

ANNUAL REPORT 2019-20**BOARD OF DIRECTORS**

Ashok C. Shah	Managing 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

Contact Details:

Tel Ph: 079 2646 3227
Email Id: ashnishalimited@gmail.com
Website: www.ashnisha.in

REGISTRAR & SHARE TRANSFER AGENTS

Purva Shareregistry (India) Pvt. Ltd.
Unit No. 9, Ground Floor, Shiv Shakti Ind. Estt,
J. R. Boricha Marg, Lower Parel East,
Mumbai, Maharashtra 400011

COMPANY SECRETARY

Ms. Dimpal J. Solanki

CHIEF FINANCIAL OFFICER

Mrs. Payal H. Donga (24/04/2019 – 31/07/2019)

SECRETARIAL AUDITOR

Chintan K. Patel
Practicing Company Secretary
16, Aarasuri Society,
Nava Vadaj,
Ahmedabad – 380013

NOTICE

Notice is hereby given that **11th Annual General Meeting** for the F.Y. 2019-20 of the Members of **Ashnisha Industries Limited** will be held on Wednesday, 30th Day of September, 2020 at 2:30 p.m. through Video Conferencing (VC)/other Audio-Visual Means (OAVM) to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Financial Statements of the Company for the year ended 31st March, 2020 including audited Balance Sheet as at 31st March, 2020 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. Approval of Related Party Transaction.**

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

“RESOLVED THAT, pursuant to the provisions of Section 188 of the Companies Act, 2013 and Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 and other applicable provisions and rules thereto, and Regulation 23 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and subject to such amendments as may be made therein, the approval of the Members of the Company be and is hereby accorded to the Board of Directors of the Company to enter into transactions with Rhetan Rolling Mills Private Limited, the Related Party as defined under the Act for purchase/sale of goods, services and/or any other business activities up to Rs. 100 Crores for each of the financial year 2020-21 and 2021-22.”

“RESOLVED FURTHER that Mr. Ashok C. Shah, Managing Director and Mr. Shalin A. Shah, Director of the Company be and is hereby authorised to negotiate and finalise other terms and conditions and to do all such acts, deeds and things including delegation of powers as may be necessary, proper or expedient to give effect to this resolution.”

4. Approval of Related Party Transaction.

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

“RESOLVED THAT, pursuant to the provisions of Section 188 of the Companies Act, 2013 and Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 and other applicable provisions and rules thereto, and Regulation 23 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and subject to such amendments as may be made therein, the approval of the Members of the Company be and is hereby accorded to the Board of Directors of the Company to enter into transactions with Ashoka Metcast Limited, the Related Party as defined under the Act for purchase/sale of goods, services and/or any other business activities up to Rs. 100 Crores for each of the financial year 2020-21 and 2021-22.”

“RESOLVED FURTHER that Mr. Ashok C. Shah, Managing Director and Mr. Shalin A. Shah, Director of the Company be and is hereby authorised to negotiate and finalise other terms and conditions and to do all such acts, deeds and things including delegation of powers as may be necessary, proper or expedient to give effect to this resolution.”

5. Approval of Related Party Transaction.

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

“RESOLVED THAT, pursuant to the provisions of Section 188 of the Companies Act, 2013 and Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 and other applicable provisions and rules

thereto, and Regulation 23 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and subject to such amendments as may be made therein, the approval of the Members of the Company be and is hereby accorded to the Board of Directors of the Company to enter into transactions with Leshia Industries Limited, the Related Party as defined under the Act for purchase/sale of goods, services and/or any other business activities up to Rs. 100 Crores for each of the financial year 2020-21 and 2021-22.”

“**RESOLVED FURTHER** that Mr. Ashok C. Shah, Managing Director and Mr. Shalin A. Shah, Director of the Company be and is hereby authorised to negotiate and finalise other terms and conditions and to do all such acts, deeds and things including delegation of powers as may be necessary, proper or expedient to give effect to this resolution.”

6. Approval of Related Party Transaction.

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

“**RESOLVED THAT**, pursuant to the provisions of Section 188 of the Companies Act, 2013 and Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 and other applicable provisions and rules thereto, and Regulation 23 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and subject to such amendments as may be made therein, the approval of the Members of the Company be and is hereby accorded to the Board of Directors of the Company to enter into transactions with Gujarat Natural Resources Limited, the Related Party as defined under the Act for purchase/sale of goods, services and/or any other business activities up to Rs. 100 Crores for each of the financial year 2020-21 and 2021-22.”

“**RESOLVED FURTHER** that Mr. Ashok C. Shah, Managing Director and Mr. Shalin A. Shah, Director of the Company be and is hereby authorised to negotiate and finalise other terms and conditions and to do all such acts, deeds and things including delegation of powers as may be necessary, proper or expedient to give effect to this resolution.”

7. Insertion of new object in the object clause of Memorandum of Association of the Company.

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

“**RESOLVED THAT**, pursuant to the provisions of Section 13 and other applicable provisions, if any, of the Companies Act, 2013 and pursuant to the Companies (Incorporation) Rules, 2014 and subject to all the applicable laws and regulations (including any statutory modifications or re-enactment thereof, for the time being in force), the approval of the Members be and is hereby granted for insertion of new objects in the Main Object Clause of the Memorandum of Association of the Company by inserting Clause no. III (A) (6) as under:

6. To carry on in India or elsewhere, either alone or jointly with one or more persons, government, local or other bodies, the business to construct, build, alter, acquire, convert, improve, design, erect, establish, equip, develop, dismantle, pull down, turn to account, furnish, level, decorate, fabricate, install, finish, repair, maintain, search, survey, examine, test, inspect, locate, modify, own, operate, protect, promote, provide, participate, reconstruct, grout, dig, excavate, pour, renovate, remodel, rebuild, undertake, contribute, assist, and to act as civil engineer, consultant, advisor, agent, broker, supervisor, administrator, contractor, sub-contractor, turnkey contractor and manager of all types of constructions and developmental work in all its branches such as roads, ways, culverts, dams, bridges, railways, tramways, water distribution and filtration systems, docks, harbours, piers, irrigation works, foundation works, flyovers, airports, runways, rock drilling, aquaducts, stadiums, hydraulic units, sanitary work, power supply works, power stations, hotels, hospitals, dharmashalas, multi-stories, colonies, complexes, housing projects and other similar works and for the purpose acquire, handover, purchase, sell, own, cut to size, develop, distribute, or otherwise to deal in all sorts of lands and buildings and to carry on all or any of the foregoing activities of building materials, goods, plants,

machineries, equipments, accessories, parts, tools, fittings, articles, materials and facilities of whatsoever nature.

“RESOLVED FURTHER that for the purpose of giving effect to this resolution, any Director of the Company be and is hereby authorised, on behalf of the Company, to do all acts, deeds, matters and things as may be deemed necessary, proper or desirable and to sign and execute all necessary documents, applications and returns for the purpose of giving effect to the aforesaid resolution.”

8. To approve investment limit up to Rs. 30 crores.

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

“RESOLVED THAT pursuant to Section 186 and other applicable provisions of the Companies Act, 2013 read with the Companies (Meeting of Board and its Powers) Rules, 2014 as amended from time to time and subject to such approvals as may be necessary; the consent of Company be and is hereby accorded to the Board of Directors of the Company (including any Committee which the Board may have constituted or hereinafter constitute to exercise the power conferred by this Resolution) to make investment and acquire by way of subscription, purchase or otherwise, securities of any bodies corporate or to make investment in Mutual Fund, provided that the total amount of such investments shall not exceed Rs. 30 Crores at any time.

“RESOLVED FURTHER THAT the Board or a duly constituted Committee thereof be and is hereby authorized to decide and finalize the terms and conditions while making investment, within the aforesaid limits including with the power to transfer and dispose of the investments so made, from time to time, and to execute all deeds, documents and other writings and to do all such acts, deeds, matters and things, as may be necessary and expedient for implementing and giving effect to this resolution.”

9. To approve borrowing limits of the Company

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

“RESOLVED THAT, pursuant to Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013, as amended from time to time, Companies Rules (including any statutory modification(s) or re-enactment thereof for the time being in force) the consent of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the “Board” which term shall include any committee thereof for the time being exercising the powers conferred on the Board by this Resolution) for borrowing from time to time, any sum or sums of monies, which together with the monies already borrowed by the Company (apart from temporary loans obtained or to be obtained from the Company’s bankers in the ordinary course of business), may exceed the aggregate of the paid-up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose, provided that the total outstanding amount so borrowed shall not at any time exceed the limit of Rs. 30 crore.”

“RESOLVED FURTHER THAT, the Board be and is hereby authorized and empowered to arrange or settle the terms and conditions on which all such monies are to be borrowed from time to time as to interest, repayment, security or otherwise howsoever as it may think fit and to do all such acts, deeds and things, to execute all such documents, instruments and writings as may be required.”

10. Removal of objects from the object clause of Memorandum of Association of the Company.

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

“RESOLVED THAT, pursuant to the provisions of Section 13 and other applicable provisions, if any, of the Companies Act, 2013 and subject to all the applicable laws and regulations (including any statutory modifications or re-enactment thereof, for the time being in force), the approval of the Members be and is

hereby granted for removal of objects no. (3) and (4) of Clause III [A] of Memorandum of Association of the Company which is produced hereunder:

3. To finance industrial enterprise and to lend and advance money to entrepreneurs promoters and industrial concerns, (whether directly or indirectly).
4. To acquire and hold shares, stocks, debentures or other securities and to carry on the activities of Investment Company.

“**RESOLVED FURTHER** that incidental and ancillary changes be made in the Memorandum of Association of the Company viz, re-numbering of objects in Clause III [A] etc. as may be required to give effect to this resolution.”

“**RESOLVED FURTHER** that for the purpose of giving effect to this resolution, any Director of the Company be and is hereby authorised, on behalf of the Company, to do all acts, deeds, matters and things as may be deemed necessary, proper or desirable and to sign and execute all necessary documents, applications and returns for the purpose of giving effect to the aforesaid resolution.”

Place: Ahmedabad

Date: September 4, 2020

For and on behalf of the Board

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)
Age (Yrs.)	47 Years
Date of Birth	31/08/1973
Date of first appointment on the Board	27 th July,2009
The no. of Meetings of the Board attended during the year	Five
Brief Resume and expertise	He completed his Civil Engineering from L.D. Engineering College, Ahmedabad. He has more than 22 years' experience in various fields like trading, real estate, oil and gas exploration etc. and has vast exposure into the fields of management, economics, bookkeeping, information technology and legal. He has been guiding strength behind the enlargement and business strategy of our Company.
Designation	Director
Chairman/Member of the Committee of the Board of Directors of the Company	<ul style="list-style-type: none">• Member of Audit Committee and Nomination and Remuneration Committee of the Company• Member of Audit Committee of Ashoka Metcast Limited• Member of Audit Committee and Nomination and Remuneration Committee and Chairman of Stakeholders' Relationship Committee of Lesha Industries Limited• Member of Stakeholders' Relationship Committee of Gujarat Natural Resources Limited
No. of Shares held in the Company	398621
Directorship in Other Listed Company	<ul style="list-style-type: none">• Gujarat Natural Resources Limited• Ashoka Metcast Limited• Lesha Industries Limited
Related to other directors	Mr. Shalin Shah and Mr. Ashok C. Shah are related as Son-Father. No other directors are related inter se.

Explanatory Statement as required under Section 102 of the Companies Act, 2013.**Item No. 3 to the Notice**

The Audit Committee and the Board of Directors of the Company, at their respective meetings held on 4th September, 2020 has approved a proposal for entering into following related party transactions:

Name of Related Party	Rhetan Rolling Mills Private Limited
Name of Related Director or KMP	Mr. Ashok C. Shah, Mr. Shalin A. Shah
Nature of relationship	Mr. Ashok C. Shah, Managing Director and Mr. Shalin A. Shah, Director of Ashnisha Industries Limited are also the Directors of Rhetan Rolling Mills Private Limited.
Material terms, monetary value and particulars of the contract or arrangement;	The transaction between the parties will be in the nature of purchase/sale of goods, services and/or any other business activities. The amount of the transaction shall be up to Rs. 100 Crores for each of the financial year 2020-21 and 2021-22 and the same has to be paid as per the terms agreed by both the parties.
The Manner of determining the pricing and other commercial terms, both included as part of contract and not considered as part of the contract	The pricing is commensurate with the market value of the goods and shall be at arm's length.
Any other information relevant or important for the members to take a decision on the proposed resolution	N.A.

The transaction is Related Party Transaction and in terms of Section 188 of the Companies Act, 2013 and regulation 23 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the applicable rules there under requires prior approval of the Shareholders by way of Special Resolution is required.

Accordingly, your directors recommend the resolution at Item No. 3 for approval as Special resolution as set out in the notice of the meeting

Except Mr. Ashok C. Shah, Managing Director and Mr. Shalin A. Shah, Director of the Company; Mrs. Leena A. Shah, Relative of Director; Ashoka Metcast Limited, Rhetan Rolling Mills Private Limited and Lesha Ventures Private Limited, Companies in which Director of the Company are Director/Member, none of the Directors or Key Managerial Personnel (KMP) or relatives of Directors and KMPs are concerned or interested in the Resolution.

Item No. 4 of the Notice

The Audit Committee and the Board of Directors of the Company, at their respective meetings held on 4th September, 2020 has approved a proposal for entering into following related party transactions:

Name of Related Party	Ashoka Metcast Limited
Name of Related Director or KMP	Mr. Ashok C. Shah, Mr. Shalin A. Shah
Nature of relationship	Mr. Ashok C. Shah, Managing Director and Mr. Shalin A. Shah, Director of Ashnisha Industries Limited are also the Director and Managing Director of Ashoka Metcast Limited respectively.
Material terms, monetary value and particulars of the contract or arrangement;	The transaction between the parties will be in the nature of purchase/sale of goods, services and/or any other business activities. The amount of the transaction shall be up to Rs. 100 Crores for each of the financial year 2020-21 and 2021-22 and the same has to be paid as per the terms agreed by both the parties.
The Manner of determining the pricing and other commercial terms, both included as part of	The pricing is commensurate with the market value of the goods and shall be at arm's length.

contract and not considered as part of the contract	
Any other information relevant or important for the members to take a decision on the proposed resolution	N.A.

The transaction is Related Party Transaction and in terms of Section 188 of the Companies Act, 2013 and regulation 23 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the applicable rules there under requires prior approval of the Shareholders by way of Special Resolution is required.

Accordingly, your directors recommend the resolution at Item No. 4 for approval as Special resolution as set out in the notice of the meeting

Except Mr. Ashok C. Shah, Managing Director and Mr. Shalin A. Shah, Director of the Company; Mrs. Leena A. Shah, Relative of Director; Ashoka Metcast Limited, Rhetan Rolling Mills Private Limited and Lesha Ventures Private Limited, Companies in which Director of the Company are Director/Member, none of the Directors or Key Managerial Personnel (KMP) or relatives of Directors and KMPs are concerned or interested in the Resolution.

Item No. 5 of the Notice

The Audit Committee and the Board of Directors of the Company, at their respective meetings held on 4th September, 2020 has approved a proposal for entering into following related party transactions:

Name of Related Party	Lesha Industries Limited
Name of Related Director or KMP	Mr. Ashok C. Shah, Mr. Shalin A. Shah
Nature of relationship	Mr. Ashok C. Shah, Managing Director and Mr. Shalin A. Shah, Director of Ashnisha Industries Limited are also the Managing Director and Director of Lesha Industries Limited respectively.
Material terms, monetary value and particulars of the contract or arrangement;	The transaction between the parties will be in the nature of purchase/sale of goods, services and/or any other business activities. The amount of the transaction shall be up to Rs. 100 Crores for each of the financial year 2020-21 and 2021-22 and the same has to be paid as per the terms agreed by both the parties.
The Manner of determining the pricing and other commercial terms, both included as part of contract and not considered as part of the contract	The pricing is commensurate with the market value of the goods and shall be at arm's length.
Any other information relevant or important for the members to take a decision on the proposed resolution	N.A.

The transaction is Related Party Transaction and in terms of Section 188 of the Companies Act, 2013 and regulation 23 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the applicable rules there under requires prior approval of the Shareholders by way of Special Resolution is required.

Accordingly, your directors recommend the resolution at Item No. 5 for approval as Special resolution as set out in the notice of the meeting

Except Mr. Ashok C. Shah, Managing Director and Mr. Shalin A. Shah, Director of the Company; Mrs. Leena A. Shah, Relative of Director; Ashoka Metcast Limited, Rhetan Rolling Mills Private Limited and Lesha Ventures Private Limited, Companies in which Director of the Company are Director/Member, none of the Directors or Key Managerial Personnel (KMP) or relatives of Directors and KMPs are concerned or interested in the Resolution.

Item No. 6 of the Notice

The Audit Committee and the Board of Directors of the Company, at their respective meetings held on 4th September, 2020 has approved a proposal for entering into following related party transactions:

Name of Related Party	Gujarat Natural Resources Limited
Name of Related Director or KMP	Mr. Ashok C. Shah, Mr. Shalin A. Shah
Nature of relationship	Mr. Ashok C. Shah, Managing Director and Mr. Shalin A. Shah, Director of Ashnisha Industries Limited are also the Director and Managing Director of Gujarat Natural Resources Limited respectively.
Material terms, monetary value and particulars of the contract or arrangement;	The transaction between the parties will be in the nature of purchase/sale of goods, services and/or any other business activities. The amount of the transaction shall be up to Rs. 100 Crores for each of the financial year 2020-21 and 2021-22 and the same has to be paid as per the terms agreed by both the parties.
The Manner of determining the pricing and other commercial terms, both included as part of contract and not considered as part of the contract	The pricing is commensurate with the market value of the goods and shall be at arm's length.
Any other information relevant or important for the members to take a decision on the proposed resolution	N.A.

The transaction is Related Party Transaction and in terms of Section 188 of the Companies Act, 2013 and regulation 23 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the applicable rules there under requires prior approval of the Shareholders by way of Special Resolution is required.

Accordingly, your directors recommend the resolution at Item No. 6 for approval as Special resolution as set out in the notice of the meeting

Except Mr. Ashok C. Shah, Managing Director and Mr. Shalin A. Shah, Director of the Company; Mrs. Leena A. Shah, Relative of Director; Ashoka Metcast Limited, Rhetan Rolling Mills Private Limited and Leshia Ventures Private Limited, Companies in which Director of the Company are Director/Member, none of the Directors or Key Managerial Personnel (KMP) or relatives of Directors and KMPs are concerned or interested in the Resolution.

Item No. 7 of the Notice

The Company wants to include the objects related to construction activities in its Main Object Clause of the Memorandum of Association. As per Section 13 of the Companies Act, 2013 and other applicable provisions of the Act if any, consent of the Members is required by way of Special resolution to insert new objects in the Memorandum of the Company.

Accordingly, your directors recommend the resolution at Item No. 7 for approval as Special resolution as set out in the notice of the meeting.

A copy of the amended Memorandum of Association of the Company (MOA) would be available electronically for inspection without any fee by the members from the date of circulation of this Notice up to the date of AGM. Members seeking to inspect the MOA can send an email to ashnishalimited@gmail.com

None of the Directors, Key Managerial Persons or their relatives, are in any way, concerned or interested in the said resolution.

Item No. 8 of the Notice

With a view to expand the business and in the interest of growth and development of the Company, the Company has decided to make investments in other bodies corporate. In this regards, Board of Directors has decided to

seek approval of shareholders to make investment exceeding sixty per cent of paid up capital, free reserves and securities premium account or one hundred per cent of free reserves and securities premium account whichever is more. However, the total amount of such investments shall not exceed Rs. 30 Crores at any time.

The Board of Directors accordingly recommends the Special Resolution set out at Item No. 8 of the accompanying Notice for the approval of the Members.

None of the Directors, Key Managerial Persons or their relatives, are in any way, concerned or interested in the said resolution.

Item no. 9 of the Notice

As per Section 180 (1) (c) of the Companies Act, 2013, borrowings (apart from temporary loans obtained from the Company's bankers in ordinary course of business) by the Company beyond the aggregate of the paid up capital of the company and its free reserve requires approval from the shareholders of the Company. Keeping in view of enhanced requirement of funds and also the legal requirement that Section 180(1) of the Companies Act, 2013 provides that the Board of Directors of a company shall exercise the said power only with the consent of the Company by a special resolution. Hence, the Special Resolution at Item No. 9 for authorizing the Board of Directors to borrow monies (apart from temporary loans obtained or to be obtained from the Company's bankers in the ordinary course of business) from time to time on behalf of the Company not exceeding Rs. 30 crores is intended for this purpose.

The Directors recommends the resolution for members' approval as a Special Resolution.

None of the Directors, Key Managerial Persons or their relatives, are in any way, concerned or interested in the said resolution.

Item No. 10 of the Notice

Upon the instructions given by the Registrar of Companies, Gujarat, the Company has given an undertaking that as the Company has not generated any revenue by object no. (3) and (4) of Clause III [A] of Memorandum of Association of the Company since the inclusion of such objects in the Memorandum of Association of the Company and does not intend to enter into any future business transaction related to business as mentioned in object no. (3) and (4) of Clause III [A] of Memorandum of Association of the Company, the Company will consider and propose to the shareholders of the Company to remove such objects form the Memorandum of Association of the Company by passing a special resolution in the upcoming general meeting of the Company.

In order to comply with the same, consent of the Members is required by way of Special resolution to remove such objects from the Memorandum of the Company.

Accordingly, your directors recommend the resolution at Item No. 10 for approval as Special resolution as set out in the notice of the meeting.

A copy of the amended Memorandum of Association of the Company (MOA) would be available electronically for inspection without any fee by the members from the date of circulation of this Notice up to the date of AGM. Members seeking to inspect the MOA can send an email to ashnishalimited@gmail.com

None of the Directors, Key Managerial Persons or their relatives, are in any way, concerned or interested in the said resolution.

Place: Ahmedabad
Date: September 4, 2020

For and on behalf of the Board

SD/-
Shalin Shah
Director
DIN: 00297447

NOTES:

1. In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and pursuant to the Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020 issued by the Ministry of Corporate Affairs followed by Circular No. 20/2020 dated May 05, 2020, physical attendance of the Members to the AGM venue is not required and Annual General Meeting (AGM) be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.
2. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorized representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through e-voting.
3. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
5. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-voting system as well as venue voting on the date of the AGM will be provided by NSDL.
6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.ashnisha.in. The Notice can also be accessed from the website of the Stock Exchange i.e. BSE Limited at www.bseindia.com and the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com.
7. AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 08, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020.
8. As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from, April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Company's Registrars and Transfer Agents, Purva Sharegistry (India) Private Limited for assistance in this regard.
9. To support the 'Green Initiative', Members who have not yet registered their email addresses are requested to register the same with their DPs in case the shares are held by them in electronic form and with Purva Sharegistry (India) Private Limited in case the shares are held by them in physical form.

10. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/ mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their DPs in case the shares are held by them in electronic form and to RTA Purva Sharegistry (India) Private Limited in case the shares are held by them in physical form.

11. In compliance with the aforesaid MCA Circulars and SEBI Circular dated May 12, 2020, Notice of the AGM along with the Annual Report 2019-20 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice and Annual Report 2019-20 will also be available on the Company's website www.ashnisha.in and website of the Stock Exchange i.e. BSE Limited at www.bseindia.com.

12. The Business set out in the Notice will be transacted through electronic voting system and the Company is providing facility for voting by electronic means. Instructions and other information relating to e-voting are given in this Notice.

13. Pursuant to Section 91 of the Companies Act, 2013, The Register of Members and Share Transfer Books of the Company will be closed from 27th September, 2020 to 30th September, 2020 both days inclusive.

14. The relative Explanatory Statements pursuant to Section 102 of the Companies Act, 2013, relating to the special business to be transacted at the meeting is annexed hereto.

15. The Securities & Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in the Electronic form are therefore requested to submit their PAN to their depository Participants with whom they are maintaining their demat accounts. Members holding Physical shares can submit their PAN to the Company/Purva Sharegistry (India) Private Limited.

16. Since AGM will be held through VC/OAVM, the Route Map is not annexed in the Notice.

17. Instruction for E-Voting and joining AGM are as follows:

EVOTING INSTRUCTIONS

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING ARE AS UNDER:-

The remote e-voting period begins on (Sunday, 27th September, 2020 at 09:00 A.M.) and ends on (Tuesday, 29th September, 2020 at 05:00 P.M.) The remote e-voting module shall be disabled by NSDL for voting thereafter. And cut of Date for E-voting is 25th September, 2020.

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>

Step 2: Cast your vote electronically on NSDL e-Voting system.

Details on Step 1 is mentioned below:

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.

2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Your password details are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

c) How to retrieve your 'initial password'?

- (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
- (ii) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

- a) Click on "**Forgot User Details/Password?**" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
- b) **Physical User Reset Password?** (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
- c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.
- d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

8. Now, you will have to click on "Login" button.

9. After you click on the "Login" button, Home page of e-Voting will open.

Details on Step 2 is given below:**How to cast your vote electronically on NSDL e-Voting system?**

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
3. Select "EVEN" of company for which you wish to cast your vote.
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
6. Upon confirmation, the message "Vote cast successfully" will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to cschintanpatel@gmail.com with a copy marked to evoting@nsdl.co.in.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request at evoting@nsdl.co.in.

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:**In case shares are held in physical mode:**

Please update your email id by providing the required details on web link provided as "REGISTER YOUR EMAIL ID" on the website of the company www.ashnisha.in

In case shares are held in demat mode:

Please contact your Depository Participant (DP) and register your email address and bank account details in your demat account, as per the process advised by your DP.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote evoting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access the same at <https://www.evoting.nsdl.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVEN of Company will be displayed.
Members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush. Further members can also use the OTP based login for logging into the e-Voting system of NSDL.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/have questions may send their questions in advance at least 10 days before the AGM mentioning their name, demat account number/folio number, email id, mobile number at ashnishalimited@gmail.com. The same will be replied by the company suitably.
6. Shareholders who would like to express their views or have questions may send their questions in advance, mentioning their Name, Demat account number, Folio Number, mobile number and e-mail address at ashnishalimited@gmail.com from September 21, 2020 (9:00 a.m. IST) to September 24, 2020 (5:00 p.m. IST). Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

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, 2020.

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

Particulars	Financial Results			
	Year ended 31/03/2020		Year ended 31/03/2019	
	Standalone	Consolidated	Standalone	Consolidated
Total Revenue	2,15,26,110	27,20,35,150	2,67,85,500	74,84,82,306
Expenditure	2,17,56,256	28,47,34,703	2,70,77,723	66,50,79,678
Depreciation	1,04,568	3,65,75,872	1,02,432	4,09,78,083
Profit/(Loss) before Tax	(3,34,714)	(4,92,75,425)	(3,94,655)	4,24,24,545
Current Tax	-	-	-	53,65,120
Deferred Tax	-	41,44,775	-	31,60,487
Profit/(Loss) after Tax	(3,34,714)	(4,51,30,650)	(3,94,655)	4,02,19,912

2. PERFORMANCE:

The Company has managed to earn reasonable amount of revenue during the year under review. The Management of the Company is incessantly taking efforts for the growth of the Company.

The Company is engaged in the business of trading of various steel products and trading of goods.

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. 9,09,11,548/- as compared to Rs. 9,12,46,262/- 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, 2020 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, a number of energy conservation initiatives were adopted and were taken by the Company. There are no plans to bring in any sort of technology for the project and hence information regarding its assimilation is not applicable. There was no study activities carried out during the year as well as no foreign exchange proceeds or outgo during the year.

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

During the Financial Year 2019-20, the worldwide outbreak of COVID-19 was announced as a pandemic by WHO, in response to which the nationwide lockdown has been announced on 24th March, 2020. This has resulted in to temporary shutdown of business with undesirable outcome on the business. The Company has resumed its business activities from 18th May, 2020 with strict health and safety monitoring procedure for COVID-19. The management has made initial assessment of company's profitability and liquidity position along with overall economic impact of COVID-19. Based on corollary of such assessment, the Company does not expect a material impact of COVID-19 on its liquidity and future performances as on the date of this report. The Company has made detailed disclosure of COVID-19 impact on the Company under Regulation 30 of SEBI (Listing Obligations &

Disclosure Requirements), Regulation, 2015 read with SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/84 dated May 20.

There were no other material changes occurred ensuing 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 economic position of the Company.

9. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS:

During the year under review, there were no significant material orders passed by the Regulators/courts and no litigation was outstanding as on March 31, 2020, which would impact the going concern status and future operations of your Company.

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

The Company has one subsidiary viz EZI Ventures Pvt. Ltd.

As required under Rule 8 (1) of the Companies (Accounts) Rules, 2014, the Board's Report has been prepared on standalone financial statements and a report on performance and financial position of the subsidiary included in the consolidated financial statements is included in Form AOC – 1 and consolidated performance and financial summary given here in above.

In accordance with third proviso of Section 136 (1) of the Companies Act, 2013, the Annual Report of the Company, containing therein its standalone and the consolidated financial statements has been placed on the website of the Company, www.ashnisha.in. Shareholders interested in obtaining a copy of the audited annual accounts of the subsidiary companies may write to the Company Secretary at the Company's registered office.

Pursuant to the provisions of Section 129 (3) of the Companies Act, 2013 read with Rule 8 (1) of the Companies (Accounts) Rules, 2014, a statement containing salient features of the Financial Statements of your Company's Subsidiary in Form AOC-1 is attached to the Financial Statements.

There are no 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, 5 (Five) Board meetings were held, with gap between Meetings not exceeding the period prescribed under the Companies Act, 2013 and Rules made thereunder.

Sr. No.	Date of Board Meeting held during the year	Name of Directors attended the Meeting			
1.	24/04/2019	Shalin A. Shah	Ashok C. Shah	Chandrakant N. Chauhan	Daxaben M. Shah
2.	22/05/2019	Shalin A. Shah	Ashok C. Shah	Chandrakant N. Chauhan	Daxaben M. Shah
3.	14/08/2019	Shalin A. Shah	Ashok C. Shah	Chandrakant N. Chauhan	Daxaben M. Shah
4.	14/11/2019	Shalin A. Shah	Ashok C. Shah	Chandrakant N. Chauhan	Daxaben M. Shah
5.	14/02/2020	Shalin A. Shah	Ashok C. Shah	Chandrakant N. Chauhan	Daxaben M. Shah

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.

13. EXTRACTS OF ANNUAL RETURN:

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

14. 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 form a CSR Committee in this regards as none of the above referred limits have been triggered.

15. INSURANCE:

All the Properties of the Company are adequately insured.

16. 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.

17. 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, appointed Mrs. Daxaben M. Shah (DIN: 08054390), and Mr. Chandrakant N. Chauhan (DIN: 08057354), as an Independent Directors of the Company.

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 Mr. Ashok C. Shah (Managing Director) and Ms. Dimpal J. Solanki(Company Secretary) under the key managerial personnel of the Company. Further, Company had appointed Ms. Payal H. Donga as Chief Financial Officer w.e.f. 24th April, 2019. Mrs. Payal H. Donga resigned from the post of CFO w.e.f. 31st July, 2019.

18. 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 their separate meeting held on 14/03/2020 has 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.

19. 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.

20. 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, 2020.

21. INDEPENDENT DIRECTORS' MEETING

Independent Director of the Company had met during the year under review. The meeting of the same was held on March 14, 2020.

22. COMMITTEES OF THE BOARD:

As per the requirement of the Companies Act, 2013 read with Rules and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 various Board committees have been formed for better governance and accountability viz. Audit Committee, Nomination and Remuneration Committee, Stakeholders' Relationship Committee.

The terms of reference of each committee are determined by the Board as per the requirement of law and their relevance is reviewed from time to time.

1. **AUDIT COMMITTEE:** As a measure of good Corporate Governance and to provide assistance to the Board of Directors in fulfilling the Board's responsibilities, an Audit Committee had been constituted by the Board. The terms of reference of this committee covers matters specified under Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 177 of the Companies Act, 2013 and other matters referred by the Board from time to time. Committee lays emphasis on adequate disclosures and compliance with all relevant statutes.

Main areas are deliberated as under.

- a. To provide an open avenue of communication between the independent auditors, internal auditors and the Board of Directors (BOD).
- b. To oversee the work of the independent auditors for the purpose of preparing or issuing an audit report or related work.
- c. Relying on the review and discussions with the management and the independent auditor, the Audit Committee believes that the Company's financial statements are fairly presented in conformity with IND-AS in all material aspects.
- d. To consider and review the adequacy of internal control including computerized information system controls an periodically to the Board of Directors on significant activities.

The Constitution of the committee and the attendance of each member of the committee are given below:

The Committee comprises of three Directors. All members of the Audit Committee are financially literate. In the financial year 2019-20, audit committee meetings were held on 22nd May, 2019; 14th August, 2019, 14th November, 2019 and 14th February, 2020. Composition of committee as on 31st March, 2020 and member's attendance at the meetings during the year are as under:

Sr.	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	4	4
Mrs. Daxaben M. Shah	4	4
Mr. Shalin A. Shah	4	4

2. NOMINATION AND REMUNERATION COMMITTEE:

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

Sr.	Name & DIN of the Director	Status	Category
1	Mrs. Daxaben M. Shah	Chairperson	Non- Executive Independent Director
2	Mr. Shalin A. Shah	Member	Non- Executive Director
3	Mr. Chandrakant N. Chauhan	Member	Non- Executive Independent Director

In the financial year 2019-20, one meeting of Nomination and Remuneration committee was held on 24th April, 2019.

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

3. STAKEHOLDERS RELATIONSHIP COMMITTEE:

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

Sr.	Name & DIN of the Director	Status	Category
1	Mrs. Daxaben M. Shah	Chairperson	Non- Executive Independent Director
2	Mr. Ashok C. Shah	Member	Executive Director
3	Mr. Chandrakant N. Chauhan	Member	Non- Executive Independent Director

In the financial year 2019-20, four meetings of Stakeholders' Relationship were held on 22/05/2019, 14/08/2019, 14/11/2019 and 14/02/2020.

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

Committee Members	Meetings held	Meetings attended
Mrs. Daxaben M. Shah	4	4
Mr. Ashok C. Shah	4	4
Mr. Chandrakant N. Chauhan	4	4

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 the year ended March 2020 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 Chintan K. Patel, Practicing Company Secretary, 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**.

24. INTERNAL FINANCIAL CONTROL SYSTEM AND COMPLIANCE FRAMEWORK:

In terms of Section 134 of the Companies Act 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. To maintain its objectivity and independence, the Internal Auditors report to the Audit Committee of the Board. The Internal Auditors monitor and evaluate the efficacy and adequacy of internal control system, its compliance with operating systems, accounting procedures and policies in the Company. Based on the report of internal audit function, process owners undertake counteractive action in their respective areas and thereby further strengthen the controls. Significant audit observations and corrective actions thereon are presented to the Audit Committee from time to time. The Company has in place adequate internal financial controls commensurate with the size and scale of the operations of the Company. During the period under review, such controls were tested and no reportable material weakness in the design or operations were observed. 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 (LODR) Regulations, 2015 is included in this Report. Certain statements in the said report may be forward looking. Many aspects may affect the actual results, which could be different from what the Directors predict 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.

The Company has adopted and amended its Code of Conduct for prevention of Insider Trading w.e.f. April 1, 2019 pursuant to Securities and Exchange Board of India (Prohibition of Insider Trading) (Amendment) Regulations, 2018.

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, 2020 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 2019-20 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. 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. RELATED PARTY DISCLOSURE:

Related Party disclosure as mentioned in Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is appended to the report of Director herewith attached as **Annexure VI**.

34. DEMAT SUSPENSE ACCOUNT/ UNCLAIMED SUSPENSE ACCOUNT:

There are no shares lying in the demat suspense account or unclaimed suspense account.

35. MAINTENANCE OF COST RECORDS:

The Company is not require to maintain cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013, and accordingly such accounts and records are not made and maintained.

36. ACKNOWLEDGEMENT:

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

Place: Ahmedabad

Date: September 4, 2020

For and on behalf of the Board

SD/-
Ashok Shah
Managing Director
DIN: 02467830

SD/-
Shalin Shah
Director
DIN: 00297447

➤ INDUSTRIAL STRUCTURE AND DEVELOPMENT:

Steel industry in the country is coming out of the recession and the prospects are very bright for the steel sector in the country. India's economic growth is contingent upon the growth of the Indian steel industry. Robust industrialization and increase in the population have led to the demand for housing, properties, and other commercial developments. On the same note, the government is striving to improve infrastructures like railway, road, and communication. Due to this rise in demand for steel for all these developments, India's Steel Industry is not going down anytime soon. The growth in the Indian steel sector has been driven by domestic availability of raw materials such as iron ore and cost-effective labour. India was the world's second largest steel producer in 2019. The country surpassed Japan to become the world's second largest steel producer in 2019. As per Indian Steel Association (ISA), steel demand is estimated to grow 7 per cent in FY20 and FY21. The Government has taken various steps to boost the sector including the introduction of National Steel Policy 2017 and allowing 100 per cent Foreign Direct Investment (FDI) in the steel sector under the automatic route, which has significantly increased Foreign Direct Investment (FDI) in steel sector. The Company is in business of trading of steel products, electronics goods. However Competition in the industry is perpetually escalating and management is taking steps to maintain in the budding high tech market.

➤ OVERVIEW:

The Financial Statements have been prepared in compliance with the Indian Accounting Standards (IND-AS) issued by the Institute of Chartered Accountants of India (ICAI) which have been notified under the Companies (Indian Accounting Standards) Rules, 2015 ('IND AS Rules'), of the Companies Act, 2013. The management of the Company accepts responsibility for the integrity and objectivity of these financial statements have been made on a prudent and reasonable basis, in order that the financial statements reflect in a true and fair manner the form and substance of transactions, and reasonably present the Company's state of affairs and loss for the year.

➤ OPPORTUNITY & THREATS:**Opportunities:**

Various initiatives are taken by the Government such as Steel Scrap Recycling Policy to reduce import, levy of export duty on iron ore to ensure supply to domestic steel industry, focus on infrastructure and restarting road projects aiding the demand for steel etc. These will generate a lot of opportunities for the Company which will ultimately lead to achieve the organisation's set goals. Besides this, huge infrastructure demand, rapid urbanization and increasing demand for consumer durables also generate a lot of opportunities for the Company.

Threats:

Spurts of price wars and heavy trade discounts has impacted the Indian Steel Industry. The competition from domestic and international steel companies located in India is also increasing which has eventually exposed enormous strain to the company to survive in this competitive market.

➤ COMPETITION:

Competition in the market has strengthened and forced the players to adopt hostile 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 patrons retention and business enlargement in the regions which have not been tapped.

Sharp oscillation in value of the Indian Rupee and the increasing inventory prices have put strain on the effectiveness 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 vigorous Risk Management framework that identifies and evaluates business risks and opportunities to guard the interest of stakeholders and shareholders with a view to achieve the business objective successfully. The Risk Management System in the company is a fundamental part of the broad planning, controlling and reporting systems. Risk assessment is undertaken based on probability of occurrence

and possible impact on the operation 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 scrutinize 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 alteration and cost litness.

➤ **INITIATIVES BY THE COMPANY:**

The Company has taken the following initiatives:

- Concentration on lessening of costs by undertaking precise exercise in diverse fields.
- Concentration on Operational Efficiency and tactical extension.
- Concentration in Increase of Shareholders affluence and revenue of the Company.

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

➤ **OUTLOOK:**

In the recent years, the steel industry has seen crucial precariousness. 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 progress, but with a sluggish 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 input of its employees and solemnly gratitude to create a responsive organization with emphasis on performance with responsibility and answerability. Continuous evaluation of the competencies of the personnel in line with job needs is carried out to aid higher levels of output and productivity. Developing skills and capabilities of workforce to improve manpower deployment and labour yield is a 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 pertinent laws and has taking all essential measures to protect the environment. Various programmes have been taken to reduce environmental footprint and enhancement of operational efficiency have led to noteworthy augmentation in environmental parameters as well as techno-economic efficiency

➤ **CAUTIONARY STATEMENT**

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

➤ **DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL REPERFORMANCE:**

In terms of performance, FY 2019-20 has been a reasonable year. Company is focussed on the task on hand in terms of better reliability of operations and more focussed market efforts. Our financial performance reflected the pragmatic operational performance. Although the entity had incurred losses of 3.34 Lakhs, the company had

earned Rs. 2.15 crores as revenue from operations. Cash and cash equivalents at the end of year stood at Rs. 3.02 Lakhs.

➤ **DETAILS OF SIGNIFICANT CHANGES IN KEY FINANCIAL RATIOS, ALONG WITH DETAILED EXPLANATIONS THEREFOR:**

(i) Debtors Turnover ratio: lower by 23.39%

Explanation: Majorly due to decrease in sales and credit policies of the company.

(ii) Current Ratio: Lower by 5.70%

Explanation: Majorly due to increased short term liabilities relative to short term assets.

(iii) Debt Equity ratio: Increase by 7.13%

Explanation: Majorly due to increase in liabilities of the Company.

➤ **DETAILS OF ANY CHANGE IN RETURN ON NET WORTH AS COMPARED TO THE IMMEDIATELY PREVIOUS FINANCIAL YEAR ALONG WITH A DETAILED EXPLANATION THEREOF:**

Even though the Company has rational retribution but due to adjustment of past year's losses, your Company fall short to earn significant sum as return on Net Worth.

➤ **DISCLOSURE OF ACCOUNTING TREATMENT**

The Financial statements have been prepared in compliance with the Indian Accounting Standards (Ind AS) issued by The Institute of Chartered Accountants of India (ICAI) which have been notified under the Companies (Indian Accounting Standards) Rules, 2015 ('Ind AS Rules'), of the Companies Act, 2013. The financial statements have been prepared on accrual basis under the historical cost convention.

Place: Ahmedabad

Date: September 4, 2020

For and on behalf of the Board

**SD/-
Ashok Shah
Managing Director
DIN: 02467830**

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

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

	2019-20	2018-19
Foreign Exchange Earning	Nil	Nil
Foreign Exchange out go	Nil	Nil

Place: Ahmedabad
Date: September 4, 2020

For and on behalf of the Board

SD/-
Ashok Shah
Managing 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 31.03.2020

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	L74110GJ2009PLC057629
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.	Purva Sharegistry (India) Pvt. Ltd. Unit No. 9, Ground Floor, Shiv Shakti Ind. Estt, J. R. Boricha Marg, Lower Parel East, Mumbai, Maharashtra 400011 Contact No. : 022 2301 8261/6761

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	72.13%
2	Trading of Goods	46691	27.87%

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
1	EZI Ventures Private Limited	U64204GJ2008PTC054950	Subsidiary	64.63%	2 (87)(ii)

ANNUAL REPORT 2019-20

ASHNISHA INDUSTRIES LIMITED

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 1 st April, 2019				No. of Shares held at the end of the year as on 31 st March, 2020				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	643530	NIL	643530	21.32	643530	NIL	643530	21.32	NIL
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	440381	Nil	440381	14.59	440381	Nil	440381	14.59	Nil
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other Foreign Individual	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A)	1083911	NIL	1083911	35.91	1083911	NIL	1083911	35.91	Nil
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	Nil	95	95	0.00	NIL	95	95	0.00	Nil
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)[1]:	Nil	95	95	0.00	Nil	95	95	0.00	0.00
2. Non-institutions									
a) Bodies Corp.									
i) Indian	712820	2743	715563	23.70	574290	2743	577033	19.11	(4.59)
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	522638	145226	667864	22.12	545207	145226	690433	22.87	0.75
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	537757	NIL	537757	17.81	643533	NIL	643533	21.32	3.51
c) Others (specify)	-	-	-	-	-	-	-	-	-

ANNUAL REPORT 2019-20
ASHNISHA INDUSTRIES LIMITED

NRI/OCB												
OTHERS												
Non Resident Indians	1356	NIL	1356	0.04	1346	NIL	1346	0.04	1346	0.04	NIL	
Overseas Corporate Bodies	-	-	-	-	-	-	-	-	-	-	-	
Foreign Nationals	-	-	-	-	-	-	-	-	-	-	-	
Clearing Members	10	1	11	0.00	3614	1	3615	0.12	3615	0.12	0.12	
Hindu Undivided Family	12207	NIL	12207	0.40	18798	NIL	18798	0.62	18798	0.62	0.22	
Foreign Bodies - DR	-	-	-	-	-	-	-	-	-	-	-	
Sub-total (B)(2):-	1786788	147970	1934758	64.09	1786788	147970	1934758	64.09	1934758	64.09	NIL	
Total Public Shareholding (B)=(B)(1)+ (B)(2)	1786788	148065	1934853	64.09	1786788	148065	1934853	64.09	1934853	64.09	NIL	
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-	-	-	
Grand Total (A+B+C)	2870699	148065	3018764	100	2870699	148065	3018764	100	3018764	100	-	

B) SHAREHOLDING OF PROMOTER

Sr. No.	Shareholder's Name	No. of Shares held at the beginning of the year as on 1 st April, 2019			No. of Shares held at the end of the year as on 31 st March, 2020			% 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	92508	3.06	Nil	92508	3.06	Nil	Nil
2	Ashok Chimubhai Shah	152401	5.05	Nil	152401	5.05	Nil	Nil
3	Shalin Ashok Shah	398621	13.20	Nil	398621	13.20	Nil	Nil
4	Ashoka Metcast Ltd (Formerly Tanya Estates Private Limited)	165197	5.47	Nil	165197	5.47	Nil	Nil
5	Rhetan Rolling Mills Private Limited (Formerly Shree Ghantakarna Rolling Mills Private Limited)	145584	4.82	Nil	145584	4.82	Nil	Nil
6	Lesha Ventures Private Limited (Formerly Lesha Agro Foods Private Limited)	129600	4.29	Nil	129600	4.29	Nil	Nil

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

There was no change in the shareholding of Promoter during the Financial Year March 31, 2020.

D) SHAREHOLDING PATTERN OF TOP TEN SHAREHOLDERS AS ON 31ST MARCH, 2020:
(OTHER THAN DIRECTORS, PROMOTERS AND HOLDERS OF GDRS AND DRIS):

Sr. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Increase / Decrease	Date wise change in shareholding	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	285120	9.44	Nil	NA	285120	9.44
2	Midrina Oil And Gas Services Pvt. Ltd.	134352	4.45	Nil	NA	134352	4.45
3	Suryaja Infrastructure Pvt. Ltd.	134352	4.45	Nil	NA	134352	4.45
4	Tiw Systems Pvt. Ltd	134352	4.45	Nil	NA	134352	4.45
5	Advanced Energy Resources & Management Pvt. Ltd.	45792	1.52	Nil	NA	45792	1.52
6	Janak B. Patel	36124	1.20	Nil	NA	36124	1.20
7	Shaurya Organics Private Limited	34352	1.14	Nil	NA	34352	1.14
8	Hansaben Hasmukhbhai Amin	--	--	Increase	as on 04/10/2019	8443	0.28
				Increase	as on 25/10/2019	8493	0.28
				Increase	as on 01/11/2019	8791	0.29
				Increase	as on 22/11/2019	8905	0.29
				Increase	Acquisition as on 29/11/2019	9162	0.30
				Increase	as on 06/12/2019	9222	0.31
				Increase	as on 13/12/2019	10205	0.34
				Increase	as on 20/12/2019	36561	1.21
				Increase	as on 27/12/2019	39312	1.30

					19		
				Decrease	as on 17/01/20 20	39000	1.29
				Increase	as on 24/01/20 20	44450	1.47
				Increase	as on 31/01/20 20	44750	1.48
				Increase	as on 07/02/20 20	44839	1.49
				Decrease	as on 14/02/20 20	32250	1.07
				Decrease	as on 21/02/20 20	32035	1.06
9	Aumit Capital Advisors	--	--	Increase	as on 04/10/20 19	15000	0.50
				Increase	as on 11/10/20 19	30000	0.99
10	Vipul Rajendrabhai Gandhi	--	--	Increase	as on 04/10/20 19	15000	0.50
				Increase	as on 11/10/20 19	30000	0.99

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	398621	13.20	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.):	NA			
4	At the end of the year			398621	13.20
5	Mr. Ashok C. Shah				
6	At the beginning of the year	57150	5.05	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.):	NA			
8	At the end of the year			152401	5.05
9	Mr. Chandrakant N. Chauhan				
10	At the beginning of the year	6932	0.23	6932	0.23
11	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / sweat equity etc.):	NA			
12	At the end of the year			6932	0.23
13	Mrs. Daxaben M. Shah				
14	At the beginning of the year	42	0.001	42	0.001
15	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / sweat equity etc.):	NA			
16	At the end of the year			42	0.001

V. INDEBTEDNESS –

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

(in Rs.)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	0.00	16000000.00	0.00	16000000.00
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	16000000.00	0.00	16000000.00
Change in Indebtedness during the financial year				
* Addition	0.00	556000.00	0.00	556000.00
* Reduction	0.00	0.00	0.00	0.00
Net Change	0.00	556000.00	0.00	556000.00
Indebtedness at the end of the financial year				
i) Principal Amount	0.00	16556000.00	0.00	16556000.00
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	16556000.00	0.00	16556000.00

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	NIL			NIL
	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	Total
		Dimpal Solanki	
1	Gross salary	1,20,000	1,20,000
	(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		
2	Stock Option		
3	Sweat Equity		
4	Commission		
	- as % of profit		
	Others specify...		
5	Others, please specify		
	Total	1,20,000	1,20,000

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: September 4, 2020

For and on behalf of the Board

SD/-
Ashok Shah
Managing Director
DIN: 02467830

SD/-
Shalin Shah
Director
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 2019-20 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 2019-20	Remuneration to the Director / KMP for the Financial Year 2018-19	Percentage increase / decrease in remuneration in the Financial Year 2019-20	Ratio of Remuneration of each Director to the Median Remuneration of Employees
1	Mr. Shalin Shah (Director)	Nil	Nil	Nil	Nil
2	Mr. Ashok Shah (Director)	Nil	Nil	Nil	Nil
3	Mr. Chandrakant N. Chauhan (Independent Director)	Nil	Nil	Nil	Nil
4	Mrs. Daxaben M. Shah (Independent Director)	Nil	Nil	Nil	Nil
5.	Dimpal J. Solanki (Company Secretary)	1.2	1.2	Nil	NA

- iii. Median Remuneration of Employees (MRE) of the Company is Rs. 1.2 Lakhs for the Financial Year 2019-20.
- iv. There was one permanent employee on the rolls of the Company during the year ended 31st March, 2020.
- v. 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.**
- vi. Affirmed that the remuneration as per the Nomination 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: September 4, 2020

For and on behalf of the Board

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

ANNEXURE – IV TO THE DIRECTORS REPORT**FORM NO. MR-3
SECRETARIAL AUDIT REPORT**FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2020

[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, 2020 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, 2020 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, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; [Not Applicable to the Company during the Audit Period]
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; [Not Applicable to the Company during the Audit Period]
 - (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 [Not Applicable to the Company during the Audit Period]
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; [Not Applicable to the Company during the Audit Period]

- (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.

- 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, 2019.
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.

During the year under review the Company had not complied with the provisions of the section 203 of the Companies Act, 2013 for appointment of Chief Financial Officer.

As explained by the Management, the Company had already appointed Mr. Ashok C. Shah as Managing Director and Ms. Dimpal Solanki as Company Secretary to comply with the provision of section 203 of the Companies Act, 2013. The Company was looking for the suitable candidate to be appointed as CFO, and the Management had appointed Mrs. Payal H. Donga as CFO with effect from 24/04/2019 although she resigned with effect from 31/07/2019.

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 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: September 4, 2020

SD/-

Chintan K. Patel

Practicing Company Secretary

UDIN: A031987B000662265

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: September 4, 2020

SD/-

Chintan K. Patel

Practicing Company Secretary

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. 12,06,45,901/- (Rupees Twelve Crore Six Lakhs Forty Five Thousand Nine Hundred One Only) as on the last day of the previous financial year i.e. 31st March, 2019. Therefore it is not required to submit Report on Corporate Governance.

Place: Ahmedabad
Date: September 4, 2020

For and on behalf of the Board

SD/-
Shalin A. Shah
Director
DIN: 00297447

ANNEXURE – VI TO THE DIRECTOR’S REPORT

Disclosures under regulation 34(3) read with Schedule V of Listing Regulations

Sr. No.	Disclosure of Loans/Advances/Investments/Outstanding during the year	As at 31st March, 2020	Maximum amount during the year
1	Loans and Advances in the nature of loans to subsidiary	Nil	Nil
2	Loans and Advances in the nature of loans to associate	Nil	Nil
3	Loans and Advances in the nature of loans to Firms/Companies in which directors are interested	Nil	Nil

For details of transactions of the Company with the person or entity belonging to the promoter/promoter group which hold(s) 10% or more shareholding in the Company, if any, kindly refer to “Related Party Transaction” provided in notes to financial statements.

Place: Ahmedabad
Date: September 4, 2020

For and on behalf of the Board

SD/-
Shalin A. Shah
Director
DIN: 00297447

Part "A": Subsidiaries

1	Name of the subsidiary	EZI Ventures Private Limited
2	The date since when subsidiary was acquired	August 16,2018
3	Reporting period for the subsidiary	2019-20
4	Reporting currency and Exchange rate as on the last date of the relevant Financial year	INR (Rs. in lacs)
5	Share capital	501.59
6	Reserves & surplus	4092.79
7	Total assets	4422.82
8	Total Liabilities	107.73
9	Investments	279.29
10	Turnover	2505.09
11	Profit/(loss) before taxation	(489.40)
12	Provision for taxation	(41.45)
13	Profit/(loss) after taxation	(447.95)
14	Proposed Dividend	Nil
15	% of shareholding	64.63% held by Ashnisha Industries Limited

2. Names of subsidiaries which are yet to commence operations - None

3. Names of subsidiaries which have been liquidated or sold during the year. - NA

Part "B": Associates and Joint Ventures

There are no Associates of the Company.