judgment, including the assessment of the risk of material misstatements of the financial statements, whether due to fraud or error. In making those risk assessment, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedure that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of financial statements.

We believe that audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

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

- (a) In case of the Balance Sheet, of the state of affairs of the Company as at **31/03/2018**;
- (b) In case Statement of Profit and Loss Account, of the **Loss** for the year ended on that date; and

(c) In the case of the Cash Flow Statement, of the cash flows for the year ended 31/03/2018 -

Report on Other Legal and Regulatory Requirements

1. This report does not include the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of Section 143 of the Act, since in Our opinion and according to the information and explanation given to us, the said order is not applicable to the company
2. As required by section 143(3) of the Act, we report that:
 - a. We have obtained all information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. In our opinion proper books of account as required by Law have been kept by the Company so far as appears from our examinations of those books;
 - c. The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement, dealt with by this Report are in agreement with the books of account;
 - d. In our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement, comply with the Accounting Standards referred to in section 133 of the Act.
 - e. On the basis of written representations received from the directors as on **31/03/2018** and taken on record by the Board of Directors, none of the directors are disqualified as on **31/03/2018**, from being appointed as a director in terms of sub-section (2) of section 164 of the Companies Act, 2013.

FOR G M C A & CO.
Chartered Accountants
FRN NO.:109850W

MITT S. PATEL
PARTNER
MEMBERSHIP NO. 163940

Place: Ahmedabad
Date: 14/07/2018

Reports under The Companies (Auditor's Report) Order, 2016 (CARO 2016) for the year ended on 31st March 2018

To,
The Members of ASHNISHA INDUSTRIES LIMITED

(1) In Respect of Fixed Assets

(a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.

(b) Fixed assets have been physically verified by the management at reasonable intervals; No material discrepancies were noticed on such verification.

(c) Yes, The Title deeds of Immovable Properties are held in the name of the Company.

(2) In Respect of Inventories

As explained to us, the inventories (excluding inventories with third parties) were physically verified during the year by the Management at reasonable intervals.

(3) Compliance under section 189 of The Companies Act, 2013

The Company has not granted any loan to the parties covered in the register maintained u/s 189 of the companies Act, 2013.

(a) As there is no such loan, question of prejudicially does not arise.

(b) As there is no such loan, question of repayment terms & conditions also does not arise.

(c) There is no overdue amount of loans granted to companies, firms or other parties listed in the register maintained under section 189 of the companies Act, 2013.

(4) Compliance under section 185 and 186 of The Companies Act , 2013

While doing transaction for loans, investments, guarantees, and security provisions of section 185 and 186 of the Companies Act, 2013 have been complied with.

(5) Compliance under section 73 to 76 of The Companies Act, 2013 and Rules framed thereunder while accepting Deposits

According to information and explanations given to us, the Company has not accepted any deposits from public during the year. In respect of unclaimed deposits, the Company has complied with the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules made thereunder.

(6) Maintenance of cost records

The Company is not required to maintain cost Records pursuant to the Rules made by the Central Government for the maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013.

(7) Deposit of Statutory Dues

(a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Income-tax, Sales Tax, Wealth Tax, Service Tax, Duty of customs, Duty of excise, Value added tax, Cess and any other material statutory dues with the appropriate authorities.

(b) According to the information and explanations given to us, no undisputed amount payable in respect of Income Tax, Wealth Tax, Service Tax, Sales Tax, Customs Duty and Excise Duty were in arrears, as of 31st March, 2018 for a period of more than six months from the date they became payable.

(8) Repayment of Loans and Borrowings

The company has not defaulted in repayment of dues to financial institution, bank or debenture holders during the year.

(9) Utilization of Money Raised by Public Offers and Term Loan For which they Raised

The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year. However money raised by way of term loans have been applied for the purposes for which they have been obtained.

(10) Reporting of Fraud During the Year

Based on our audit procedures and the information and explanation made available to us no such fraud noticed or reported during the year.

(11) Managerial Remuneration

Managerial Remuneration has not been provided by the Company

(12) Compliance by Nidhi Company Regarding Net Owned Fund to Deposits Ratio

As per information and records available with us The company is not Nidhi Company.

(13) Related party compliance with Section 177 and 188 of companies Act - 2013

Yes, All transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards.

(14) Compliance under section 42 of Companies Act - 2013 regarding Private placement of Shares or Debentures

According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

(15) Compliance under section 192 of Companies Act – 2013

The company has not entered into any non-cash transactions with directors or persons connected with him.

(16) Requirement of Registration under 45-IA of Reserve Bank of India Act, 1934

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

FOR G M C A & CO.

Chartered Accountants

FRN NO.:109850W

MITT S. PATEL

PARTNER

MEMBERSHIP NO. 163940

Place: Ahmedabad

Date: 14/07/2018

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 M/s Ashnisha Industries Limited ("the Company") as of March 31, 2018 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018.

FOR G M C A & CO.**Chartered Accountants****FRN NO.:109850W****MITT S. PATEL****PARTNER****MEMBERSHIP NO. 163940**

Place: Ahmedabad

Date: 14/07/2018

Balance Sheet as at 31-Mar-2018

	Particulars	Note No.	as at 31-Mar-2018	as at 31-Mar-2017
I.	Equity & Liabilities			
1	Shareholders' Funds		121,828,556	273,994
	(a) Share Capital	1	30,187,640	500,000
	(b) Reserves and Surplus	2	91,640,916	(226,006)
2	Non-Current Liabilities		16,748,246	21,242,816
	(a) Long-Term Borrowings	3	16,748,246	21,242,816
3	Current Liabilities		15,321,736	3,086,934
	(a) Trade Payables	4	15,262,011	3,047,184
	(b) Short-Term Provisions	5	59,725	39,750
	(d) Other Current Liabilities		-	-
	Total		153,898,538	24,603,744
II.	Assets			
1	Non-Current Assets		22,150,483	20,936,500
	(a) Fixed Assets	6	477,138	-
	(i) Tangible Assets		578,732	-
	(Less) Depreciation Fund		(101,594)	-
	(ii) In Tangible Assets		-	-
	(b) Deferred Tax Assets (Net)		-	-
	(c) Long term Investments	7	21,673,345	20,936,500
2	Current Assets		131,748,055	3,667,244
	(a) Inventories		-	-
	(b) Trade receivables	8	100,207,190	3,037,847
	(c) Cash and Cash Equivalents	9	374,751	156,397
	(d) Short-Term Loans and Advances	10	30,378,114	473,000
	(e) Other Current Assets	11	788,000	-
	Total		153,898,538	24,603,744
	Contingent Liabilities and Commitments			

The Notes referred to above form an integral part of the Balance Sheet.

As Per Our report of even date

For, G M C A & Co.

For and on behalf of the Board of Directors

Chartered Accountants

FRN : 109850W

Mitt S. Patel

SHALIN A. SHAH

ASHOK C. SHAH

Director

Director

Partner

DIN : 00297447

DIN : 02467830

Membership No. 163940

Place: Ahmedabad

Date: 14-07-2018

Statement of Profit and Loss for the year ended 31-Mar-2018

	Particular	Note No.	as at 31-Mar-2018	as at 31-Mar-2017
I	Revenue from Operations	12	118,127,784	5,439,842
II	Other Income	13	217,713	5,000
III	Total Revenue (I + II)		118,345,497	5,444,842
IV	Expenses			
	Purchases of Stock-in-Trade	14	117,889,505	5,424,634
	Changes in Inventories		-	-
	Employee Benefit Expenses	15	20,000	-
	Finance Costs		-	-
	Depreciation and Amortization Expenses	16	101,594	-
	Other Expenses	17	319,134	155,700
	TOTAL EXPENSES		118,330,233	5,580,334
V	Profit before Exceptional and Extraordinary Items and Tax (III-IV)		15,264	(135,492)
VI	Exceptional Items		-	-
VII	Profit before Extraordinary Items and Tax		15,264	(135,492)
VIII	Extraordinary Items	18	6,597,430	-
IX	Profit Before Tax		(6,582,166)	(135,492)
X	Tax Expense			
	Current Tax		-	-
	Deferred Tax		-	-
XI	Profit/(Loss) for the period from Continuing Operations(IX-X)		(6,582,166)	(135,492)
XII	Profit/(Loss) from Discontinuing Operations		-	-
XIII	Tax Expense of Discontinuing Operations		-	-
XIV	Profit/(Loss) from Discontinuing Operations (after tax)(XII-XIII)		-	-
XV	Profit(Loss) for the Period(XI+XIV)		(6,582,166)	(135,492)
XVI	Earnings per Equity Share			
	-Basic		(2.62)	(3.91)
	-Diluted		(2.62)	(3.91)

Additional Information

The Notes referred to above form an integral part of the Balance Sheet.

As Per Our report of even date

For G M C A & Co.

Chartered Accountants

FRN : 109850W

Mitt S. Patel

Partner

Membership No. 163940

Place: Ahmedabad

Date: 14-07-2018

For and on behalf of the Board of Directors

SHALIN A. SHAH

Director

DIN : 00297447

ASHOK C. SHAH

Director

DIN : 02467830

Cashflow Statement for the year ended on 31st March, 2018

Particulars		2017-18	2016-17
A	Cash flow from Operating Activities		
	Net Profit Before Tax	(6,582,166)	(135,492)
	Adjustments for:		
	Add Depreciation	101,594	-
	Less Dividend Income	-	-
	Add Long Term Capital Gain	6,597,430	-
	Add Preliminary Expenses Written Off	-	-
	Add Interest Expenses	-	-
	Add Share Listing & Processing Fees	197,000	-
	Less Short Term Capital Gain (Mutual Fund)	(217,713)	-
	Operating Profit / (Loss) before Working Capital Changes	96,145	(135,492)
	Adjustments for:		
	Increase/(Decrease) in creditors	12,214,827	(11,693,194)
	Increase/(Decrease) in other current liabilities	-	-
	Increase/(Decrease) in Provisions	19,975	12,250
	(Increase)/Decrease in debtors	(97,169,342)	11,718,540
	(Increase)/Decrease in inventories	-	-
	(Increase)/Decrease in short term loans & advances	(29,905,114)	(299,239)
	(Increase)/Decrease in other current assets	(788,000)	7,100
	Cashflow generated from Operating Activities	(115,531,509)	(390,036)
	Income Tax Paid (Net of Refund)	-	-
	Net Cashflow generated from Operating Activities A	(115,531,509)	(390,036)
B	Cash flow from Investment Activities		
	Purchase of Fixed Assets	(578,732)	-
	Sale of Investments	26,774,496	-
	Purchase of Investments	(33,891,058)	(2,500,000)
	Dividend Income	-	-
	Net Cashflow generated from Investments Activities B	(7,695,294)	(2,500,000)
C	Cash flow from Financing Activities		
	Share Listing & Processing Fees	(197,000)	-
	Interest Expenses	-	-
	Issue of shares (with Security Premium)	128,136,729	400,000
	(Increase)/Decrease in other non-current assets	-	-
	Increase/(Decrease) in non current liabilities & provisions	(4,494,570)	120,000
	Net Change in Unsecured / Secured Loans Taken	-	-
	Movement in Loans & Advances Granted	-	-
	Net Cashflow generated from Financing Activities C	123,445,159	520,000
	Net Change in Cash & Cash Equivalents (A+B+C)	218,355	(2,370,036)
	Opening Cash & Cash Equivalents	156,396	2,526,431
	Closing Cash & Cash Equivalents	374,751	156,396

For, G M C A & Co.

Chartered Accountants

FRN : 109850W

CA. Mitt S. Patel

Partner

Membership No. 163940

For Ashnisha Industries Ltd.

SHALIN A. SHAH

Director

DIN : 00297447

ASHOK C. SHAH

Director

DIN : 02467830

Place : Ahmedabad

Date : 14-07-2018

Notes to and forming part of Balance Sheet as at 31-Mar-2018

Note No : 1

Share Capital

Particulars	As at 31-Mar-2018		As at 31-Mar-2017	
	Number	Amount	Number	Amount
Authorised Share Capital				
Equity Shares of Rs 10.00 each	3,070,000	30,700,000	50,000	500,000
Total	3,070,000	30,700,000	50,000	500,000
Issued Share Capital				
Equity Shares of Rs 10.00 each	3,018,764	30,187,640	50,000	500,000
Total	3,018,764	30,187,640	50,000	500,000
Subscribed and fully paid				
Equity Shares of Rs 10.00 each	3,018,764	30,187,640	50,000	500,000
Total	3,018,764	30,187,640	50,000	500,000
Grand Total	3,018,764	30,187,640	50,000	500,000

Reconciliation of Equity Share outstanding at the beginning and end of the reporting year

Particulars	As at 31-Mar-2018		As at 31-Mar-2017	
	Nos.	In Rs.	Nos.	In Rs.
At the beginning of the year	50,000	500,000	10,000	100,000
Cancellation of share during the Year	(50,000)	(500,000)	-	-
Issued During the year	3,018,764	30,187,640	40,000	400,000
Outstanding at the end of the year	3,018,764	30,187,640	50,000	500,000

Details of shares held by each shareholder holding more than 5% shares

Particulars	As at 31-Mar-2018		As at 31-Mar-2017	
	Nos.	% of Holding	Nos.	% of Holding
Shalin A. Shah	398621	13.20	20,000	40
Ashok C. Shah	152401	5.05	5,000	10
Hitesh J. Panara	285120	9.44	-	-
Payal S. Shah	-	-	5,000	10
Leena A. Shah	-	-	5,000	10
Ashoka Metcast Ltd.	165197	5.47	5,000	10
Shree Ghantakarna Rolling Mills Pvt. Ltd.	-	-	5,000	10
Shalin A Shah HUF	-	-	5,000	10
Total	1,001,339	33	50,000	100

Note No - 2

Reserves and Surplus

Particulars	As at 31-Mar-2018	As at 31-Mar-2017
Securities Premium Account		
Opening balance	-	-
+/- Adjustment of Demerger	98,449,088.56	-
Closing balance	98,449,088.56	-
Surplus		
Opening balance	(226,006.00)	(90,513.79)
(+) Net profit/(Net loss) for the Current Year	(6,582,166.41)	(135,492.21)
Closing balance	(6,808,172.41)	(226,006.00)
Grand Total	91,640,916.15	(226,006.00)

Note No - 3**Long-Term Borrowings**

Particulars	As at 31-Mar-2018	As at 31-Mar-2017
Unsecured Loan		
Loan from Corporate Body	7750000.00	11,552,000.00
Loan from Directors	498246.00	3,640,816.00
Loan From Others	8500000.00	6,050,000.00
Grand Total	16,748,246.00	21,242,816.00

Note No - 4**Trade Payables**

Particulars	As at 31-Mar-2018	As at 31-Mar-2017
Trade Payables For Goods	15,212,004.00	2,995,865.00
Trade Payables For Expenses	50,007.00	51,318.70
Grand Total	15,262,011.00	3,047,183.70

Note No - 5**Short-Term Provisions**

Particulars	As at 31-Mar-2018	As at 31-Mar-2017
Others		
Unpaid Audit Fees	17700.00	18,625.00
Unpaid Legal Fees	32025.00	21,125.00
Unpaid Salary	10000.00	-
Grand Total	59,725.00	39,750.00

Note No - 7**Long Term Investment**

Particulars	No of Shares 31st March 2018	No of Shares 31st March 2017	As at 31st March 2018	As at 31st March 2017
Equity Shares - Quoted				
Lesha Industries Ltd	-	414450	-	7,675,000.00
Vivanta Industries Ltd	807112	-	7,819,306.00	-
Ashoka Metcast Ltd	100	-	2,000.00	-
Gujarat Natural Resources Ltd	298900	-	2,909,845.00	-
India Infraspace Ltd	301322	1,076,150	2,942,194.00	10,761,500.00
			13,673,345.00	18,436,500.00
Unquoted Investments				
Birla sun life cash manger			-	2,500,000.00
Ezi Ventures Pvt Ltd	800000	-	8,000,000.00	-
			8,000,000.00	2,500,000.00
Grand Total			21,673,345.00	20,936,500.00
Market Value of Quoted Investment			21,914,653.30	20,547,667.00

Note : -6 Fixed Assets

No.	Name Of The Asset	Gross Block				Depreciation				NET BLOCK	
		As On 01.04.2017	Addition/ (Deduction) Div. Demeger Assets	Addition / (Deduction)	As on 31.03.2018	As on 01.04.2017	Depreciation during the year	Ded.	Up to 31.03.2018	AS ON 31.03.2018	AS ON 31.03.2017
1	Refrigerators	0.00	0.00	101,172.00	101,172.00	0.00	4,504.85	0.00	4,504.85	96,667.15	0.00
2	Office Equipment	0.00	13,683.08	-	13,683.08	0.00	4,668	0.00	4,668.00	9,015.08	0.00
3	Furniture & Fixture	0.00	382,624.21	-	382,624.21	0.00	86,964	0.00	86,964.00	295,660.21	0.00
4	Tower	0.00	38,949.17	-	38,949.17	0.00	1,696	0.00	1,696.00	37,253.17	0.00
5	Mobile	0.00	15,565.54	-	15,565.54	0.00	948	0.00	948.00	14,617.54	0.00
6	Printer	0.00	616.00	-	616.00	0.00	153	0.00	153.00	463.00	0.00
7	Grundfos System (Pump)	0.00	26,122.00	-	26,122.00	0.00	2,660	0.00	2,660.00	23,462.00	0.00
TOTAL TANGIBLE ASSETS		-	477,560.00	101,172.00	578,732.00		101,593.85	-	101,593.85	477,138.15	-
Previous Year		-	-	-	-	-	-	-	-	-	-

Note No - 8**Trade Receivables**

Particulars	As at 31-Mar-2018	As at 31-Mar-2017
Outstanding for less than 6 months from the due date		
Secured, considered good	-	-
Outstanding for more than 6 months from the due date		
Un-Secured, considered good	100,207,190.08	3,037,847.00
Grand Total	100,207,190.08	3,037,847.00

Note No - 9**Cash and Cash Equivalents**

Particulars	As at 31-Mar-2018	As at 31-Mar-2017
Balances with banks		
ICICI Bank	52,090.24	21,093.62
Union Bank	2,697.83	5,340.00
Cash on hand	319,963.00	129,963.00
Grand Total	374,751.07	156,396.62

Note No - 10**Short-Term Loans and Advances**

Particulars	As at 31-Mar-2018	As at 31-Mar-2017
Deposits	20,000.00	20,000.00
Advance to Corporate Bodies	10,971,439.00	453,000.00
Advance to other	19,273,000.00	-
Balance with Government Authorities	113,675.00	-
Grand Total	30,378,114.00	473,000.00

Note No - 11**Other Current Asset**

Particulars	As at 31-Mar-2018	As at 31-Mar-2017
Preliminary Exp	788,000.00	-
Grand Total	788,000.00	-

Note No - 12**Revenue from Operations**

Particulars	As at 31-Mar-2018	As at 31-Mar-2017
Sale of Steel Products	118,127,784.00	5,439,842.00
Grand Total	118,127,784.00	5,439,842.00

Note No - 13**Miscellaneous Income**

Particulars	As at 31-Mar-2018	As at 31-Mar-2017
Excess Provision Reversed	-	5,000.00
Capital Gain	217,712.87	
Grand Total	217,712.87	5,000.00

Note No - 14**Purchases of Stock-in-Trade**

Particulars	As at 31-Mar-2018	As at 31-Mar-2017
Purchase of Steel Products	117,889,505.20	5,424,634.00
Grand Total	117,889,505.20	5,424,634.00

Note No - 15**Employee Benefit Expenses**

Particulars	As at 31-Mar-2018	As at 31-Mar-2017
Salary Expenses	20,000.00	-
Grand Total	20,000.00	-

Note No - 16**Depreciation & Amortization Expenses**

Particulars	As at 31-Mar-2018	As at 31-Mar-2017
Depreciation	101,594.00	-
Grand Total	101,594.00	-

Note No - 17**Other Expenses**

Particulars	As at 31-Mar-2018	As at 31-Mar-2017
Payment to Auditors	17,700.00	8,625.00
As Auditor	17,700.00	8,625.00
For Taxation Matters	-	-
For Other Services	-	-
Legal & Professional Fees	29,775.00	28,625.00
Applications fees	-	34,500.00
Processing charges	-	54,050.00
Preliminary Exp Written off	197,000.00	-
ROC Fees	18,844.00	-
Share Transfer Charges	18,000.00	-
Other Expenses	37,815.08	29,900.21
Grand Total	319,134.08	155,700.21

Note No - 18**Extraordinary Item**

Particulars	As at 31-Mar-2018	As at 31-Mar-2017
Long Term Capital Loss	6,597,430.00	-
Grand Total	6,597,430.00	-

A. SIGNIFICANT ACCOUNTING POLICIES**1. BASIS OF ACCOUNTING:**

The Financial Statements have been prepared under the historical cost convention in accordance with the generally accepted accounting principles and materially complies with the mandatory accounting standards issued by the ICAI and Provision of the Companies Act'2013.

2. REVENUE RECOGNITION:

The principles of revenue recognition are given below:

- General systems of accounting is mercantile, accordingly the income/expenditure are recognized on accrual basis on reasonable certainty concept.
- Sales of goods traded accounted net off VAT receivable and payable.
- Dividend income is recognized when right to receive payment is established.

3. INVESTMENTS

Investments that are readily realizable and intended to be held for not more than a year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments. Current investments are measured at cost or market value whichever is lower, determined on an individual investment basis. Long Term Investments are stated at cost. Provision for diminution in the value of long term investment is made only if such a decline is other than temporary.

4. TAX ON INCOME:

- a) Current tax is determined in accordance with the provisions of the Income Tax Act, 1961, as the amount of tax payable to the taxation authorities in respect of taxable income for the year.
- b) Deferred tax is recognized on timing difference between book profit and the taxable income for the year and quantified using the tax rates and laws enacted or substantively enacted as on the Balance Sheet date.

5. Preliminary Expense

Preliminary expenses have been written off 1/5th in the period from 1st April, 2017 to 31st March, 2018.

6. PROVISION AND CONTINGENT LIABILITIES:

- a) Provisions in respect of present obligations arising out of past events are made in the accounts when reliable estimates can be made of the amount of the obligation.
- b) Contingent liabilities are disclosed by way of note to the financial statements after careful evaluation by the management of the facts and legal aspects of the matter involved.

7. EARNING PER SHARE

Basic earnings per share are computed by dividing the net profit after tax attributable to equity shareholders for the year by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share is computed by dividing the net profit after tax attributable to equity shareholders for the year by the weighted average number of equity shares outstanding during the year as adjusted for the effects of all dilutive potential equity shares, if any.

➤ **NOTES FORMING PART OF ACCOUNTS**

- a) Previous year's figures have been rearranged / regrouped wherever necessary to make them comparable with the current year figures.

- b) Balances of Sundry Debtors, Sundry Creditors, Loan & Advances, Advance Receivable are subject to confirmation and reconciliation if any,
- c) In the opinion of the Board, the Current Assets, Loan & Advances are approximately of the value stated, in the ordinary course of business. Provision for depreciation and for all known liabilities are adequate and not in excess of the amount reasonably necessary.
- d) The Company is in the process of compiling information from its suppliers regarding their status under Micro, Small and Medium Enterprise Development Act 2006. And hence disclosure, if any of the amounts unpaid as at the yearend together with the interest paid / payable as required is not given.
- e) As informed by the management that the loans are interest free, which in our opinion is violation of Section 186 (7) of the Companies Act, 2013
- f) As per National Company Law Tribunal, Ahmedabad Bench Order Dated 29/05/2017 T.P. No. 38/NCLT/AHM/2017, New segment of Trading & Investment Business has been added (Demerged from Lesha Industries Ltd).
- g) It is not a normal course of business for the company to deal in Equity share market, So loss arising of Rs. 65,97,430 due to sale of equity share of Lesha Industries limited (shown as investment) is consider as extraordinary item.

8. EARNING PER SHARE (EPS):

PARTICULARS	31-03-2018 (in Rs.)	31-03-2017 (in Rs.)
a) Weighted Average Number of Shares	25,14,481	34,461
b) Net Profit (Loss) after tax available for equity share holders	(65,82,166)	(1,35,492)
c) Basic & Diluted Earnings per Share (Rs.)	(2.62)	(3.91)

9. PAYMENTS TO THE AUDITOR:

Particulars	2017-18	2016-17
a) As Audit Fees	17,700	10,000
b) Other Payments	NIL	8625
Total	17,700	18,625

10. Related party disclosures, as required by Accounting Standard 18 – “Related Parties Disclosure” are given as under:

(a) Key Management Personnel Enterprises in which key Management Personnel & their relatives have significant influence:

1. Ashok C. Shah : Director
2. Shalin A. Shah : Director
3. Chandrakant Chauhan : Independent Director
4. Daxaben Shah : independent Director
5. Lesha Industries Ltd : Director have significant influence
6. Gujarat National Resources Ltd: Director have significant influence

- (a) Nature of Transaction: Key Management Personal & Enterprises in which key Management Personnel & their relatives have significant influence:

Particulars	Name	2017-18
1. Loan Taken	Shalin A. Shah	8.6 Lakhs
Loan Repaid		39.82 lakhs

11. Foreign Currency

Particulars	2017-18	2016-17
Earning	NIL	NIL
Expenses	NIL	NIL
Total	NIL	NIL

Signature to all Schedules

As per our report of even date

For, Ashnisha Industries Limited

SHALIN A. SHAH ASHOK C. SHAH
(Director) (Director)
DIN :00297447 DIN:02467830

Place: Ahmadabad
Date: 14/07/2018

For G M C A & Co.
CHARTERED ACCOUNTANTS
F.R.NO.109850W

(MITT S. PATEL)
PARTNER
MEMBERSHIP NO.: 163940

ASHNISHA INDUSTRIES LIMITED

Regd. Office: 7th Floor, Ashoka Chambers, Opp. HCG Hospital, Nr. Mithakhali Six Roads, Ahmedabad – 380 006
CIN: U74110GJ2009PLC057629

ATTENDANCE SLIP

Name of the attending Shareholder/Proxy : _____
Shareholder's Folio No./Client ID : _____
No. of Shares held : _____

I/We hereby record my/our presence at the Annual General Meeting held on Friday, September 28, 2018 at the Registered Office of the Company at 12:00 noon

Signature of the Attending Shareholder/Proxy: _____

- Notes : 1. Share holder/Proxy holder wishing to attend the meeting must bring the attendance slip to the Meeting and hand it over at the entrance duly signed.
2. Share holder/Proxy holder desiring to attend the meeting should bring his/her copy of the Annual Report for reference at the meeting

-----Tear Here-----

ASHNISHA INDUSTRIES LIMITED

Regd. Office: 7th Floor, Ashoka Chambers, Opp. HCG Hospital, Nr. Mithakhali Six Roads, Ahmedabad – 380 006
CIN: U74110GJ2009PLC057629

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: U74110GJ2009PLC057629

Name of the company: ASHNISHA INDUSTRIES LIMITED

Registered office: 7th Floor, Ashoka Chambers, Opp. HCG Hospital, Mithakhali Six Roads, Ahmedabad-380006.

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

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

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

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Annual general meeting of the company, to be held on the 28th Day of September, 2018 At 12:00 noon at 7th Floor, Ashoka Chambers, Opp. HCG Hospital, Mithakhali Six Roads, Ahmedabad-380006 and at any adjournment thereof in respect of such resolutions as are indicated in the notice.

Signed this ____ Day of ____ 2018

Signature _____

Signature of Proxy Holder(s) _____

Affix Revenue Stamp

Notes:

1. Proxy need not be a member.
2. Alterations, if any made in the form of proxy should be initialled;
3. Proxy must be deposited at the Registered Office of Lesha Industries Limited not later than 48 hours before the time for holding the meeting.
4. In case of multiple proxies, proxy later in time shall be accepted.
5. A form of appointment naming a proxy and a list of individuals who would be willing to act as Proxies will be made available on receipt of request in writing to the Company.

To,

If undelivered please return to:

ASHNISHA INDUSTRIES LIMITED

7th Floor, Ashoka Chambers,

Opp. HCG Hospital,

Near Mithakhali Six Roads,

Ahmedabad – 380 006, Gujarat, India.