

Annual Report 2021-22**BOARD OF DIRECTORS & KEY MANAGERIAL PERSONNEL**

Ashok C. Shah	Director
Shalin A. Shah	Director
Chandrakant N. Chauhan	Independent Director
Daxaben M. Shah	Independent Director
Payalben Hiteshkumar Donga	Chief Financial Officer
Dimpal Jignesh Solanki	Company Secretary

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:

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

REGISTRAR & SHARE TRANSFER AGENTS

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

BANKERS

ICICI Bank
Ashram Road,
Ahmedabad - 380009

SECRETARIAL AUDITOR

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

NOTICE

Notice is hereby given that **13th Annual General Meeting** for the Financial Year 2021-22 of the Members of **Ashnisha Industries Limited** will be held on Wednesday, 3rd Day of August, 2022 at 3:30 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 Audited Standalone & Consolidated Financial Statements of the Company for the year ended 31st March, 2022 including audited Balance Sheet as at 31st March, 2022 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.

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

“RESOLVED THAT pursuant to the provisions of section 129, 134 and all other applicable provision of the Companies Act, 2013 if any read with Companies (Accounts) Rules, 2014, (including any statutory modification(s) or re-enactment thereof) the Audited Standalone financial statements of the company for the financial year ended 31st March, 2022 and reports of the Board of Directors and Statutory Auditor thereon, as circulated to the members, be and are hereby considered and approved.

RESOLVED THAT pursuant to the provisions of section 129, 134 and all other applicable provision of the Companies Act, 2013 if any read with Companies (Accounts) Rules, 2014, (including any statutory modification(s) or re-enactment thereof) the Audited Consolidated financial statements of the company for the financial year ended 31st March, 2022 and report of the Statutory Auditor thereon, as circulated to the members, be and are hereby considered and approved.”

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.

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

“RESOLVED THAT in accordance with the provisions of section 152 and other applicable provisions of the Companies Act, 2013 and The Companies (Appointment and Qualifications of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) , Mr. Shalin A. Shah (DIN: 00297447), who retires by rotation at this meeting and being eligible for re-appointment, be and is hereby re-appointed as Non-Executive Director of the company.

3. Re-Appointment of M/s. GMCA & Co., Chartered Accountants (Firm Registration No.109850W) as Statutory Auditors of the Company for the second term.

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

“RESOLVED THAT pursuant to the provisions of section 139, 142 and all other applicable provision of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment thereof) and pursuant to the recommendations of the Audit Committee and the Board of Directors of the Company, M/s. GMCA & Co., Chartered Accountants (Firm Registration No.109850W), be and are hereby re-appointed as the statutory Auditors of the Company for a second term

of term of 4 (four) years, to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of the Annual General Meeting to be held in the year 2026 on such remuneration as may be decided by the Board of Directors in consultation with the Statutory Auditors of the Company.”

SPECIAL BUSINESS:**4. Increase in Authorised Capital of the Company and consequential amendment in Memorandum of Association of the company.**

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

“**RESOLVED THAT** pursuant to the provisions of Section 61 and other applicable provisions, if any, of the Companies Act, 2013 (including any amendment thereto or re-enactment thereof) and the Rules framed thereunder, consent of the members of the Company be and is hereby accorded for increase in the Authorised Share Capital of the Company from existing Rs. 3,07,00,000/- (Rupees Three Crore Seven Lakh) divided into 3,07,00,000 (Three Crore Seven Lakh) Equity Shares of Re. 1 /- (Rupee One) each to Rs. 10,00,00,000/- (Rupees Ten Crore) divided into 10,00,00,000 (Ten Crore) Equity Shares of Re. 1/- (Rupee One) each.”

“**RESOLVED FURTHER THAT** pursuant to Section 13 and all other applicable provisions, if any, of the Companies Act, 2013, consent of the members of the Company be and is hereby accorded, for alteration of Clause V of the Memorandum of Association of the Company by substituting in its place and stead the following:-

“**V. The Authorised Share Capital of the Company Rs. 10,00,00,000/- (Rupees Ten Crore) divided into 10,00,00,000 (Ten Crore) Equity Shares of Re. 1/- (Rupee One) each ”**

“**RESOLVED FURTHER THAT** approval of the Members of the Company be and is hereby accorded to the Board of Directors of the Company to do all such acts, deeds, matters and things and to take all such steps as may be required in this connection including seeking all necessary approvals to give effect to this Resolution and to settle any questions, difficulties or doubts that may arise in this regard.”

5. To Offer, Issue and Allot Equity Shares on Preferential Basis.

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

“**RESOLVED THAT** pursuant to the Section 42 and 62 and all other applicable provisions, if any of the Companies Act, 2013 and the Rules made there under (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and in accordance with the provisions of the Memorandum and Articles of Association of the Company, the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended (“ICDR Regulations”), and any other Rules/ Regulations & Guidelines, if any, prescribed by the Securities and Exchange Board of India, Stock Exchanges and/or any other statutory or regulatory authority whether in India or abroad, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) and the Listing Agreements entered into by the Company with the Stock Exchanges where the securities of the Company are listed, SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and any amendment thereof and subject to the approval(s) consent(s), permission(s) and/or sanction(s), if any, of the appropriate authorities, institutions or bodies as may be required, and subject to such conditions as may be prescribed by any of them while granting any such approval(s), consent(s),

permission(s) and/or sanction(s), and which may be agreed to by the Board of Directors of the Company (herein after referred to as 'the Board'), the consent and approval of the members of the Company be and is hereby accorded to the Board to offer, issue and allot of 6,88,12,360 equity shares on a preferential basis of face value of Re. 1/- each at a price of Rs. 1.55/- per equity shares including premium of 0.55/- Paise per equity share towards total consideration aggregating to Rs. 10,66,59,158/- (including at premium of Rs. 3,78,46,798), on such terms and conditions as may be decided and deemed appropriate by the Board at the time of issue or allotment to the below mentioned Proposed Allottees and in terms of Securities And Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018:

Sr. No.	Name of Allottees	Number of Shares to be Allotted	Category
1.	Shalin Ashok Shah	85,00,000	Promoter
2.	Ashok Chinubhai Shah	75,00,000	Promoter
3.	TIW Systems Pvt. Ltd	1,50,00,000	Non – Promoter
4.	Babubhai G Vankar	83,77,000	Non – Promoter
5.	Kokilaben B Vankar	83,77,000	Non – Promoter
6.	Vimlaben Vishnubhai Chauhan	71,89,360	Non – Promoter
7.	Tapan Sureshinhji Desai HUF	69,34,500	Non – Promoter
8.	Aalps Commodities LLP	69,34,500	Non – Promoter
	Total	6,88,12,360	

“RESOLVED FURTHER THAT the “Relevant Date” for the purpose of determination of the price of equity Shares to be issued and allotted as above as per ICDR Regulations and other applicable laws is Monday, July 4, 2022, being the date 30 (Thirty) days prior to date of the Annual General Meeting in which this resolution, if approved by the requisite majority of shareholders, will be deemed to be passed i.e. Wednesday, August 3, 2022.

“RESOLVED FURTHER THAT without prejudice to the generality of the above resolution, the issue of the Equity Shares to Proposed Allottee under the Preferential Allotment shall be subject to the following terms and conditions, apart from others, as prescribed under applicable laws:

- 1) The Equity Shares to be issued and allotted shall be fully paid-up and rank pari-passu with the existing equity shares of the Company in all respects (including with respect to dividend and voting powers) from the date of allotment thereof, and be subject to the requirements of all applicable laws and shall be subject to the provisions of the Memorandum of Association and Articles of Association of the Company.
- 2) The price determined above shall be subject to appropriate adjustments as permitted under the rules, regulations and laws, as applicable from time to time.
- 3) The Equity Shares shall be allotted by the Company to the Proposed Allottee in dematerialized form within a period of 15 (Fifteen) days from the date of receipt of Members’ approval, provided that, where the issue and allotment of the said Equity Shares is pending on account of pendency of approval of any Regulatory Authority (including, but not limited to BSE Limited and/or SEBI) or the Government of India, the issue and allotment shall be completed within a period of 15 (Fifteen) days from the date of receipt of last of such approvals.
- 4) The Equity Shares to be allotted shall be subject to lock-in for such period as specified in the provisions of Chapter V of the ICDR Regulations and any other applicable law for the time being in force.
- 5) The Equity Shares to be allotted to the Proposed Allottee shall be listed on the stock exchanges where the existing equity shares of the Company are listed, subject to the receipt of necessary regulatory permissions and approvals as the case may be.
- 6) The Equity Shares so offered, issued and allotted shall not exceed the number of equity shares as approved herein above.

RESOLVED FURTHER THAT subject to the receipt of such approvals as may be required under applicable law, consent of the Members of the Company is hereby accorded to record the name and details of the Proposed Allottee in Form PAS-5 and the Board be and is hereby authorized to make an offer to the Proposed Allottee through Letter of Offer/ Private Placement Offer Letter cum application letter in Form PAS 4 or such other form as prescribed under the Act and ICDR Regulations containing the terms and conditions (“Offer Document”) after passing of this resolution and receiving any applicable regulatory approvals with a stipulation that the allotment would be made only upon receipt of in-principle approval from the Stock Exchange(s) i.e., BSE Limited and within the timelines prescribed under the applicable laws

RESOLVED FURTHER THAT the monies received by the Company from the allottees for application of the equity shares pursuant to this private placement shall be kept by the Company in a separate bank account.

RESOLVED FURTHER THAT the Board be and is hereby authorized on behalf of the Company to do all such acts, deeds, matters and things as the Board may, in its absolute discretion, deem necessary or desirable for such purpose and for the purpose of giving effect to this resolution, including without limitation (i) to vary, modify or alter any of the relevant terms and conditions, attached to the Equity Shares to be allotted to the Proposed Allottee for effecting any modifications, changes, variations, alterations, additions and/or deletions to the preferential issue as may be required by any regulatory or other authorities or agencies involved in or concerned with the issue of the equity shares, (ii) making applications to the stock exchanges for obtaining in-principle approvals, (iii) listing of shares, (iv) filing requisite documents with the Ministry of Corporate Affairs and other regulatory authorities, (v) filing of requisite documents with the depositories, (vi) to resolve and settle any questions and difficulties that may arise in the preferential offer, (vii) issue and allotment of the Equity Shares, and (viii) to take all other steps which may be incidental, consequential, relevant or ancillary in relation to the foregoing without being required to seek any further consent or approval of the Members of the Company, and that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution, and the decision of the Board in relation to the foregoing shall be final and conclusive.

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, if applicable 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 as detailed hereunder with following Related Parties as defined under the Act for purchase/sale of goods, services and/or any other business activities during the financial year 2023-24.

Name of related party	Maximum Amount of transaction/s for Financial year 2023-24	Type of transaction
Rhetan TMT Limited	100 crores	Purchase/sale of goods, services and/or any other business activities
Lesha Industries Limited	100 crores	Purchase/sale of goods, services and/or any other business activities
Ashok Metcast Limited	100 crores	Purchase/sale of goods, services and/or any other business activities

Gujarat Natural Resources Limited	100 crores	Purchase/sale of goods, services and/or any other business activities
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“RESOLVED FURTHER THAT the Board of Directors of the Company, be and are hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

7. To approve Loans/investment/guarantee limit up to Rs. 50 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 members 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 provide Loans/Investment/Guarantee in excess of limit of sixty percent of paid up share capital, free reserve and securities premium or one hundred percent of its free reserves and securities premium account whichever is higher, up to Rs. 50 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 providing Loans/Invetsment/Guarantee, within the aforesaid limits 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.”

8. To approve Borrowing Limit up to Rs. 50 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 the provisions of section 180(1)(c) and all other applicable provisions, if any, of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), consent of the members of the company be and is hereby accorded to the Board of Directors of the company to borrow any sum or sums of moneys from time to time notwithstanding that the money or moneys to be borrowed, together with the moneys already borrowed by the Company in the ordinary course of business, may exceed the aggregate of the paid up share capital and free reserves of the company, provided however that the total amount so borrowed by the Board of directors shall not exceed Rs. 50 Crore (Rupees Fifty Crore Only).

“RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds, matters and things as may be deemed necessary to give effect to the above resolution.

Place: Ahmedabad
Date: July 5, 2022

For and on behalf of the Board

Sd/-
Ashok C. Shah
Director
DIN: 02467830

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.)	48 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	Six
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	3986210
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 Board of Directors of the Company in their meeting held on 23/05/2017 had appointed M/s. GMCA & Co., Chartered Accountants (Firm Registration No. 109850W) as a Statutory Auditor of the Company to fill the casual vacancy caused by the resignation of M/s. Shah Shreyas & Associates, Chartered Accountants (Firm Reg. No. 130249W), to hold the office of the Statutory Auditors of the Company till the conclusion of forthcoming Annual General Meeting held in the year 2017 and to conduct Statutory audit for the financial year 2016-17. The appointment of M/s. GMCA & Co., Chartered Accountants was ratified by the members of the Company in the Extra Ordinary General Meeting held on 17/06/2017.

In continuation of the same and as per 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 held in the year 2017 till the conclusion of the Annual General Meeting to be held in the year 2022.

Further in compliance with section 139 (2) of Companies Act, 2013 and other related provisions, M/s. GMCA & Co., Chartered Accountants (Firm Registration No. 109850W) are eligible to be re-appointed as Statutory Auditor for a second term of office of 4 (four) years, subject to the approval of shareholders.

Accordingly, upon recommendation of Audit committee, the board of directors proposed to shareholders, the re-appointment of M/s. GMCA & Co., Chartered Accountants (Firm Registration No. 109850W), as Statutory Auditor of the company for a second term of 4 (four) years from conclusion of this Annual General Meeting till the conclusion of Annual General Meeting to be held in the year of 2025.

The Company has received a certificate from M/s. GMCA & Co., Chartered Accountants, confirming their eligibility to continue as Statutory Auditors of the Company in terms of the provisions of Section 139 and 141 of the Companies Act, 2013 and the Rules framed thereunder.

The Board recommends the resolution set out at Item No. 3 of the Notice for approval by the Members by way of an Ordinary Resolution.

None of the Directors or Key Managerial Personnel of the Company or their relatives are interested or concerned, financially or otherwise, in the resolution.

Item No. 4 to the Notice

The present Authorised Share Capital of the Company is Rs. 3,07,00,000/- (Rupees Three Crore Seven Lakh) divided into 3,07,00,000 (Three Crore Seven Lakh) shares of Re. 1 /- (Rupee One) each.

Considering the increased fund requirements of the Company, the Board at its Meeting held on 5th July, 2022, had accorded its approval for increasing the Authorised Share Capital from Rs. 3,07,00,000/- (Rupees Three Crore Seven Lakh) divided into 3,07,00,000 (Three Crore Seven Lakh) shares of Re. 1 /- (Rupee One) each to Rs. 10,00,00,000/- (Rupees Ten Crore) divided into 10,00,00,000 (Ten Crore) shares of Re. 1/ - (Rupee One) each, subject to approval of the members of the company.

Consequently, Clause V of the Memorandum of Association would also require alteration so as to reflect the changed Authorised Share Capital. Therefore, your directors recommend the resolution for approval as Ordinary resolution as set out in the notice of the meeting.

A copy of the amended Memorandum along with the existing MOA is available for inspection at registered office of the Company during the working hours at any working day.

The consent of the members is, therefore, being sought for passing the aforesaid resolution of the notice as an Ordinary Resolution

None of the Directors or Key Managerial Personnel of the Company or their respective relatives, are in any way concerned or interested, financially or otherwise in the said resolution.

Item No. 5 to the office

In accordance with applicable provisions of the Companies Act, 2013 (“the Act”) read with rules made thereunder along with SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 (“ICDR Regulations”) and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), as amended from time to time, the approval of Members of the Company by way of special resolution is required to issue equity shares on a preferential basis to issue 6,88,12,360 equity shares of Re. 1/- each to below mentioned proposed allottees.

Sr. No.	Name of Allottees	Number of Shares to be Allotted	Category
1.	Shalin Ashok Shah	85,00,000	Promoter
2.	Ashok Chinubhai Shah	75,00,000	Promoter
3.	TIW Systems Pvt. Ltd	1,50,00,000	Non – Promoter
4.	Babubhai G Vankar	83,77,000	Non – Promoter
5.	Kokilaben B Vankar	83,77,000	Non – Promoter
6.	Vimlaben Vishnubhai Chauhan	71,89,360	Non – Promoter
7.	Tapan Sureshsinhji Desai HUF	69,34,500	Non – Promoter
8.	Aalps Commodities LLP	69,34,500	Non – Promoter
	Total	6,88,12,360	

The disclosures in accordance with the Act and ICDR Regulations and the other applicable provisions of law, are as follows:

1. Particulars of the offer including date of passing of Board resolution and material terms of issue of securities:

The issuer is in compliance with the requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Board of Directors at its meeting held on June 29, 2022 has approved the issue and allotment of 6,88,12,360 Equity shares of the face value of Re. 1/- each at price of Rs. 1.55/- (at a premium of 0.55/- paise per Equity Share), aggregating up to Rs. 10,66,59,158/- crores to the Investors, for cash consideration, by way of a preferential issue on a private placement basis.

The provisions of Section 62 of the Companies Act, 2013 and Regulation 160(b) of the ICDR Regulations, require the Company to seek the approval of the Members by way of Special Resolution, to issue Equity shares on Preferential basis.

2. The objects of the Preferential Issue:

The Company proposes to make preferential issue of equity shares for consideration to be received in cash for below mentioned objects:

- i. To augment long term resources of the Company for current and future expansion,
- ii. Funding Working capital requirements, and;
- iii. Funding expenditure for General corporate purposes.

3. Kinds of securities offered and Number of securities to be issue:

The Company proposes to issue and allot 6,88,12,360 fully paid up equity shares of Re. 1/- each of the Company at a price of Rs 1.55/- (including a premium of 0.55/- paisa) per share, aggregating to Rs. 10,66,59,158/- crores, such share price being not less than the minimum price as on Relevant Date, as determined in accordance with Chapter V of ICDR Regulations.

4. Material terms of raising such securities:

The Equity Shares being issued shall be pari-passu with the existing Equity Shares of the Company in all respects, including dividend and voting rights.

5. The change in control, if any, in the Company that would occur consequent to the Preferential Issue, and the percentage of post preferential issue capital that may be held by the allottee:

There will be no change in control in the Company consequent to the completion of the Preferential Issue to the Investor

6. Basis or justification on which the price (including premium, if any) has been arrived at along with report of the registered valuer:

As the equity shares of the Company are listed on BSE Limited ("BSE"), the equity shares are frequently traded on BSE in terms of the ICDR Regulations. Hence as per regulation 164 (1) of SEBI (ICDR), Regulation 2018 and as calculated by Mr. A. N. Gawade, Registered Valuer, having Reg. No. IBBI/RV/05/2019/10746 vide its valuation report dated 4th July, 2022, Price at which the Equity Shares shall be issued and allotted is Rs. 1.55/- per share being higher of the following:

- Volume weighted average price of the equity shares of the Company quoted on BSE, during the 90 trading days preceding the Relevant Date, i.e. Rs. 1.49/- per equity share or
- Volume weighted average price of the equity shares of the Company quoted on BSE, during the 10 trading days preceding the Relevant Date i.e. Rs. 1.55/- per equity share.

The pricing of the Equity of the said equity shares to be allotted on preferential basis is Rs. 1.55/- per share which is not less than the Price determined in the manner set out above.

7. Relevant date with reference to which the price has been arrived at:

In accordance with the provisions of ICDR Regulations, the "Relevant Date" for the purpose of calculating the price of Equity Shares to be issued and allotted in terms hereof by the Company shall be July 4, 2022, being the date 30 days prior to the date of this Annual General Meeting scheduled to be held on August 3, 2022.

8. The class or classes of persons to whom the allotment is proposed to be made:

The allotment is proposed to be made to Promoter of the Company and also to Non-Promoters.

9. Intention of promoters, directors or key managerial personnel of the Company to subscribe to the offer:

The details of allotment to be made to promoters/promoter group or directors or key managerial/management personnel of the Company are mentioned below:

Sr. No.	Name of Allottees	Number of Shares to be Allotted	Category	Amount to be raised (Rs.)
1.	Shalin Ashok Shah	85,00,000	Promoter	1,31,75,000
2.	Ashok Chinubhai Shah	75,00,000	Promoter	1,16,25,000

None of the other Promoters, Directors or Key Managerial Personnel of the Company intends to subscribe to any of the Equity Shares proposed to be issued under the preferential issue.

10. The proposed time within which the Preferential Issue/allotment shall be completed:

The allotment of Equity Shares shall be completed within a period of 15 days from the date of passing of the resolution by the shareholders provided that where the allotment is pending on account of pendency of any approval from any regulatory authority/body, the allotment shall be completed by the Company within a period of 15 days from the date of such approvals.

11. The names of the proposed allottees and the identity of the natural persons who are the ultimate beneficial owners of the equity shares proposed to be allotted and/or who ultimately control the proposed allottees, the percentage of post Preferential Issue capital that may be held by them, if any, in the issuer consequent to the Preferential Issue:

Sr. No.	Name of Allottees	Ultimate Beneficial Owners	Post Allotment status of Allottees	Shareholding			
				Pre Allotment of Equity shares on preferential basis		Post Allotment of Equity Shares on preferential basis	
				No. of Shares	% of holding	No. of Shares	% of holding
1.	Shalin Ashok Shah	Shalin Ashok Shah	Promoter	39,86,210	13.20	1,24,86,210	12.61
2.	Ashok Chinubhai Shah	Ashok Chinubhai Shah	Promoter	15,24,010	5.05	90,24,010	9.12
3.	TIW Systems Pvt. Ltd.	<ul style="list-style-type: none"> Jayshree A. Mehta Malav A. Mehta 	Non-Promoter	13,43,520	4.45	1,63,43,520	16.51
4.	Babubhai G Vankar	Babubhai G Vankar	Non-Promoter	45,910	0.15	84,22,910	8.51
5.	Kokilaben B Vankar	Kokilaben B Vankar	Non-Promoter	51,490	0.17	84,28,490	8.51
6.	Vimlaben Vishnubhai Chauhan	Vimlaben Vishnubhai Chauhan	Non-Promoter	33,870	0.11	72,23,230	7.30
7.	Tapan Sureshsinhji Desai HUF	Tapan Sureshsinhji Desai, Karta	Non-Promoter	0	0.00	69,34,500	7.00
8.	Aalps Commodities LLP	<ul style="list-style-type: none"> Rakesh B. Lahoti Rupa R. Nuwal 	Non-Promoter	0	0.00	69,34,500	7.00

12. The number of persons to whom allotment on preferential basis have already been made during the year, in terms of number of securities as well as price:

Except the Preferential Issue as proposed in the resolution as set in the accompanying Notice, the Company has not made any other issue or allotment of securities on preferential basis during the year.

13. Details of Valuer and Valuation report of the registered value:

As the equity shares of the Company are listed on BSE Limited (“BSE”), and the equity shares are frequently traded on BSE in terms of the ICDR Regulations.

Hence as per regulation 164 (1) of SEBI (ICDR) Regulation 2018, the company has obtained valuation report from Mr. A. N. Gawade, Registered Valuer, having Reg. No. IBBI/RV/05/2019/10746 and his office at 7, Saraswati Heights, Behind Café Goodluck, Deccan Gymkhana, Pune - 411004, who had calculated Price to Subscribe the said Equity Shares as Rs. 1.55/- per equity share vide his valuation report dated 4th July, 2022.

14. Auditors' Certificate:

A copy of certificate from the Statutory Auditors of the Company certifying that the above issue of equity shares is being made in accordance with the ICDR Regulations, shall be placed before the shareholders of the Company at the Annual General Meeting and will also be open for inspection by the Members.

15. Lock-in:

The Equity proposed to be issued and allotted shall be locked-in for such period as specified under Regulations 167 and 168 of the SEBI ICDR Regulations.

The entire pre-preferential issue shareholding of allottees wherever applicable shall be locked-in up to a period of 90 trading days from the date of trading approval as per regulation 167 (6) of SEBI ICDR Regulations.

16. As the Equity Shares have been listed for a period of more than twenty-six weeks as on the Relevant Date, the provisions of Regulation 164(3) of SEBI, ICDR Regulations governing re-computation of the price of shares shall not be applicable.

17. Company Secretary's Certificate:

The certificate from Mr. Chintan K. Patel, Practicing Company Secretary, certifying that the Preferential Issue is being made in accordance with the requirements contained in the SEBI ICDR Regulations shall be made available for inspection by the Members during the meeting and will also be made available on the Company's website and will be accessible at link: www.ashnisha.in

18. Undertakings:

a) None of the Company, its Directors or Promoters have been declared as willful defaulter or fraudulent borrower as defined under the SEBI ICDR Regulations. None of its Directors or Promoter is a fugitive economic offender as defined under the SEBI ICDR Regulations.

b) The Company is eligible to make the Preferential Issue to its Investor under Chapter V of the SEBI ICDR Regulations.

c) As the Equity Shares have been listed for a period of more than ninety days as on the Relevant Date, the provisions of Regulation 164(3) of SEBI ICDR Regulations governing re-computation of the price of shares shall not be applicable.

d) The Company is in compliance with the conditions for continuous listing of Equity Shares as specified in the listing agreement with the Stock Exchanges and the Listing Regulations, as amended and circulars and notifications issued by the SEBI thereunder.

19. Pre and Post Preferential Issue Shareholding Pattern of the Company:

The shareholding pattern of the Company pre and post preferential allotment is given below:

Sr. No.	Category	No. of Share holder	PAN	Pre Allotment shareholding		No. of Share holder	Post Allotment Shareholding	
				No. of Shares	% of Holding		No. of Shares	% of Holding
(A)	Promoters & Promoter Group							
	Indian							
1	Individual/HUF							
	Shalin Ashok Shah	1	AEQPS9910M	39,86,210	13.20	1	1,24,86,210	12.61
	Ashok Chinubhai Shah	1	AFGPS2827G	15,24,010	5.05	1	90,24,010	9.12
	Leena Ashok Shah	1	AFGPS2826H	9,25,080	3.06	1	9,25,080	0.93
	Sub Total (A)(1)	3		6435300	21.32	3.00	22435300	22.66
2	Bodies corporate							
	Lesha Ventures Private Limited	1	AACCL1961A	27,46,000	9.10	1	27,46,000	2.77
	Rhetan Rolling Mills Pvt.Ltd	1	AACCS6850M	14,55,840	4.82	1	14,55,840	1.47
	Ashoka Metcast Ltd	1	AADCT7220M	2,01,970	0.67	1	2,01,970	0.20
	Sub Total (A)(2)	3		4403810	14.59	3.00	4403810	4.45
	Sub Total (A)	6		10839110	35.91	6.00	26839110	27.11
(B)	Public Holding							
1	Institutions							
	Mutual Funds / UTI							
	Financial Institution/Bank	1		950	0	1	950	0.00

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	Foreign Institutional Investor							
	Sub Total B (1)	1		950	0	1	950	0.00
2	Non Institutions							
	Bodies corporate	68		56,62,600	18.76	69	2,75,97,100	27.88
	More than 1 % of shareholding							
	MIDRINA OIL AND GAS SERVICES PVT. LTD.	1	AAF2219K	13,43,520	4.45	1	13,43,520	1.36
	TIW SYSTEMS PVT. LTD	1	AACCT8303L	13,43,520	4.45	1	1,63,43,520	16.51
	SURYAJA INFRASTRUCTURE PVT. LTD.	1	AANCS1841B	13,43,520	4.45	1	13,43,520	1.36
	ADVANCED ENERGY RESOURCES & MANAGEMENT PRIVATE LIMITED	1	AAGCA7788J	4,57,920	1.52	1	4,57,920	0.46
	SHAURYA ORGANICS PRIVATE LIMITED	1	AACCS1382C	3,43,520	1.14	1	3,43,520	0.35
	AALPS Commodities LLP	0	ABIFA4883C	0	0	1	69,34,500	7
	Individual							
	Individual shareholders holding nominal share capital up to Rs. 2 Lakh	7392		77,48,080	25.67	7389	76,16,810	7.69
	Individual shareholders holding nominal share capital in excess of Rs. 2 Lakh	9		56,75,760	18.8	12	2,97,50,390	30.05

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More than 1 % of shareholding								
HITESH JAGDISH PANARA	1	ATFPP6990G	28,51,200	9.44	1	28,51,200	2.88	
CHEVVU SREENIVASULA REDDY	1	CCWPC6727J	7,80,000	2.58	1	7,80,000	0.79	
UTTAMBHAI PUKHRAJ JAIN	1	AGWPJ8248B	5,00,000	1.66	1	5,00,000	0.51	
BABUBHAI G VANKAR	1	AJFPV4055L	45,910	0.15	1	84,22,910	8.51	
KOKILABEN B VANKAR	1	AJFPV4075Q	51,490	0.17	1	84,28,490	8.51	
VIMLABEN VISHNUBHAI CHAUHAN	1	AKRPC7410R	33,870	0.11	1	72,23,230	7.30	
HUF	40		1,53,990	0.51	41	70,88,490	7.16	
TAPAN SURESHSINHJI DESAI- HUF	1	AAAHT6607C	0	0	1	69,34,500	7.00	
Clearing Members	8		83,570	0.28	8	83,570	0.08	
NRI	5		23,580	0.08	5	23,580	0.02	
Sub Total B (2)	7522		1,93,47,580	64	7524	7,21,59,940	73	
Total B=B(1) + B(2)	7523		1,93,48,530	64	7525	7,21,60,890	73	
Grand Total (A+B)	7529		3,01,87,640	100	7531	9,90,00,000	100	

In accordance with the provisions of Sections 23, 42 and 62 of the Act read with applicable rules thereto and relevant provisions of the SEBI ICDR Regulations, approval of the Members for issue and allotment of the said Equity Shares to Investor is being sought by way of a special resolution as set out in the said item no. 5 of the Notice.

The Board of Directors believes that the proposed Preferential Issue is in the best interest of the Company and its Members and, therefore, recommends the resolution at Item No. 5 of the accompanying Notice for approval by the Members of the Company as a Special Resolution.

None of the Directors, Key Managerial Personnel or their relatives thereof are in any way financially or otherwise concerned or interested in the passing of this Special Resolution as set out at Item No. 5 of this notice except and to the extent of their shareholding in the Company.

Documents referred to in the notice/ explanatory statement will be available for inspection by the Members of the Company as per applicable law.

Item No. 6 to the Notice

The Audit Committee and the Board of Directors of the Company, at their respective meetings held on 5th July, 2022 has approved a proposal for entering into following related party transactions:

Name of Related Party	Rhetan TMT Limited Leshia Industries Limited
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	Ashoka Metcast Limited Gujarat Natural Resources Limited
Name of Related Director or KMP	Mr. Ashok C. Shah, Mr. Shalin A. Shah, Mrs. Daxaben Mahendrakumar Shah and Mr. Chandrakant Chauhan
Nature of relationship	<p>Mr. Shalin A. Shah, Director of the Company is also Director of Lesha Industries Limited and Ashoka Metcast Limited and Managing Director of Gujarat Natural Resources Limited and Rhetan TMT Limited.</p> <p>Mr. Ashok C. Shah, Director of the Company is also Managing Director of Lesha Industries Limited and Ashoka Metcast Limited and Director of Rhetan TMT Limited and Gujarat Natural Resources Limited.</p> <p>Mrs. Daxaben Mahendrakumar Shah, Independent Director is also Independent Director of Lesha Industries Limited and Ashoka Metcast Limited.</p> <p>Mr. Chandrakant Chauhan, Independent Director is also Independent Director of Lesha Industries Limited and Gujarat Natural Resources Limited.</p> <p>Mrs. Payal Hitesh Donga, Chief Financial Officer of the Company is wife of Mr. Hitesh M. Donga, Chief Financial Officer of Gujarat Natural Resources Limited.</p>
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 transactions shall be as stated in the resolution 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, if applicable and the applicable rules there under 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. Shalin A. Shah and Mr. Ashok C. Shah, Directors of the Company; Mrs. Daxaben Mahendrakumar shah and Mr. Chandrakant Chauhan, Independent Directors of the company and Mrs. Leena A. Shah, Relative of Director; Lesha Ventures Private Limited, Rhetan TMT Limited and Ashoka Metcast Ltd., Company 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 to the Notice

The Company propose to give and/or make Loans/investment/guarantee from time to time as per the business requirements. In view of the above and considering the long term business plans of the Company, which requires the Company to make sizeable Loans/ investment/guarantee bodies corporate, from time to time prior approval of the Members is being sought for enhancing the said limits as mentioned in section 186 of companies act, 2013.

As per section 186 of the Companies Act, 2013 the Board of Directors of a company could give Loans/investment/guarantee to any Body Corporate in excess of limit of sixty percent of paid up share capital, free reserve and securities premium or one hundred percent of its free reserves and securities premium account whichever is higher by way of passing Special Resolution in General Meeting. Accordingly, the Board of Directors in its meeting held on 5th July, 2022 approved increasing the aforesaid threshold by Rs. 50 Crores (Rupees Fifty Crores only) over and above the limit specified under section 186 of the Companies Act, 2013.

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

Item No. 8 to the Notice

As per the provisions of section 180(1)(c) of the Companies Act, 2013 the Board of directors of a company could borrow money together with the moneys already borrowed by the Company in the ordinary course of business, to the extent of paid up share capital and free reserves of the company and for borrowing moneys in excess of the Paid up share capital and Free reserves, the approval of the members of the company in General Meeting by way of Special resolution has to be obtained.

And as you know that for business and operational purpose of company, Company borrow funds and may borrow funds from time to time and so therefore it is required to obtain approval of the members by way of special resolution in general meeting to authorize to the Board to borrow funds in excess of the paid up share capital and free reserves.

So, your board decided to increase the limit of borrow fund upto Rs. 50 Crore and recommend passing of this resolution by way of a Special resolution.

None of the directors, key managerial personnel and relatives of directors and/or key managerial personnel (as defined in the Companies Act, 2013) are concerned or interested in the proposed resolution, except in the ordinary course of business and extent to their shareholding.

Place: Ahmedabad

Date: July 5, 2022

For and on behalf of the Board

Sd/-

Ashok C. Shah

Director

DIN: 02467830

NOTES:

1. As you are aware, in view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020, Circular No. 20/2020 dated May 05, 2020 Circular No. 02/2021 dated January 13, 2021 and all other relevant circulars issued from time to time, physical attendance of the Members to the AGM venue is not required and general meeting be held through video conferencing (VC) or other audio visual means (OAVM). The forthcoming Annual General Meeting will thus be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing Annual General Meeting through VC/OAVM.
2. 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 MCA Circulars 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 Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
3. The Members can join the AGM in the VC/OAVM mode 30 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 to atleast 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 ascertaining 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 facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.
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 websites of the Stock Exchanges i.e. BSE Limited at www.bseindia.com. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. www.evotingindia.com.
7. The 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 8, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020 and MCA Circular No. 2/2021 dated January 13,2021.

8. In continuation of this Ministry's General Circular No. 20/2020, dated 05th May, 2020 and after due examination, it has been decided to allow companies whose AGMs were due to be held in the year 2020, or become due in the year 2021, to conduct their AGMs on or before 31.12.2021, in accordance with the requirements provided in paragraphs 3 and 4 of the General Circular No. 20/2020 as per MCA circular no. 02/2021 dated January,13,2021.
9. 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 Depository Participants (DPs).

THE INTRUCTIONS OF SHAREHOLDERS FOR E-VOTING AND JOININGVIRTUAL MEETINGSARE AS UNDER:

Step 1 : Access through Depositories CDSL/NSDLe-Voting system in case of individual shareholders holding shares in demat mode.

Step 2 : Access through CDSL e-Voting system in case of shareholders holding shares in physicalmode and non-individual shareholders in demat mode.

- (i) The voting period begins on **31st July, 2022 at 09:00 AM** and ends on **02nd August, 2022 at 05:00 PM**. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date **29th July, 2022** may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020**, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

- (iv) In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to **all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants**. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

Step 1 : Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

- (v) In terms of **SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020** on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to abovesaid SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode CDSL/NSDL is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL Depository	<ol style="list-style-type: none"> 1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi. 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the e-voting is in progress as per the information provided by company. On clicking the e-voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there are also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly. 3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page or click on https://evoting.cdslindia.com/Evoting/EvotingLogin The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-voting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders holding securities in demat mode with NSDL Depository	<ol style="list-style-type: none"> 1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsd.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com. Select "Register Online for IDeAS" "Portal" or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp

	<p>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting</p>
Individual Shareholders (holding securities in demat mode) login through their Depository Participants (DP)	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p>

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30

Step 2 : Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

- (vi) Login method for e-Voting and joining virtual meetings for **Physical shareholders and shareholders other than individual holding in Demat form.**

- 1) The shareholders should log on to the e-voting website www.evotingindia.com.
- 2) Click on “Shareholders” module.
- 3) Now enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- 4) Next enter the Image Verification as displayed and Click on Login.
- 5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
- 6) If you are a first-time user follow the steps given below:

For Physical shareholders and other than individual shareholders holding shares in Demat.	
PAN	Enter your 10digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> • Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> • If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.

- (vii) After entering these details appropriately, click on “SUBMIT” tab.
- (viii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (ix) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (x) Click on the EVSN for the Ashnisha Industries Limited on which you choose to vote.
- (xi) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiii) After selecting the resolution, you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xiv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xv) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.

- (xvi) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvii) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.
- (xviii) **Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the “Corporates” module.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
 - It is Mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
 - Alternatively Non Individual shareholders are required mandatory to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; **ashnishalimited@gmail.com**, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:

1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. 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.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast **10 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at **ashnishalimited@gmail.com**. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance **10 days prior to meeting** mentioning their name, demat account number/folio number, email id,

mobile number at ashnishalimited@gmail.com. These queries will be replied to by the company suitably by email.

8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. Only those shareholders, who are 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 available during the AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders may be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email ashnishalimited@gmail.com.

2. For Demat shareholders -, Please update your email id & mobile no. with your respective **Depository Participant (DP)**

3. **For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.**

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact toll free no. 1800 22 55 33

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, MarathonFuturex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call toll free no. 1800 22 55 33.

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, 2022.

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

Financial Results Particulars	Amount in Rs.			
	Year ended 31/03/2022		Year ended 31/03/2021	
	Standalone	Consolidated	Standalone	Consolidated
Total Revenue	50,29,879	11,27,98,615	-	10,80,09,127
Expenditure	63,50,775	9,07,03,473	8,44,597	9,81,72,096
Depreciation	33,243	98,08,178	1,04,568	1,69,59,812
Profit/(Loss) before Tax	(13,54,139)	1,22,86,964	(9,49,165)	(71,22,781)
Current Tax	-	26,08,926	-	-
Deferred Tax	-	54,60,204	-	(2,28,899)
Profit/(Loss) after Tax	(13,54,139)	42,17,834	(9,49,165)	(68,93,882)

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. 8, 86,08,243 /- as compared to Rs. 8,99,62,383/- at the beginning of the year.

5. SHARE CAPITAL:

The Company has only one class of shares – equity shares with face value of Rs.10/- each as on 31st March, 2022. The authorized share capital of the company is Rs. 3,07,00,000/- divided into 30,70,000 equity shares of Rs. 10/- each and the paid up share capital of the company was Rs. 3,01,87,640/- divided into 30,18,764 equity shares of Rs. 10/- each as on March 31, 2022.

However, subsequent to the closure of the financial year ended on 31st March, 2022 the company has sub divided its Equity Shares of face value of Rs. 10/- (Rupees Ten only) each fully paid up into 10 (Ten) Equity Shares of face value of Re. 1/- (Rupee One only) each fully paid up w.e.f. Record Date i.e. June 23, 2022 and hence as on the date of this report the authorized share capital of the company is Rs 3,07,00,000/- divided into 3,07,00,000 equity shares of face value of Re. 1/- each and the paid up share capital of the company is Rs. 3,01,87,640 /- divided into 3,01,87,640 equity shares of face value of Re. 1/- 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. The information pertaining to foreign exchange income or outgo during the year is given in **ANNEXURE – I**.

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

Subsequent to the close of the financial year of the Company to which the balance sheet relates, the Company has sub-divided its Equity Shares of face value of Rs. 10/- (Rupees Ten only) each fully paid up into 10 (Ten) Equity Shares of face value of Re 1/- (Rupee One only) each fully paid up w.e.f. Record Date i.e. June 23, 2022 and hence as on the date of this report the authorized share capital of the company is Rs 3,07,00,000/- divided into 3,07,00,000 equity shares of face value of Re 1/- each and the paid up share capital of the company is Rs. 3,01,87,640 /- divided into 3,01,87,640 equity shares of face value of Re. 1/- each.

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

9. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS:

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

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

The Company has one subsidiary viz Adzillow Private Limited (formerly known as EZI Ventures Private Limited)

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, 6 (Six) 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.	30/06/2021	Shalin A. Shah	Ashok C. Shah	Chandrakant N. Chauhan	Daxaben M. Shah
2.	13/08/2021	Shalin A. Shah	Ashok C. Shah	Chandrakant N. Chauhan	Daxaben M. Shah
3.	04/09/2021	Shalin A. Shah	Ashok C. Shah	Chandrakant N. Chauhan	Daxaben M. Shah
4.	13/11/2021	Shalin A. Shah	Ashok C. Shah	Chandrakant N. Chauhan	Daxaben M. Shah
5.	14/02/2022	Shalin A. Shah	Ashok C. Shah	Chandrakant N. Chauhan	Daxaben M. Shah
6.	28/02/2022	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. WEBLINK OF ANNUAL RETURN:

Pursuant to Section 92(3) read with section 134(3)(a) of the Companies Act, 2013, copies of the Annual Returns of the Company prepared in accordance with Section 92(1) of the Companies Act, 2013 read with Rule 11 of the Companies (Management and Administration) Rules, 2014 are placed on the website of the Company and is accessible at the web link: www.ashnisha.in.

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 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.

However Mr. Ashok Chinubhai Shah, Managing Director (DIN: 02467830) unwilling to continue as Managing Director due to pre occupancy elsewhere with effect from 29th June, 2022. We further like to confirm that there was no other material reason for his resignation and he will continue as Non-Executive and Non-Independent Director of the company.

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 21/03/2022 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 sanalysis 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, 2022.

The statement containing particulars of employees as required under Section 197 (12) of the Companies Act, 2013 read with Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms part of this Report as **ANNEXURE - II**.

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 21, 2022.

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 2021-22, audit committee meetings were held on 30/06/2021, 13/08/2021, 13/11/2021 & 14/02/2022. Composition of committee as on 31st March, 2022 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 (DIN: 08057354)	Chairman	Non-Executive Independent Director
2	Mrs. Daxaben M. Shah (DIN: 08054390)	Member	Non- Executive Independent Director

3	Mr. Shalin A. Shah (DIN: 00297447)	Member	Non-Executive Director
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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 (DIN: 08054390)	Chairperson	Non- Executive Independent Director
2	Mr. Shalin A. Shah (DIN: 00297447)	Member	Non- Executive Director
3	Mr. Chandrakant N. Chauhan (DIN: 08057354)	Member	Non- Executive Independent Director

In the financial year 2021-22, one meeting of Nomination and Remuneration committee was held on 28/02/2022.

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 (DIN: 08054390)	Chairperson	Non- Executive Independent Director
2	Mr. Ashok C. Shah (DIN: 02467830)	Member	Executive Director
3	Mr. Chandrakant N. Chauhan (DIN: 08057354)	Member	Non- Executive Independent Director

In the financial year 2021-22, four meetings of Stakeholders' Relationship were held on 30/06/2021, 13/08/2021, 13/11/2021 & 14/02/2022.

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**

The appointment of M/s. GMCA & Co., Chartered Accountants was ratified by the members of the Company in the Extra Ordinary General Meeting held on 17/06/2017. In continuation of the same and as per 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 held in the year 2017 till the conclusion of the Annual General Meeting to be held in the year 2022.

Further in compliance with section 139 (2) of Companies Act, 2013 and other related provisions, M/s. GMCA & Co., Chartered Accountants (Firm Registration No. 109850W) are eligible to be re-appointed as Statutory Auditor for a second term of office of 4 (four) years, subject to the approval of members in this Annual General Meeting.

Accordingly, upon recommendation of Audit Committee, the board of directors proposed to shareholders, the re-appointment of M/s. GMCA & Co., Chartered Accountants (Firm Registration No. 109850W), as Statutory Auditor of the company for a second term of 4 (four) years from conclusion of this Annual General Meeting till the conclusion of Annual General Meeting to be held in the year of 2026.

The Company has received a consent from M/s. GMCA & Co., Chartered Accountants, confirming their eligibility to continue as Auditors of the Company in terms of the provisions of Section 139 and 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 31, 2022 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 III**.

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, 2022 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 2021-22 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 - IV**.

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 V**.

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: July 5, 2022

For and on behalf of the Board

Sd/-

Ashok Shah

Director

DIN: 02467830

Sd/-

Shalin A. Shah

Director

DIN: 00297447

MANAGEMENT DISCUSSION AND ANALYSIS REPORT➤ **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. 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 litnessess.

➤ **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 2021-22 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 13.54 Lakhs, the company had not generated any revenue from operations. Cash and cash equivalents at the end of year stood at Rs. 1.93 Lakhs.

➤ **DETAILS OF SIGNIFICANT CHANGES IN KEY FINANCIAL RATIOS:**

Particulars	Consolidated		Standalone	
	2021-22	2020-21	2021-22	2020-21
Debtors Turnover Ratio	1.25	0.71	0.00	0.00
Inventory Turnover Ratio	6.11	1.05	0.00	0.00
Interest coverage ratio	212.59	-6.16	0.00	0.00
Current Ratio	5.32	3.07	8.12	7.71
Debt Equity Ratio	0.04	0.03	0.15	0.14
Operating Profit Margin	-0.63	-6.03	0.00	0.00
Net Profit Margin	4.68	-6.78	0.00	0.00
Return on Net worth	0.01	-0.01	-0.01	-0.01
P/E Ratio	1.06	-1.80	-3.30	-13.10

➤ **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: July 5, 2022

For and on behalf of the Board

Sd/-
Ashok Shah
Director
DIN: 02467830

Sd/-
Shalin A. Shah
Director
DIN: 00297447

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

	2021-22	2020-21
Foreign Exchange Earning	Nil	Nil
Foreign Exchange out go	Nil	Nil

Place: Ahmedabad**Date: July 5, 2022****For and on behalf of the Board**

Sd/-
Ashok Shah
Director
DIN: 02467830

Sd/-
Shalin A. Shah
Director
DIN: 00297447

ANNEXURE-II 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 2021-22 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 2021-22	Remuneration to the Director / KMP for the Financial Year 2020-21	Percentage increase / decrease in remuneration in the Financial Year 2021-22	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 2021-22.
- iv. There was one permanent employee on the rolls of the Company during the year ended 31st March, 2022.
- 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.**
- vii. The Market Capitalization as on 31st March, 2022 was Rs. 460.97 as compared to Rs. 124.37 lakhs as on March 31, 2022. Price Earnings Ratio of the Company was -3.30 as on 31st March, 2022 as against -13.30 as on 31st March, 2021.
- viii. There is no variable component in remuneration of Directors of the Company.
- ix. The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year — **N.A.**
- x. It is hereby affirmed that the remuneration paid is as per the Remuneration Policy of the Company.

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

Place: Ahmedabad

Date: July 5, 2022

For and on behalf of the Board

Sd/-
Ashok Shah
Director
DIN: 02467830

Sd/-
Shalin A. Shah
Director
DIN: 00297447

ANNEXURE – III TO THE DIRECTORS REPORT**FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2022**

[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:L74110GJ2009PLC057629) 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, 2022** 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, 2022** 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; **[Not Applicable to the Company during the Audit Period]**
 - (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, 2021.
- 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 had appointed Mrs. Payal Hitesh Donga as Chief Financial Officer of the Company with effect from 28/02/2022.

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: July 5, 2022

SD/-

Chintan K. Patel

Practicing Company Secretary

UDIN: A031987D000570877

Mem. No.: A31987

COP No.: 11959

PR No. 2175/2022

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: July 5, 2022

SD/-
Chintan K. Patel
Practicing Company Secretary
UDIN: A031987D000570877
Mem. No.: A31987
COP No.: 11959
PR No. 2175/2022

ANNEXURE – IV 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. 11,97,56,022/- (Rupees Eleven Crore Ninety Seven Lakhs Fifty Six Thousand Twenty Two Only) as on the last day of the previous financial year i.e. 31st March, 2021. Therefore it is not required to submit Report on Corporate Governance.

Place: Ahmedabad
Date: July 5, 2022

For and on behalf of the Board

Sd/-
Ashok Shah
Director
DIN: 02467830

ANNEXURE – V 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, 2022	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	1,13,34,500	2,07,79,500

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: July 5, 2022

For and on behalf of the Board

Sd/-
Ashok Shah
Director
DIN: 02467830

Part "A": Subsidiaries

1	Name of the subsidiary	Adzillow Private Limited (formerly known as EZI Ventures Private Limited)
2	The date since when subsidiary was acquired	August 16,2018
3	Reporting period for the subsidiary	2021-22
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	4086.23
7	Total assets	5062.91
8	Total Liabilities	475.08
9	Investments	0.19
10	Turnover	1077.69
11	Profit/(loss) before taxation	136.41
12	Provision for taxation	(80.69)
13	Profit/(loss) after taxation	55.72
14	Proposed Dividend	--
15	% of shareholding	56.82% 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.

Independent Auditors' Report

To,
The Members,
Ashnisha Industries Limited

Opinion

We have audited the accompanying financial statements of Ashnisha Industries Limited ("the Company"), which comprise the balance sheet as at March 31, 2022, and the Statement of Profit and Loss and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, its loss and cash flows for the year ended on that date.

Basis for opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013, as amended ("the Act"). Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Standalone Financial Results" section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion.

Management's Responsibilities for the Standalone Financial Results

The Statement has been prepared based on the annual standalone financial statements for the year ended March 31, 2022. The Board of Directors of the Company are responsible for the preparation and presentation of the Statement that give a true and fair view of the loss and other comprehensive income and other financial information in accordance with the applicable accounting standards prescribed under Section 133 of the Act read with relevant rules issued there under and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing Statement, the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Results

Our objectives are to obtain reasonable assurance about whether the Statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken based on this Statement.

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

Identify and assess the risks of material misstatement of the Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis

for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to these financial results, in place and the operating effectiveness of such controls.

Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.

Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and of its Joint Venture to cease to continue as a going concern.

Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the financial results represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143 (11) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143(3) of the Act, we report that:
 - a. We have obtained all information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. In our opinion proper books of account as required by Law have been kept by the Company so far as appears from our examinations of those books;
 - c. The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement, dealt with by this Report are in agreement with the books of account;
 - d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standard) Rules, 2015, as amended.
 - e. Based on written representations received from the directors as on 31/03/2022 and taken on record by the Board of Directors, none of the directors are disqualified as on 31/03/2022, from being appointed as a director in terms of sub-section (2) of section 164 of the Companies Act, 2013.

**For, G M C A & Co.
Chartered Accountants
FRN: 109850W**

**CA Mitt S. Patel
Partner**

**Place : Ahmedabad
Date : 30.05.2022**

**Membership No.: 163940
UDIN : 22163940AJWQXP2541**

**Reports under The Companies (Auditor's Report) Order, 2020 (CARO 2020)
for the year ended on 31st March, 2022**

To,
The Members of Ashnisha Industries Limited

(1) Details of tangible and intangible assets

- Whether the records maintained by the company display the complete particulars on the details, quantity and situation of tangible and intangible assets.
- Yes
- Whether the management has carried out physical verification of the assets at different intervals reasonable with the size of the company.
- Yes
- Whether the material discrepancies, if any, noticed on physical verification have been accounted for in the books of accounts.
- Yes
- Whether the title deeds pertaining to the immovable properties (except properties which are leased by the company with duly executed lease agreements in the company's favor) disclosed in the financial statements are held in the name of the company.
- No such immovable properties exist.
- If the title deeds are not held in the name of the company, the below details should be provided

Description of a property	Gross carrying value	Held in the name of	Whether promoter, director or their relative or employee	Period held: indicate a range, where appropriate	Reason for not being held in the name of company
N.A.	N.A.	N.A.	N.A.	N.A.	N.A.

- Whether a revaluation has been done by the company of its property, plant and equipment (including the right of use assets) or intangible assets or both during the year and, if so, whether the revaluation is based on the valuation by a Registered Valuer.
- No revaluation has been done during the year.
- In case of a change in values upon revaluation, specify the amount of change, if the change is 10% or more in the aggregate of the net carrying value of each class of property, plant and equipment or intangible assets.
- No revaluation has been done during the year. So not applicable
- Whether any proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder. If yes, whether the company has appropriately disclosed the details in its financial statements.
- As per what the Management said, no such proceedings are going on.

(2) Details of inventory and working capital

- Whether the management has carried out physical verification of inventory at reasonable intervals.
- Yes
- If any discrepancies of 10% or more in the aggregate for each class of inventory were noticed and if so, whether they have been properly dealt with in the books of accounts.
- As per what Management said, no such discrepancies were observed.
- Has the company, during any point of time of the year, sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets.
- During the year no new loan has been sanctioned.

- Are the quarterly returns or statements filed by the company with financial institutions or banks in agreement with the books of account of the Company. In case of non-agreement, to provide details of such non-agreement.

- **Yes, wherever applicable.**

(3) Details of investments, any guarantee or security or advances or loans given

- If the company has during the year made any investments in, given any guarantee or security or granted any loans or advances which are characterized as loans, unsecured or secured, to LLPs, firms or companies or any other person.

- **Yes**

- If the company has provided advances or provided loans which are characterized as loans, or given guarantee, or given security to any other entity (other than a company carrying on a business of providing loans), the below information should be furnished:

- ▶ The total amount given during the year, and the balances due as at the balance sheet date with respect to such loans or advances and guarantees or security to persons other than associates, subsidiaries and joint ventures.

▶

Sr. No.	Name Outstanding	Nature of the Transaction	Amount
1	Akhil Retail Pvt Ltd	Loan Given	4,13,94,500
		Loan Repaid	NIL
		Closing Balance as at 31/03/2022	4,25,52,198
2	Rhetan TMT Limited	Loan Given	2,07,79,500
		Loan Repaid	1,41,54,749
		Closing Balance as at 31/03/2022	1,13,34,500
3	Shaurya Organic Pvt Ltd	Loan Given	16,50,000
		Loan Repaid	15,00,000
		Closing Balance as at 31/03/2022	1,50,000

- ▶ The total amount during the year, and the balance due on the balance sheet date of such loans or advances and guarantees or security to associates, subsidiaries and joint ventures.

- **Not Applicable**

- In the case of investments made, guarantee or security provided, loans or advances granted (as mentioned above), the report should indicate:

- ▶ Whether the investments made, guarantees provided, security given and the terms and conditions of the grant of all loans and advances in the nature of loans and guarantees provided are not prejudicial to the company's interest.

- **Yes, they are not prejudicial to the company's interest.**

- ▶ In respect of loans and advances in the nature of loans, whether the schedule of repayment of principal and payment of interest has been stipulated and whether the repayments or receipts are regular.

- **Loans are Interest Free which is violation of Section 186(7) of the Act.**

- ▶ If the amount is overdue, state the total amount overdue for more than ninety days, and whether reasonable steps have been taken by the company for recovery of the principal and interest.

- As there is no specific guideline regarding repayment, cannot derive the value of amount overdue.

- In case any loan or advance in the nature of a loan is given which was due for repayment during the year and has been renewed or extended or fresh loans granted to settle the overdue of existing loans given to the same parties. If yes, specify the total amount of such dues renewed or extended or settled by fresh

loans and the percentage (proportion) of the total to the total loans or advances granted during the year (other than companies whose principal business is to grant loans).

- No such discrepancies were observed.

- In case the company has given any loans or advances in the nature of loans either repayable on demand or without specification of any terms or period of repayment. If so, to specify the total amount, percentage thereof to the total loans granted, the total amount of loans granted to promoters, related parties as defined section 2(76) of the Companies Act, 2013.

- Loans given are without specific instructions.

(4) Compliance in respect of a loan to directors

- If the company has given any loans to directors or any other person in whom the director is interested, or made any investments, whether the company has made compliance with the provisions governing such loans, investments and guarantees.

- No such loans were granted.

(5) Compliance in respect of deposits accepted

- In case the company has accepted deposits or deemed deposits, whether the company has followed the directives of the RBI as under: – Compliance with the provisions prescribed for accepting deposits under section 73 to 76 of the Companies Act, 2013. – The nature of contraventions, if the above provisions are not followed. – Compliance with any order passed by any court or tribunal. – Reporting of any non-compliance with the provisions of Companies Act, 2013.

- No such deposits or deemed deposits have been accepted by the company.

(6) Maintenance of costing records

- In case the company is required to maintain cost records, whether the records have been maintained during the year and non-compliance if any.

- Yes

(7) Deposit of statutory liabilities

- Whether the company has:

▶ Regularly deposited statutory dues.

- Yes

▶ Are any statutory dues pending for a period more than 6 months as on the balance sheet date.

- No

▶ In case of any disputed statutory dues, the amount of such dues, the forum before whom the dues are litigated.

- No such issues found.

(8) Unrecorded income

- Whether any transactions which are not recorded in the accounts have been disclosed or surrendered before the tax authorities as income during the year. The details of such income tax assessments should be disclosed. – Whether such undisclosed income has been recorded in the accounts during the year.

- No such Transactions found.

(9) Default in repayment of borrowings

- In case the company has made any default in the repayment of loans to banks, government, debenture-holders, etc. then the amount and period of default.

- No such default has been done.

- Has the company been declared a wilful defaulter by any bank or financial institution or any other lender.

- No

- Have term loans been used for the object for which they were obtained; in case they have not been, the loan funds diverted and disclosure of the end use of such loans.

- No

- Has the company used funds raised for a short term basis for long term purposes. The nature and the amount of such funds.
- No such transactions found as no such specific instructions have been made while obtaining loan.
- Has the company raised any money from any person or entity for the account of or to pay the obligations of its associates, subsidiaries or joint ventures. The details of the money raised with the description of the transactions and the amounts in each case.
- No
- Has the company raised any loans during the year by pledging securities held in their subsidiaries, joint ventures or associate companies. The details of such loans and also the default in the repayment of the loans.
- No

(10) Funds raised and utilisation

- If the company has raised any funds from a public offer (equity or debt capital), details of the funds applied for the purposes. Also, the details of default or delays and rectification measures taken. – Has the company made any private placement or preferential allotment of shares or convertible debentures (fully, partially or optionally convertible) during the year, whether the same is in accordance with section 42 and section 62 of the Companies Act, 2013. – Whether the funds raised, have been used for the purposes they were raised and the non-compliance, if any.
- Not Applicable.

(11) Fraud and whistle-blower complaints

- Has there been any fraud by the company or any fraud done on the company. If any such fraud has been noticed or reported any time of the year. If yes, nature and amount involved have to be reported. – Whether the auditors of the company have filed a report in Form ADT-4 with the Central Government as prescribed under the Companies (Audit and Auditors) Rules, 2014. – In case of receipt of whistle-blower complaints, whether the complaints have been considered by the auditor.
- No such event has been occurred.

(12) Compliance by a Nidhi

- Compliance with provisions applicable to a Nidhi company: – Maintaining of net owned funds to deposit ratio of 1:20 for meeting liabilities. – Maintaining 10% term deposits (which are unencumbered) for meeting liabilities. – Details of any default in payment of interest on deposits or repayment of for any period.
- Not Applicable.

(13) Compliance on transactions with related parties

- Whether the company has complied with the provisions of section 188 of the Companies Act, 2013 in respect of transactions with related parties. Also, whether appropriate disclosures are made in the financial statements.
- Yes

(14) Internal audit system

- Does the company have an internal audit system in accordance with its size and business activities.
- Yes
- Have the reports of the internal auditors been considered by the statutory auditor.
- Not Applicable.

(15) Non-cash transactions

- In case the company has undertaken non-cash transactions with their directors or other persons connected to the directors, whether the restrictions imposed are complied with.
- No such transactions have taken place.

(16) Registration under Section 45-IA of RBI Act, 1934

- Is the company required to be registered under the RBI Act and whether the company has obtained registration.
- No

- Whether the company has carried on any Non-Banking Financial or Housing Finance activities (NBFC or HFC) without having a valid registration certificate from RBI.
- **No**
- Is the company a Core Investment Company (CIC) under the RBI regulations and does it continue to fulfil the criteria of a CIC. In case the company is an exempted or unregistered CIC, does the company continue to fulfil the criteria for exemption.
- **No**
- Does the group to which the company belongs have more than one CIC as part of it, then indicate the number of CICs which are in the group.
- **No**

(17) Cash losses

- Has the company incurred any cash losses in the financial year and the immediately preceding financial year, the amount of cash losses incurred.
- **No**

(18) Resignation of statutory auditors

- Whether during the year, has there been any resignation of statutory auditors, if yes, has the auditor considered the objections, issues or concerns raised by the outgoing auditors.
- **No**

(19) Material uncertainty

- Existence of any material uncertainty on the date of the audit report on an evaluation of: – The ageing report, financial ratios and expected dates of realisation of financial assets and payment of financial liabilities, any other information accompanying the financial statements, the auditor’s knowledge of the Board of Directors and management plans. – Opinion whether the company can meet its the liabilities which exist as at the balance sheet date when such liabilities are due in the future.
- **No such Material uncertainty exists on the Balancesheet Date.**

(20) Transfer to fund specified under Schedule VII of Companies Act, 2013

- With respect to obligations under Corporate Social Responsibility, whether the company has transferred the unspent amount to a Fund specified in Schedule VII to the Companies Act within a period of 6 months from the expiry of the financial year. – Whether any amount which remains unspent has been transferred to a special account in accordance with provisions of section 135 of the Companies Act, 2013.
- Not Applicable.

(21) Qualifications or adverse auditor remarks in other group companies

- In case there have been any qualifications or adverse remarks in the audit reports issued by the respective auditors in case of companies included in the consolidated financial statements, to indicate the details of the companies and the paragraph numbers of the respective CARO reports containing the qualifications or adverse remarks.
- **As such no such remarks found.**

For, G M C A & Co.
Chartered Accountants
FRN: 109850W

CA Mitt S. Patel
Partner

Place : Ahmedabad
Date : 30.05.2022

Membership No.: 163940
UDIN: 22163940AJWQXP2541

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of **M/s Ashnisha Industries Limited** (“the Company”) as of March 31, 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

Auditors’ Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022.

For, G M C A & Co.
Chartered Accountants
FRN: 109850W

CA Mitt S. Patel
Partner

Place : Ahmedabad
Date : 30.05.2022

Membership No.: 163940
UDIN: 22163940AJWQXP2541

BALANCE SHEET AS AT 31/03/2022

Particulars	Note No.	As at 31st March, 2022	As at 31st March, 2021
I. ASSETS			
1 Non-current Assets			
(a) Property, Plant and Equipment	1	225,548	258,791
(b) Other Intangible assets		-	-
(c) Capital work in progress		-	-
(d) Intangible assets under development		-	-
(e) Financial Assets			
i) Investments	2	34,354,039	42,173,345
(f) Deferred tax assets (Net)		-	-
(g) Other non-current assets		-	-
Total Non-current Assets		34,579,587	42,432,136
2 Current Assets			
(a) Inventories		-	-
(b) Financial Assets			
i) Investments			
ii) Trade Receivables	3	42,145,101	72,486,101
iii) Cash & Cash Equivalents	4	193,072	2,824,888
iv) Loans	5	72,268,941	32,622,067
(c) Other Current Assets	6	318,200	400,539
Total - Current Assets		114,925,314	108,333,595
Total Assets		149,504,901	150,765,731
II. Equity & Liabilities			
1. Equity			
(a) Share Capital	7	30,187,640	30,187,640
(b) Other Equity	8	88,608,243	89,962,383
Total Equity		118,795,883	120,150,023
2. Liabilities			
A) Non Current Liabilities			
(a) Financial Liabilities			
i) Borrowings	9	16,556,000	16,556,000
(b) Deferred Tax Liabilities (Net)		-	-
(c) Other Non Current Liabilities		-	-
Total Non- Current Liabilities		16,556,000	16,556,000
B) Current Liabilities			
(a) Financial Liabilities			
i) Borrowings	10	800,000	800,000
ii) Trade Payables	11	13,077,753	13,077,753
iii) Other Financial Liabilities		-	-
(b) Other Current Liabilities	12	1,50,263	96,954
(c) Short Term Provisions	13	125,000	85,000
Total Current Liabilities		14,153,016	14,059,707
Total Equity & Liabilities		149,504,901	150,765,731
Contingent Liabilities & Commitments		Nil	

For Ashnisha Industries Ltd.

Ashok C. Shah
Managing Director
DIN : 02467830

Shalin A. Shah
Director
DIN : 00297447

Place : Ahmedabad
Date : 30.05.2022

Dimpal J. Solanki
Company Secretary

For, G M C A & Co.
Chartered Accountants
FRN : 109850W

CA. Mitt S. Patel
Partner
Membership No. 163940
UDIN: 22163940AJWQXP2541

**STATEMENT OF PROFIT & LOSS ACCOUNT
FOR THE PERIOD FROM 01-04-2021 TO 31-03-2022**

Particulars	Note No.	2021-2022	2020-2021
I Revenue From Operations	14	-	-
II Other Income	15	5,029,879	-
III Total Income (I+II)		5,029,879	-
IV Expenses			
Purchase of Stock in Trade	16	-	-
Changes in Inventories		-	-
Employee Benefit Expenses	17	877,592	120,000
Finance Costs	18	30,867	-
Depreciation & Amortisation Expenses	19	33,243	104,568
Other Expenses	20	5,442,316	724,597
Total Expenses		6,384,018	949,165
V Profit Before Exceptional & Extraordinary Items & Tax (III-IV)		(1,354,139)	(949,165)
VI Exceptional Items		-	-
VII Profit Before Extraordinary Items & Tax		(1,354,139)	(949,165)
Extraordinary Items		-	-
VIII Profit Before Tax		(1,354,139)	(949,165)
IX Tax Expenses			
Current Tax/ Interest on Income Tax/ Deferred Tax		-	-
X Profit/(Loss) for the period from Continuing Operations(VIII-IX)		(1,354,139)	(949,165)
XI Profit/(Loss) from Discontinuing Operations			
XII Tax Expense of Discontinuing Operations			
XIII Profit/(Loss) from Discontinuing Operations (after tax)(XI-XII)		-	-
XIV Profit/(Loss) for the Period(X+XIII)		(1,354,139)	(949,165)
Other Comprehensive Income			
Items that will not be reclassified to profit or loss		-	-
Total comprehensive income for the year, net of tax		(1,354,139)	(949,165)
XV Earning Per Equity Share			
Basic		(0.45)	(0.31)
Diluted		(0.45)	(0.31)

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

For Ashnisha Industries Ltd.

Ashok C. Shah
Managing Director
DIN : 02467830

Place : Ahmedabad
Date : 30.05.2022

Shalin A. Shah
Director
DIN : 00297447

Dimpal J. Solanki
Company Secretary

For, **G M C A & Co.**
Chartered Accountants
FRN : 109850W

CA. Mitt S. Patel
Partner
Membership No. 163940
UDIN: 22163940AJWQXP2541

CASHFLOW STATEMENT FOR THE YEAR ENDED ON 31ST MARCH, 2022

Particulars	2021-22	2020-21
A Cash flow from Operating Activities		
Net Profit Before Tax	(1,354,139)	(949,165)
Adjustments for:		
Add - Depreciation	33,243	104,568
Less - Dividend Income	-	-
Less - Long Term Capital Gain	(5,029,876)	-
Less - Short Term Capital Gain (Mutual Fund)	-	-
Operating Profit / (Loss) before Working Capital Changes	(6,350,772)	(844,597)
Adjustments for:		
Increase/(Decrease) in Trade Payables	-	(3,056,197)
Increase/(Decrease) in Short term Borrowing	-	410,000
Increase/(Decrease) in Provisions	40,000	30,000
Increase/(Decrease) in Other Current Liability	53,309	(5,051,406)
(Increase)/Decrease in Trade Receivables	30,341,000	15,462,971
(Increase)/Decrease in short term loans & advances	(39,646,874)	(4,618,771)
(Increase)/Decrease in inventories	-	-
(Increase)/Decrease in other current assets	82,339	190,461
Cashflow generated from Operating Activities	(15,480,998)	2,522,460
Income Tax Paid (Net of Refund)	-	-
Net Cashflow generated from Operating Activities A	(15,480,998)	2,522,460
B Cash flow from Investment Activities		
Purchase of Property , Plant and Equipment	-	-
Sale of Property , Plant and Equipment	-	-
Sale of Investments	12,849,182	-
Purchase of Investments	-	-
Share Application Money Received Back	-	-
Dividend Income	-	-
Net Cashflow generated from Investments Activities B	12,849,182	-
C Cash flow from Financiag Activities		
Interest Expenses	-	-
Issue of shares (with Security Premium)	-	-
(Increase)/Decrease in other non-current assets	-	-
(Increase)/Decrease in Long term loans & advances	-	-
Increase/(Decrease) in non current liabilities	-	-
Net Cashflow generated from Financing Activities C	-	-
Net Change in Cash & Cash Equivalents (A+B+C)	(2,631,816)	2,522,460
Opening Cash & Cash Equivalents	2,824,888	302,424
Closing Cash & Cash Equivalents	193,072.00	2,824,888.00

For Ashnisha Industries Ltd.

Ashok C. Shah
Managing Director
DIN : 02467830

Shalin A. Shah
Director
DIN : 00297447

Place : Ahmedabad
Date : 30.05.2022

Dimpal J. Solanki
Company Secretary

For, G M C A & Co.
Chartered Accountants
FRN : 109850W

CA. Mitt S. Patel
Partner
Membership No. 163940
UDIN: 22163940AJWQXP2541

Statement of changes in equity for the period ended March 31, 2022

Amount in Rs.

Particulars	2021-22		2020-21	
	No. of Shares	Amount	No. of Shares	Amount
A. Equity Share Capital				
i) Opening Balance at the beginning of Financial Year	3,018,764	30,187,640	3,018,764	30,187,640
Shares cancelled during the year	-	-	-	-
Shares issued during the year	-	-	-	-
Closing Balance at the end of Financial Year	3,018,764	30,187,640	3,018,764	30,187,640

B. Other Equity

Amount in Rs.

Particulars	Reserves and Surplus		Total
	General reserve	Retained Earnings	
Balance as at 1st April, 2020	98,449,089	(7,537,541)	90,911,548
Change during the Year	-	(949,165)	(949,165)
Balance as at March 31, 2021	98,449,089	(8,486,706)	89,962,383
Change during the Year	-	(1,354,139)	(1,354,139)
Other comprehensive income	-	-	-
Total Comprehensive Income / (loss) for the year	-	(1,354,139)	(1,354,139)
Balance as at March 31, 2022	98,449,089	(9,840,845)	88,608,243

See accompanying notes to the financial statements

In terms of our report attached

For Ashnisha Industries Ltd.

Ashok C. Shah
Managing Director
DIN : 02467830

Shalin A. Shah
Director
DIN : 00297447

Place : Ahmedabad
Date : 30.05.2022

Dimpal J. Solanki
Company Secretary

For, **G M C A & Co.**
Chartered Accountants
FRN : 109850W

CA. Mitt S. Patel
Partner
Membership No. 163940
UDIN: 22163940AJWQXP2541

Significant Accounting Policies

- **Company Overview**

Ashnisha Industries Limited (“the company”) is a listed company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The company is engaged in the business of trading of various steel products, Trading of goods. The company is listed on Bombay Stock Exchange.

- **Statement of Compliance**

The Standalone Financial Statements comply, in all material aspects, with Indian Accounting Standards (‘Ind AS’) notified under Section 133 of the Companies Act, 2013 (‘the Act’) read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act.

Accordingly, the Company has prepared these Standalone Financial Statements which comprise the Balance Sheet as at 31 March 2022, the Statement of Profit and Loss, the Statement of Cash Flows and the Statement of Changes in Equity for the year ended as on that date, and accounting policies and other explanatory information.

- **Basis for Preparation and Presentation**

The Standalone Financial Statements have been prepared on the historical cost basis, except for certain financial instruments and defined benefit plans which are measured at fair value at the end of each reporting period. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

All assets and liabilities have been classified as current or non-current as per the Company’s normal operating cycle and other criteria set out in the Schedule III to the Act.

- **Current versus non-current classification**

The Company presents assets and liabilities in the balance sheet based on current/non-current classification. An asset is classified as current when it satisfies any of the following criteria:

- It is expected to be realised in, or is intended for sale or consumption in, the Company’s normal operating cycle. it is held primarily for the purpose of being traded;
- it is expected to be realised within 12 months after the reporting date; or
- It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

All other assets are classified as non-current.

A liability is classified as current when it satisfies any of the following criteria:

- it is expected to be settled in the Company’s normal operating cycle;
- it is held primarily for the purpose of being traded;
- it is due to be settled within 12 months after the reporting date; or the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date

Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

- **Property Plant and Equipment**

Property, plant and equipment are stated at acquisition cost net of tax / duty credit availed, less accumulated depreciation and accumulated impairment losses, if any. Properties in the course of construction are carried at cost, less any recognized impairment losses. All costs, including borrowing costs incurred up to the date the asset is ready for its intended use, is capitalized along with respective asset.

Depreciation is recognized based on the cost of assets less their residual values over their useful lives, using the straight-line method. The useful life of property, plant and equipment is considered based on life prescribed in schedule II to the Companies Act, 2013 for year 2021-22.

Asset	Useful Life
Office equipment	5 Years
Furniture	10 Years
Office Premise	60 Years
Vehicle	10 Years
Plant & Machinery	15 Years

- **Financial Instruments**

Financial assets and financial liabilities are recognized when an entity becomes a party to the contractual provisions of the instruments. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss.

- **Financial Assets**

- ▶ **Classification**

The Company classifies its financial assets in the following measurement categories:

1. Those to be measured subsequently at fair value (either through OCI, or through profit or loss), and
2. those measured at amortised cost.
3. those measured at carrying cost for equity instruments of subsidiaries and joint ventures.

- ▶ **Initial recognition and measurement**

All financial assets, are recognized initially at fair value

- **Financial liabilities and equity instruments**

- Classification as debt or equity**

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement. An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

- Equity instruments**

The Company subsequently measures all equity investments at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to the Standalone Statement of Profit and Loss. When the financial asset is derecognized, the cumulative gain or loss previously recognised in OCI is reclassified to equity. Dividends from such investments are recognised in the Standalone Statement of Profit and Loss within other income when the Company's right to receive payments is established. Impairment losses (and reversal of impairment losses) on equity investments measured at FVTOCI are not reported separately from other changes in fair value.

- Financial liabilities**

The Company's financial liabilities comprise borrowings, trade payables and other liabilities. These are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost using the EIR method. The EIR is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period at effective interest rate. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period.

- Financial liabilities at amortized cost**

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortized cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently

measured at amortized cost are determined based on the effective interest method. Interest expense that is not capitalized as part of costs of an asset is included in the 'Finance costs' line item.

Trade and other payables are recognized at the transaction cost, which is its fair value.

- **Fair value measurement**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the financial asset or settle the financial liability takes place either:

- ▶ In the principal market, or
- ▶ In the absence of a principal market, in the most advantageous market

The principal or the most advantageous market must be accessible by the Company.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use.

- **Revenue recognition**

The Company has adopted Ind AS 115 from 1st April, 2018 and opted for modified retrospective application with the cumulative effect of initially applying this standard recognised at the date of initial application. The standard has been applied to all open contracts as on 1st April, 2018, and subsequent contracts with customers from that date.

Performance obligation: The revenue is recognized on fulfillment of performance obligation.

- **Sale of product**

The Company earns revenue primarily from sale of Steel Product and Trading of goods. Payment for the sale is made as per the credit terms in the agreements with the customers. The credit period is generally short term, thus there is no significant financing component. The Company's contracts with customers do not provide for any right to returns, refunds or similar obligations. The Company's obligation to repair or replace faulty products under standard warranty terms is recognised as a provision.

Revenue is recognised when the performance obligations are satisfied and the control of the product is transferred, being when the goods are delivered as per the relevant terms of the contract at which point in time the Company has a right to payment for the asset, customer has possession and legal title to the asset, customer bears significant risk and rewards of ownership and the customer has accepted the asset or the Company has objective evidence that all criteria for acceptance have been satisfied.

- **Borrowing costs**

Borrowing costs are interest and ancillary costs incurred in connection with the arrangement of borrowings. General and specific borrowing costs attributable to acquisition and construction of qualifying assets is added to the cost of the assets up to the date the asset is ready for its intended use. Capitalization of borrowing costs is suspended and charged to the Standalone Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted. All other borrowing costs are recognised in the Standalone Statement of Profit and Loss in the period in which they are incurred.

- **Taxation**

Tax expense for the year comprises current and deferred tax. The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the Standalone Statement of Profit and Loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and liabilities are offset to the extent that they relate to taxes levied by the same tax authority and there are legally enforceable rights to set off current tax assets and current tax liabilities within that jurisdiction

- **Current tax**

Tax on income for the current period is determined on the basis on estimated taxable income and tax credits computed in accordance with the provisions of the relevant tax laws and based on the expected outcome of assessments / appeals. Current income tax assets and liabilities are measured at the amount expected to be

recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

- **Deferred tax**

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Standalone financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

The carrying amount of deferred tax assets is reviewed at the end of each reporting year and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

- **Earnings per share**

The Company presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic earnings per share is computed by dividing the profit or loss after tax by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for treasury shares, bonus issue, bonus element in a rights issue to existing shareholders, share split and reverse share split.

Diluted earnings per share is computed by dividing the profit/(loss) after tax as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares including the treasury shares held by the Company to satisfy the exercise of the share options by the employees.

Notes to the Financial Statements

1 - Property, Plant and Equipment :

Particulars	Gross Block				Depreciation				Net Block		
	As at 01/04/202	Addition due to Demerger	Addition	Deduction	As at 31/03/2022	As at 01/04/2021	Depre- ciation Charge	Deduction	As at 31/03/ 2022	As at 31/03/ 2021	As at 31/03/ 2022
Office Equipments	208,076	-	-	-	208,076	43,937	12,300	-	56,237	164,139	151,839
Tower	38,949	-	-	-	38,949	6,784	1,696	-	8,480	32,165	30,469
Furniture & Fixtures	382,624	-	-	-	382,624	347,856	15,639	-	363,495	34,768	19,129
Mobile	15,566	-	-	-	15,566	3,792	948	-	4,740	11,774	10,826
Printer	616	-	-	-	616	153	-	-	153	463	463
Grundfos System(Pump)	26,122	-	-	-	26,122	10,640	2,660	-	13,300	15,482	12,822
Total Tangible Assets	671,953	-	-	-	671,953	413,162	33,243	-	446,405	258,791	225,548
Previous Year	-	-	-	-	671,953	-	104,568	-	413,162	-	258,791

Notes to the Financial Statements

Particulars	As at 31st March, 2022	As at 31st March, 2021
2 - Non Current Investments :		
(1) Investment in Equity Shares		
Vivanta Industries Ltd (8,07,112 Shares)	-	7,819,306
Ashoka Metcast Ltd (100 Shares)	2,000	2,000
Gujarat Natural Resources Ltd (298900 Shares)	2,909,845	2,909,845
India Infraspace Ltd (3,01,322 Shares)	2,942,194	2,942,194
(2) Unquoted Investment		
Adzillow Pvt Ltd (Formerly known as Ezi Ventures Pvt Ltd)	28,500,000	28,500,000
Total	34,354,039	42,173,345
Market Value of the Quoted Shares	9,002,521	14,792,515
Market Value of the Un Quoted Shares	28,500,000	28,500,000

3 - Trade Receivables :

Outstanding for less than 6 months from the due date Unsecured, considered good	-	-
Outstanding for more than 6 months from the due date Unsecured, considered good	42,145,101	72,486,101
Total	42,145,101	72,486,101

Trade Receivable Ageing as at March 31, 2022**Outstanding for following periods from the date of transaction**

Particulars	Less than 1 Year	6 months - 1 year	O/S for 1-2 Years	2-3 Years	More than 3 Years	Total
MSME						
Others	-	-	22,854,343	-	19,290,758	42,145,101
Disputed Dues- MSME	-	-	-	-	-	-
Disputed Dues- Others	-	-	-	-	-	-
Total	-	-	22,854,343	-	19,290,758	42,145,101

Trade Receivable Ageing as at March 31, 2021**Outstanding for following periods from the date of transaction**

Particulars	Less than 1 Year	6 months - 1 year	O/S for 1-2 Years	2-3 Years	More than 3 Years	Total
MSME						
Others	-	-	51,409,343	-	21,076,758	72,486,101
Disputed Dues- MSME	-	-	-	-	-	-
Disputed Dues- Others	-	-	-	-	-	-
Total	-	-	-	-	42,145,101	72,486,101

Notes to the Financial Statements

Particulars	As at 31st March, 2022	As at 31st March, 2021
4 - Cash & Cash Equivalents :		
Balances with Banks	116,295	2,489,683
Cash on Hand	76,777	335,205
Total	193,072	2,824,888

5 - Current Loans :**Other Loans & Advances****Unsecured, Considered good**

Loan to Corporate Bodies	54,405,598	7,440,460
Other Loans	17,638,000	25,013,000
Deposits	-	20,000
Balance with govt	225,343	148,607
Total	72,268,941	32,622,067

5.1

Types Of Borrower	Amount of Loan & Advances in the nature of Loan outstanding	Percentage Of total loan & advances in the nature of loan
Promoter		
Directors	-	-
KMPs	-	-
Related Parties	11,334,500	15.68

Particulars	As at 31st March, 2022	As at 31st March, 2021
6 - Other Current Assets :		
Preliminary Expenses	315,200	394,000
Prepaid expense	3,000	6,539
Total	318,200	400,539

Notes to the Financial Statements

7 - Share Capital :

1. Authorized, Issued, Subscribed and Paidup share capital

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	No. of Shares	Amount	No. of Shares	Amount
Authorised Share Capital				
Equity Shares of Rs. 10 Each	3,070,000	30,700,000	3,070,000	30,700,000
Total	3,070,000	30,700,000	3,070,000	30,700,000
Issued Share Capital				
Equity Shares of Rs. 10 Each	3,018,764	30,187,640	3,018,764	30,187,640
Total	3,018,764	30,187,640	3,018,764	30,187,640
Subscribed & Fully Paid				
Equity Shares of Rs. 10 Each	3,018,764	30,187,640	3,018,764	30,187,640
Total	3,018,764	30,187,640	3,018,764	30,187,640

1. Details of the Shares for the Preceding Five Years

Particulars	01-04-2017 to 31-03-2022
Number Of Equity Shares Bought Back	50,000
Number Of Preference Shares Redeemed	-
Number of Equity Share Issue as Bonus Share	-
Number of Preference Share Issue as Bonus Share	-
Number of Equity Shares Allotted For Contracts Without Payment Received In Cash	3,018,764
Number of Preference Shares Allotted For Contracts Without Payment Received In Cash	-

1. Reconciliation of Share Capital

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	No. of Shares	Amount	No. of Shares	Amount
Equity Shares (Face Value Rs. 10.00)				
Shares Outstanding at the Beginning of the Year	3,018,764	30,187,640	3,018,764	30,187,640
Shares issued during the year	-	-	-	-
Shares cancelled during the year	-	-	-	-
Shares Outstanding at the End of the Year	3,018,764	30,187,640	3,018,764	30,187,640

2. Share Holders Holding More than 5% Share

Name of the Share Holders	As at 31st March, 2022		As at 31st March, 2021	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Shalin A. Shah	398,621	13.20	398,621	13.20
Ashok C. Shah	152,401	5.05	152,401	5.05
Hitesh J. Panara	285,120	9.44	285,120	9.44
Ashoka Metcast Limited	-	-	165,197	5.47
Lesha Ventures Pvt Ltd	274,600	9.10		

Notes to the Financial Statements

7 - Share Capital : (Contd....)

3. Name of Promoters / Promoter Group	Category	As At 31st March, 2022		As At 31st March, 2021	
		No. of Shares	% of Share holding	No. of Shares	% of Share holding
Shalin Ashok Shah	Promoter	398,621	13.20	398,621	13.20
Ashok Chinubhai Shah	Promoter	152,401	5.05	152,401	5.05
Leena Ashok Shah	Promoter Group	92,508	3.06	92,508	3.06
Lesha Ventures Private Limited	Promoter Group	274,600	9.10	129,600	4.29
Rhetan TMT Limited (Formerly Known As Rhetan Rolling Mills Private Limited)	Promoter Group	145,584	4.82	145,584	4.82
Ashoka Metcast Limited	Promoter Group	20,197	0.67	165,197	5.47
Total		1,083,911	35.91	1,083,911	35.91

Percentage change in promoter and promoter group holding is given below:

Name of Promoters / Promoter Group	Category	% of Share holding Change during the year ended on 31st March, 2022
Shalin Ashok Shah	Promoter	-
Ashok Chinubhai Shah	Promoter	-
Leena Ashok Shah	Promoter Group	-
Lesha Ventures Private Limited	Promoter Group	-4.80%
Rhetan TMT Limited (Formerly Known As Rhetan Rolling Mills Private Limited)	Promoter Group	-
Ashoka Metcast Limited	Promoter Group	4.80%

Notes to the Financial Statements

Particulars	As at 31st March, 2022	As at 31st March, 2021
8 - Other Equity :		
General Reserve		
Opening balance	98,449,089	98,449,089
(-)Adjustment during the year on account of Demerger	-	-
+ Adjustment in pursuant to the scheme of Demerger		
Closing Balances	98,449,089	98,449,089
Profit & Loss A/c		
Opening balance	(8,486,706)	(7,537,541)
(-) Transfer of Current Year Loss	(1,354,139)	(949,165)
Closing balance	(9,840,845)	(8,486,706)
Total	88,608,243.30	89,962,382.56

9 - Non Current Borrowing :**Deferred Payment Credit**

Loan from Directors	-	-
Loan From Others	16,556,000	16,556,000
Total	16,556,000	16,556,000

10 - Borrowings :**Unsecured Loans repayable on Demand**

Loan from Directors & Relatives	-	-
Loan From Body Corporate	800,000	800,000
Total	800,000	800,000

11 - Trade Payables:

Due to Micro & Small Enterprises		
Trade Payables For Goods	13,077,753	13,077,753
Total	13,077,753	13,077,753

Trade Payable Ageing as at March 31, 2022**Outstanding for following periods from the date of Payment**

Particulars	Less than 1 Year	1-2 Year	2-3 Years	More than 3 Years	Total
MSME	-	-	-	-	
Others	-	-	-	13,077,753	13,077,753
Disputed Dues- MSME	-	-	-	-	
Disputed Dues- Others	-	-	-	-	
Total	-	-	-	13,077,753	13,077,753

Notes to the Financial Statements

Trade Payable Ageing as at March 31, 2021

Outstanding for following periods from the date of Payment

Particulars	Less than 1 Year	1-2 Year	2-3 Years	More than 3 Years	Total
MSME	-	-	-	-	-
Others	-	-	-	13,077,753	13,077,753
Disputed Dues- MSME	-	-	-	-	-
Disputed Dues- Others	-	-	-	-	-
Total	-	-	-	13,077,753	13,077,753

The Company has not received any intimation on suppliers regarding their status under the Micro, Small and Medium Enterprise Development (MSMED) Act, 2006 and hence disclosure as required under section 22 of The Micro, Small and Medium Enterprise regarding:

- Amount due and outstanding to suppliers as at the end of the accounting year;
- interest paid during the year;
- interest payable at the end of the accounting year;
- interest accrued and unpaid at the end of the accounting year; have not been given, the company is making efforts to get the confirmation from the suppliers as regards their status under the said act.

Particulars	As at 31st March, 2022	As at 31st March, 2021
12 - Other Current Liabilities :		
Other Payables		
Duties and Taxes	40,550	1,133
Creditors for Expenses		
- Dues to micro and small enterprises	-	-
- Dues to Others	109,713	95,821
Total	150,263	96,954
13 - Short Term Provisions :		
Unpaid Audit Fees	90,000	60,000
Unpaid Legal Fees	15,000	15,000
Other	20,000	10,000
Total	125,000	85,000
14 - Revenue from Operations :		
(1) Sale of Steel Products	-	-
(2) Trading of Goods	-	-
Total	-	-
15 - Other Income :		
Long Term Capital Gain	5,029,876	-
Bank Interest	3	-
Total	5,029,879	-

Notes to the Financial Statements

Particulars	As at 31st March, 2022	As at 31st March, 2021
16 - Purchase of Stock in Trade :		
(A) Purchase of Products		
(1) Purchase of Steel	-	-
(2) Purchase of Goods	-	-
Total	-	-
17 - Employee Benefit Expenses :		
Salary & Wages	739,500	120,000
Staff Welfare Exp.	138,092	-
Total	877,592	120,000
18 - Finance Costs :		
Bank Charges	30,867	-
Total	30,867	-
19 Depreciation & Amortization Expenses :		
Depreciation	33,243	104,568
Total	33,243	104,568
20 - Other Expenses :		
Payment to Auditors*	30,000	30,000
Rates & Taxes (Excluding Income-Tax)	-	-
Miscellaneous Expenses	5,412,316	694,597
Preliminary Expenses Write Off	78,800	197,000
Annual Custody Fees	11,275	11,616
Office Exp	96,844	
Share Transfer Exp	60,000	65,000
ROC Exp	4,800	2,400
Annual Listing fees	309,020	309,000
Other Miscellaneous Expenses	-	109,581
Balance Write off	4,616,613	
Advertisement Exp.	22,725	
Charges for Monitoring Exp.	10,000	
Conveyance Exp.	35,940	
Demate Charges	5,484	
E Voting Charges	15,000	
Miscellaneous Exp.	11,765	
Postage & Courier Exp.	19,315	
Repair & Maintenance Exp.	10,600	
Stationery & Printing Exp.	22,030	
Tea Exp.	32,266	
Water Exp.	38,800	
Website Designing	11,039	
Total	5,442,316	724,597
*Payment to Auditors		
For Audit Fees	30,000	30,000
For Others	-	-

Notes to the Financial Statements

21 - Notes on Accounts

- Contingent Liabilities**

There is no contingent liability as informed by management.

- Capital Expenditure Commitments: Nil**

- Related Party Transactions: SS**

As per Indian Accounting Standard (Ind AS-24) issued by the Institute of Chartered Accountants of India, the disclosures of transactions with the related parties are given below:

List of related parties where control exists and related parties with whom transactions have taken place and relationships:

Sr.No.	Name	Relationship
1	Shalin Ashok Shah	Director
2	Ashok Chinubhai Shah	Managing Director
3	Daxaben Mahendrakumar Shah	Independent Director
4	Chandrakant Natubhai Chauhan	Independent Director
5	Dimpal Jignesh Solanki	Company Secretary
6	Payalben Hiteshkumar Donga	CFO (KMP)
7	Lasha Industries Ltd	Director have significant influence
8	Gujarat Natural Resources Ltd	Director have significant influence
9	Rhetan TMT Limited	Director have significant influence

- Transactions with Related Parties**

Transactions that have taken place during the period April 1, 2021 to March 31, 2022 with related parties by the company stated below.

Sr.No.	Name	Nature of the Transaction	Amount Outstanding
1	Shalin A. Shah	Loan Taken	53,99,950
		Loan Repaid	53,99,950
		Closing Balance	NIL
2	Dimpal Jignesh Solanki	Salary Payable	1,20,000
		Salary Paid	1,10,000
		Closing Balance	20,000
3	Rhetan TMT Limited	Loan Given	2,07,79,500
		Loan Repaid	1,41,54,749
		Closing Balance	1,13,34,500

Additional Regulatory Information

Sr.No.	Ratios	Numerator	Denominator	31.03.2022
(i)	Current Ratio	Current Assets	Current Liabilities	8.12
(ii)	Debt-Equity Ratio	Total Debt	Shareholder's Equity	0.15
(iii)	Debt Service Coverage Ratio	Earnings available for Debt Servicing	Total Debt service	-
(iv)	Return on Equity Ratio	Profit After Taxes	Average Shareholder's Equity	-4.49
(v)	Inventory turnover ratio (in days)	Cost of Goods Sold	Average Inventory	-
(vi)	Trade Receivables turnover ratio(In days)	Revenue from Operations	Average Trade Receivables	-
(vii)	Trade payables turnover ratio(In days)- expense	Purchase of Goods & services and Other	Average Trade Payables	-
(viii)	Net Capital turnover	Revenue from Operations	Working Capital	-
(ix)	Net Profit Ratio	Net Profit After Taxes	Revenue from Operations	-
(x)	Return on Capital Employed	Earning Before Interest and Tax	Capital Employed	-0.01
(xi)	Return on Investment	Income from Investments	Cost of Investment	3.94

- Payment to the Auditors**

Particulars	2021-22	2020-21
Audit Fees	30,000	30,000
Others	0	0
Total	30,000	30,000

- Segment Reporting:**

The Company's operating segments are established on the basis of those components of the Company that are evaluated regularly by the Executive Committee (the 'Chief Operating Decision Maker' as defined in Ind AS 108 - 'Operating Segments'), in deciding how to allocate resources and in assessing performance. These have been identified taking into account nature of products and services, the differing risks and returns and the internal business reporting systems.

The Group has four principal operating and reporting segments;

- Steel
- Trading of Goods
- Others

(Amount in Lacs)

Particulars	Steel		Trading of Goods		Others		Total	
	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21
Segment Revenue	-	-	-	-	-	-	-	-
External Turnover	-	-	-	-	-	-	-	-
Inter Segment Turnover	-	-	-	-	-	-	-	-
Gross Turnover	-	-	-	-	-	-	-	-
Less: GST Recovered	-	-	-	-	-	-	-	-
Gross Turnover	-	-	-	-	-	-	-	-

(Amount In Lacs)

Particulars	Steel		Trading of Goods		Others		Total	
	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21
Segment Results before Interest & Taxes	-	-	-	-	50.30	-	50.30	-
Less: Finance Cost & Other un-allocable Expenditure	-	-	-	-	-	-	(63.84)	(9.49)
Net Profit/(Loss) before Tax	-	-	-	-	-	-	(13.54)	(9.49)
Less: Taxes	-	-	-	-	-	-	-	-
Net Profit/(Loss) After Tax	-	-	-	-	-	-	(13.54)	(9.49)

- Earnings per Share:-**

The earning considered in ascertaining the company's EPS comprises the profit available for shareholders i.e. profit after tax and statutory/regulatory appropriations. The number of shares used in computing Basic EPS is the weighted average number of shares outstanding during the year as per the guidelines of Ind AS-33.

Particulars	31-03-2022	31-03-2021
Net Profit Attributable to share holders	(13,54,139)	(9,49,165)
Weighted average number of equity shares (Nos.)	30,18,764	30,18,764
Basic and diluted earnings per share (Rs.)	(0.45)	(0.31)
Nominal value of equity share (Rs.)	10	10

- Capital Management**

The Company manages its capital to ensure that entities in the Company will be able to continue as going concerns while maximizing the return to stakeholders through the optimization of the debt and equity balance. The capital structure of the Company consists of net debt (borrowings offset by cash and bank balances) and total equity of the Company.

Particulars	As at 31st March, 2022	As at 31st March, 2021
Total equity attributable to the equity Shareholders of the company	3,01,87,640	3,01,87,640
As percentage of total capital	63.75%	64.46%
Current loans and borrowings	8,00,000	8,00,000
Non-current loans and borrowings	1,65,56,000	1,65,56,000
Total loans and borrowings	1,73,56,000	1,73,56,000
Cash and cash equivalents	1,93,072	2,824,888
Net loans & borrowings	1,71,62,928	1,45,31,112
As a percentage of total capital	36.25%	35.54%
Total capital (loans borrowings and equity)	4,73,50,568	4,47,18,752

- Fair Value measurements
- A. Financial instruments by category

Particulars	As at 31st March, 2022			As at 31st March, 2021		
	Amortized Cost	FVTPL	FVTOCI	Amortized Cost	FVTPL	FVTOCI
Financial Asset						
Investment	-	34,354,039	-	-	42,173,345	-
Loans -		72,268,941	-	-	32,622,067	-
Trade receivables	-	42,145,101	-	-	72,486,101	-
Cash & Cash Equivalents	-	1,93,072	-	-	2,824,888	-
Other Financial Asset	-	-	-	-	-	-
Total Financial Asset	-	14,89,61,153	-	-	15,01,06,401	-
Financial Liabilities						
Borrowings	-	1,65,56,000	-	-	1,65,56,000	-
Trade Payables	-	13,187,466	-	-	13,173,574	-
Short Term Borrowing	-	800,000	-	-	800,000	-
Total Financial Liabilities	-	3,05,43,466	-	-	3,05,29,574	-

* Excluding investments in subsidiaries, joint control entities and associates measured at cost in accordance with Ind AS-27

Fair value hierarchy

The following section explains the judgments and estimates made in determining the fair values of the financial instruments that are recognized and measured at fair value through profit or loss. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial investments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

- B. Fair value hierarchy for assets

Financial assets measured at fair value at March 31, 2022

	Level 1	Level 2	Level 3	Total
Financial Assets				
Investment	34,354,039	-	-	34,354,039

Financial assets measured at fair value at March 31, 2021

	Level 1	Level 2	Level 3	Total
Financial Assets				
Investment	42,173,345	-	-	42,173,345

Notes:

Level 1 hierarchy includes financial instruments measured using quoted prices (unadjusted) in active market for identical assets that the entity can access at the measurement date. This represents mutual funds that have price quoted by the respective mutual fund houses and are valued using the closing Net asset value (NAV).

Level 2 hierarchy includes the fair value of financial instruments measured using quoted prices for identical or similar assets in markets that are not active.

Level 3 if one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted compound instruments.

There are no transfers between any of these levels during the year. The Company's policy is to recognize transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

C. Fair value of financial assets and liabilities measured at amortized cost

The Management has assessed that fair value of loans, trade receivables, cash and cash equivalents, other bank balances, other financial assets and trade payables approximate their carrying amounts largely due to their short term nature. Difference between carrying amount of Bank deposits, other financial assets, borrowings and other financial liabilities subsequently measured at amortized cost is not significant in each of the years presented.

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

- Financial risk management**

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board has established the Audit Committee, which is responsible for developing and monitoring the Company's risk management policies. The Committee holds regular meetings and report to board on its activities. The Company's risk management policies are established to identify and analyses the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The audit committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk.

Risk	Exposure arising from	Measurement	Management of risk
Credit Risk	Cash and cash equivalents, trade receivables, Financial assets measured at amortized cost.	Aging analysis	Diversification of funds to bank deposits, Liquid funds and Regular monitoring of credit limits
Liquidity Risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of surplus cash, committed credit lines and borrowing facilities

(a) Credit risk

Credit risk is the risk of financial loss to the company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The company is exposed to the credit risk from its trade receivables, unbilled revenue, investments, cash and cash equivalents, bank deposits and other financial assets. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets.

Trade Receivables

Trade receivables comprise a widespread customer base. Management evaluates credit risk relating to customers on an on-going basis. If customers are independently rated, these ratings are used. Otherwise, if there is no independent rating, risk control assesses the credit quality of the customer, taking into account its financial position, past experience and other factors

For trade receivables, provision is provided by the company as per the below mentioned policy for the FY 2021-22:

Particulars	Gross Carrying Amount	Expected credit losses rate (%)	Expected Credit Losses	Carrying amount of Trade Receivable
Considered for Goods	0	0	0	0
0-12 Months	42,145,101	0	0	42,145,101
More than 1 Year	42,145,101	0	0	4,21,45,101

(b) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Liquidity Table

The Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods is given below. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include both interest and principal cash flows. The contractual maturity is based on the earliest date on which the Company may be required to pay.

As at March 31, 2022

Financial Liabilities	Payable within 0 to 12 months	More than 12 months	Total
Non-current financial liabilities			
Borrowings	-	1,65,56,000	1,65,56,000
Current financial liabilities			
Borrowings	8,00,000	-	8,00,000
Trade Payables	13,187,466	-	13,187,466
Other Financial Liability	-	-	-
Total financial liabilities	1,39,87,466	1,65,56,000	3,05,43,466

As at March 31, 2021

Financial Liabilities	Payable within 0 to 12 months	More than 12 months	Total Total
Non-current financial liabilities			
Borrowings	-	1,65,56,000	1,65,56,000
Current financial liabilities			
Borrowings	8,00,000	-	8,00,000
Trade Payables	13,173,574	-	13,173,574
Other Financial Liability	-	-	-
Total financial liabilities	1,39,73,574	1,65,56,000	3,05,29,574

(c) Market Risk

Market risk is the risk arising from changes in market prices – such as foreign exchange rates and interest rates – will affect the Company's income or the value of its holdings of financial instruments. The Company is exposed to market risk primarily related to interest rate risk and the market value of the investments. Thus, the exposure to market risk is a function of investing and borrowing activities

- Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

Company's borrowings are Interest free, So there has been no exposure arise regarding Interest Rate Risk.

(d) Price Risk Exposure

The Company's exposure to securities price risk arises from investments held in mutual funds and classified in the balance sheet at fair value through profit or loss. To manage its price risk arising from such investments, the

Company diversifies its portfolio. Further these are all debt base securities for which the exposure is primarily on account of interest rate risk. Quotes (NAV) of these investments are available from the mutual fund houses. Profit for the year would increase/decrease as a result of gains/losses on these securities classified as at fair value through profit or loss.

● **Others**

- As informed by the management that the loans are interest free, which in our opinion is violation of Section 186 (7) of the Companies Act, 2013.
- Confirmation of the concerned parties for the amount due to them and/or due from them as per accounts of the company are not received. Necessary adjustments, if any, will be made when accounts are reconciled or settled. Balance of sundry debtors and creditors, loans and advances accepted and given in the balance sheet are subject to confirmation.
- In the opinion of board of directors the value of loans and advances and other current assets have a value on realization in the ordinary course of business at least equal to the amount at which they are stated in balance sheet.
- As per National Company Law Tribunal, Ahmedabad Bench Order Dated 29/05/2017 T.P. No. 38/NCLT/AHM/2017, New segment of Trading & Investment Business has been added (Demerged from Lasha Industries Ltd).
- There is carry forward of losses, the company need not to recognize deferred tax assets in the event of non-availability of convincing evidence as to future income.
- The previous year's figures have been reworked, regrouped, rearranged and reclassified wherever necessary. Amounts and other disclosures for the preceding year are included as an integral part of the current year financial statements and are to be read in relation to the amounts and other disclosures relating to the current year.

For, Ashnisha Industries Limited

Ashok C. Shah
Managing Director
Din: 02467830

Shalin A. Shah
Director
Din: 00297447

Dimpal J. Solanki
Company Secretary

For, G M C A & Co.
Chartered Accountants
FRN: 109850W

CA. Mitt S. Patel
(Partner)
Membership No. 163940
UDIN: 22163940AJWQXP2541

Place : Ahmedabad
Date : 30.05.2022

Independent Auditor's Report

To
The Members of
Ashnisha Industries Limited

Opinion

We have audited the consolidated financial statements of Ashnisha Industries Limited (hereinafter referred to as the "Holding Company" or the "Corporation") and its subsidiaries (Holding Company and its subsidiaries together referred to as the "Group") and its associates, which comprise the consolidated balance sheet as at 31 March 2022, and the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of other auditors on separate financial statements of such subsidiaries (Adzillow Pvt Ltd. (Formerly Known as EZI Ventures PVT. LTD.) as were audited by the other auditors, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31 March 2022, of its consolidated Profit and other comprehensive income, consolidated changes in equity and consolidated cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group, its associate and joint ventures in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion.

Management's and Board of Directors' Responsibilities for the Consolidated Financial Statements

The Holding Company's management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated loss and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. The respective Management and Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each company and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Management and Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the companies included in the Group are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group is responsible for overseeing the financial reporting process of each company.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

- identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on the internal financial controls with reference to the consolidated financial statements and the operating effectiveness of such controls based on our audit.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors
- Conclude on the appropriateness of Management and Board of Directors use of the going concern basis of accounting in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of such entities or business activities within the Group and joint operations to express an opinion on the consolidated financial statements, of which we are the independent auditors. We are responsible for the direction, supervision and performance of the audit of financial information of such entities. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

Report on other Legal and Regulatory Requirements

- i. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143 (11) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.

- ii. As required by section 143(3) of the Act, we report that:
- iii. We have sought and obtained all the information and an explanation which is to the best of our knowledge and beliefs were necessary for the purposes of our audit.
- iv. In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
- v. The Balance Sheet, the Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- vi. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standard) Rules, 2015, as amended
- vii. On the basis of written representations received from the directors as on 31st March, 2022, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022, from being appointed as a director in terms of Section 164(2) of the Act.
- viii. With respect to the other matters included in the Auditor's Report and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
 - iii. There is no amount required to be transferred, to the investor's education & Protection Fund by the Company.

**For, G M C A & Co.
Chartered Accountants
FRN: 109850W**

**CA. Mitt S. Patel
(Partner)**

**Membership No. 163940
UDIN: 22163940AJWQPZ7322**

**Place : Ahmedabad
Date : 30/05/2022**

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of **M/S. ASHNISHA INDUSTRIES LIMITED** (“the Company”) as of March 31, 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding company, its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on, “internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI)”. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors’ Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Holding Company and its subsidiary companies, which are companies incorporated in India, have,

in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For, G M C A & Co.
Chartered Accountants
FRN: 109850W**

**Place : Ahmedabad
Date : 30/05/2022**

**CA. Mitt S. Patel
(Partner)
Membership No. 163940
UDIN: 22163940AJWQPZ7322**

CONSOLIDATED BALANCE SHEET AS AT 31/03/2022

Particulars	Note No.	As at 31st March, 2022	As at 31st March, 2021
ASSETS			
1 Non-current Assets			
(a) Property, Plant and Equipment	1	1,133,825	1,370,403
(b) Other Intangible assets	1	66,767,123	73,767,123
(c) Capital work in progress		-	-
(d) Goodwill	1	59,098,354	59,098,354
(e) Financial Assets :			
i) Investments	2	5,873,039	40,051,019
ii) Loans	3	158,889,640	193,273,248
iii) Other Financial Assets			-
(f) Deferred tax assets (Net)		2,094,656	11,704,308
(g) Other non-current assets	4	64,673,322	13,315,128
Total Non-current Assets		358,529,959	392,579,583
2 Current Assets			
(a) Inventories		10,519,463	14,025,950
(b) Financial Assets :			
i) Investments			
ii) Trade Receivables	5	57,766,299	86,349,135
iii) Cash & Cash Equivalents	6	1,682,373	148,240,420
iii) Loans	7	237,286,694	75,120,981
(c) Other Current Assets	8	20,609,144	8,175,029
Total - Current Assets		327,863,973	331,911,515
Total Assets		686393933	724491098
I. Equity & Liabilities			
1. Equity			
(a) Share Capital	9	30,187,640	30,187,640
(b) Other Equity	10	415,814,513	411,596,679
(C) Non Controlling Interest	11	162,174,167	157,939,782
Total Equity		608,176,321	599,724,102
2. Liabilities			
A) Non Current Liabilities			
(a) Financial Liabilities			
i) Borrowings	12	16,556,000	16,556,000
(b) Deferred Tax Liabilities (Net)			-
(c) Other Non Current Liabilities			-
Total Non- Current Liabilities		16,556,000	16,556,000
B) Current Liabilities			
(a) Financial Liabilities			
i) Borrowings	13	800,000	15,220,000
ii) Trade Payables	14	16,997,509	89,907,085
iii) Other Financial Liabilities			-
(b) Other Current Liabilities	15	43,848,816	2,998,912
(c) Short Term Provisions	16	125,000	85,000
Total Current Liabilities		61,661,612	108,210,997
Total Equity & Liabilities		686393933	724491098
Contingent Liabilities & Commitments		Nil	
For Ashnisha Industries Ltd.			
Ashok C. Shah Managing Director DIN : 02467830	Shalin A. Shah Director DIN : 00297447		
Place : Ahmedabad Date : 30.05.2022	Dimpal J. Solanki Company Secretary		
		For, G M C A & Co. Chartered Accountants FRN : 109850W	
		CA. Mitt S. Patel Partner Membership No. 163940 UDIN: 22163940AJWQPZ7322	

**CONSOLIDATED STATEMENT OF PROFIT & LOSS ACCOUNT
FOR THE PERIOD FROM 01-04-2021 TO 31-03-2022**

Particulars	Note No.	2021-2022	2020-2021
I Revenue From Operations	17	90,078,975	101,641,989
II Other Income	18	22,719,640	6,367,138
III Total Income (I+II)		112,798,615	108,009,127
IV Expenses			
Purchase of Stock in Trade	19	72,977,021	54,185,946
Changes in Inventories	20	1,992,386	25,733,906
Employee Benefit Expenses	21	1,766,197	754,120
Finance Costs	22	58,070	995,183
Depreciation & Amortisation Expenses	23	9,808,178	16,959,812
Other Expenses	24	13,909,799	16,502,942
Total Expenses		100,511,651	115,131,909
V Profit Before Exceptional & Extraordinary Items & Tax (III-IV)		12,286,963.91	(7,122,781.45)
VII Exceptional Items		-	-
VIII Profit Before Extraordinary Items & Tax		12,286,964	(7,122,781)
Extraordinary Items		-	-
IX Profit Before Tax		12,286,964	(7,122,781)
X Tax Expenses			
Current Tax		2,608,926	-
Deferred Tax		5,460,204	-228,899
XI Profit/(Loss) for the period from Continuing Operations(IX-X)		4,217,834	(6,893,882)
XII Profit/(Loss) from Discontinuing Operations			
XIII Tax Expense of Discontinuing Operations			
XIV Profit/(Loss) from Discontinuing Operations (after tax)(XII-XIII)			-
XV Profit/(Loss) for the Period (XI+XIV)		4,217,834	(6,893,882)
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			-
Total comprehensive income for the year, net of tax		4,217,834	(6,893,882)
XVI Earning Per Equity Share			
Basic		1.40	(2.28)
Diluted		1.40	(2.28)

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

For Ashnisha Industries Ltd.

Ashok C. Shah
Managing Director
DIN : 02467830

Place : Ahmedabad
Date : 30.05.2022

Shalin A. Shah
Director
DIN : 00297447

Dimpal J. Solanki
Company Secretary

For, **G M C A & Co.**
Chartered Accountants
FRN : 109850W

CA. Mitt S. Patel
Partner
Membership No. 163940
UDIN: 22163940AJWQPZ7322

CONSOLIDATED CASHFLOW STATEMENT FOR THE YEAR ENDED ON 31ST MARCH, 2022

Particulars	2021-22	2020-21
A Cash flow from Operating Activities		
Net Profit Before Tax	12,286,964	(6,893,882)
Adjustments for:		
Add : Depreciation	9,808,178	16,959,812
Add : Interest Expense	58,070	995,183
Less : Interest Income	(14,522,533)	(6,367,138)
Add : Long Term Capital Gain		-
Less : Short Term Capital Gain (Mutual Fund)		-
Less : Consolidation Adjustment	1,540,171	(16,826,341)
Operating Profit / (Loss) before Working Capital Changes	9,170,850	(12,132,365)
Adjustments for		
Increase/(Decrease) in Trade Payables	(73,019,289)	69,210,634
Increase/(Decrease) in Short term Borrowing	(14,420,000)	14,379,427
Increase/(Decrease) in Provisions	40,000	(1,875,000)
Increase/(Decrease) in Other Current Liability	40,849,903	(6,004,149)
(Increase)/Decrease in Trade Receivables	28,582,836	13,239,331
(Increase)/Decrease in short term loans & advances	(162,165,713)	24,201,473
(Increase)/Decrease in inventories	3,506,487	45,290,225
(Increase)/Decrease in other current assets	(12,434,115)	19,241,034
Cashflow generated from Operating Activities	(179,889,039)	165,550,610
Income Tax Paid (Net of Refund)	-	-
Net Cashflow generated from Operating Activities A	(179,889,039)	165,550,610
B Cash flow from Investment Activities		
Purchase of Property , Plant and Equipment	-	-
Changes in Intangible Asset	(2,571,600)	(45,767,123)
Sale of Property , Plant and Equipment	-	-
Sale of Investments	-	-
Purchase of Investments	34,177,980	1,551,596
Share Application Money Received Back	-	-
Interest Income	14,522,533	6,367,138
Net Cashflow generated from Investments Activities B	46,128,913	(37,848,389)
C Cash flow from Financing Activities		
Interest Expenses	(58,070)	(995,183)
Non Controlling Interest	4,234,385	(4,518,004)
Goodwill	-	-
Proceeds/(Repayment) towards share capital	-	-
Issue of shares (with Security Premium)	-	-
(Increase)/Decrease in other non-current assets	(51,358,194)	(2,524,005)
(Increase)/Decrease in Long term loans & advances	34,383,608	(16,931,762)
Increase/(Decrease) in non current Borrowing	-	-
Net Cashflow generated from Financing Activities C	(12,798,271)	(24,968,954)
Net Change in Cash & Cash Equivalents (A+B+C)	(146,558,398)	102,733,267
Opening Cash & Cash Equivalents	148,240,420	45,507,153
Closing Cash & Cash Equivalents	1,682,022.39	148,240,420.00

For Ashnisha Industries Ltd.

Ashok C. Shah
Managing Director
DIN : 02467830

Shalin A. Shah
Director
DIN : 00297447

Place : Ahmedabad
Date : 30.05.2022

Dimpal J. Solanki
Company Secretary

For, G M C A & Co.
Chartered Accountants
FRN : 109850W

CA. Mitt S. Patel
Partner
Membership No. 163940
UDIN: 22163940AJWQPZ7322

Consolidated Statement of changes in equity for the period ended March 31, 2022

Amount in Rs.

Particulars	2021-22		2020-21	
	No. of Shares	Amount	No. of Shares	Amount
A. Equity Share Capital				
i) Opening Balance at the beginning of Financial Year	3,018,764	30,187,640	3,018,764	30,187,640
Shares cancelled during the year	-	-	-	-
Shares issued during the year	-	-	-	-
Closing Balance at the end of Financial Year	3,018,764	30,187,640	3,018,764	30,187,640

B. Other Equity

Amount in Rs.

Particulars	Reserves and Surplus			Total
	General reserve	Retained Earnings	Security Premium	
Balance as at 1st April, 2020	98449088.56	(11,718,910)	331,760,383	418,490,561
Change during the Year	-	(6,893,882)	-	(6,893,882)
Balance as at March 31, 2021	98449089	(18,612,792)	-	79,836,296
Change during the Year	-	4,217,834	-	4,217,834
Other comprehensive income	-	-	-	-
Total Comprehensive Income / (loss) for the year	-	4,217,834	-	4,217,834
Balance as at March 31, 2022	98,449,089	(14,394,958)	-	84,054,130

See accompanying notes to the financial statements

In terms of our report attached

For Ashnisha Industries Ltd.

Ashok C. Shah
Managing Director
DIN : 02467830

Shalin A. Shah
Director
DIN : 00297447

Place : Ahmedabad
Date : 30.05.2022

Dimpal J. Solanki
Company Secretary

For, **G M C A & Co.**
Chartered Accountants
FRN : 109850W

CA. Mitt S. Patel
Partner
Membership No. 163940
UDIN: 22163940AJWQPZ7322

Significant Accounting Policies

• Company Overview

Ashnisha Industries Limited (“the company”) is a listed company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The company is engaged in the business of trading of various steel products, Trading of Goods. The company is listed on Bombay Stock Exchange.

• Basis of preparation and presentation

i. Basis of Preparation

The Consolidated Financial Statements of the Group have been prepared to comply with the Indian Accounting Standards (‘Ind AS’), including the rules notified under the relevant provisions of the Companies Act, 2013. The Consolidated Financial Statements comprises of Ashnisha Industries Limited and its subsidiaries, being the entities that it controls. Controls are assessed in accordance with the requirement of Ind AS 110 - Consolidated Financial Statements.

ii. Basis of Measurement

The financial statements have been prepared on a historical cost basis, except for the following:

- ▶ certain financial assets and liabilities (including derivative instruments) that are measured at fair value (refer accounting policy regarding financial instruments)
- ▶ asset held for sale and biological Assets – measured at fair value less cost to sell;
- ▶ defined benefit plans – plan assets measured at fair value less present value of defined benefit obligation; and
- ▶ share-based payments

• Basis of Consolidation

- a) The financial statements of the Holding Company and its subsidiaries are combined on a line by line basis by adding together like items of assets, liabilities, equity, incomes, expenses and cash flows, after fully eliminating intra-group balances and intra-group transactions.
- b) Profits or losses resulting from intra-group transactions that are recognized in assets, such as Inventory and Property, Plant and Equipment, are eliminated in full.
- c) Goodwill represents the difference between the Company’s share in the net worth of subsidiaries and the cost of acquisition at each point of time of making the investment in the subsidiaries.
- d) The Consolidated Financial Statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances.
- e) The Financial statements of the current financial year are consolidated financial statements, whereas the comparative information is standalone financial statement of preceding financial year.

• Functional and Presentation Currency :

Items included in the financial statements of the company are measured using the currency of the primary economic environment in which the company operates (“the functional currency”). Indian Rupee is the functional currency of the company.

Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification an asset is classified as current when it satisfies any of the following criteria:

- It is expected to be realised in, or is intended for sale or consumption in, the Company’s normal operating cycle. it is held primarily for the purpose of being traded;
- it is expected to be realised within 12 months after the reporting date; or
- It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

All other assets are classified as non-current.

A liability is classified as current when it satisfies any of the following criteria:

- it is expected to be settled in the Company's normal operating cycle;
- it is held primarily for the purpose of being traded;
- it is due to be settled within 12 months after the reporting date; or the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date

Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

- **Property, plant and Equipment**

Property, plant and equipment are stated at acquisition cost net of tax / duty credit availed, less accumulated depreciation and accumulated impairment losses, if any. Properties in the course of construction are carried at cost, less any recognized impairment losses. All costs, including borrowing costs incurred up to the date the asset is ready for its intended use, is capitalized along with respective asset.

Depreciation is recognized based on the cost of assets less their residual values over their useful lives, using the straight-line method. The useful life of property, plant and equipment is considered based on life prescribed in schedule II to the Companies Act, 2013 for year 2021- 22.

Asset	Useful Life
Office equipment	5 Years
Furniture	10 Years
Office Premise	60 Years
Vehicle	10 Years
Plant & Machinery	15 Years

- **Financial Instruments**

Financial assets and financial liabilities are recognized when an entity becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss.

- **Financial Assets**

- ▶ **Classification**

The Company classifies its financial assets in the following measurement categories:

- ▶ those to be measured subsequently at fair value (either through OCI, or through profit or loss), and
- ▶ those measured at amortized cost.
- ▶ Those measured at carrying cost for equity instruments of subsidiaries and joint ventures.
- ▶ Initial recognition and measurement

All financial assets, are recognized initially at fair value

- **Financial liabilities and equity instruments**

- ▶ **Classification as debt or equity**

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

- **Equity instruments**

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognized at the proceeds received, net of direct issue costs.

- **Financial liabilities**

All financial liabilities are measured at amortized cost using the effective interest method or at FVTPL.

- **Financial liabilities at amortized cost**

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortized cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortized cost are determined based on the effective interest method. Interest expense that is not capitalized as part of costs of an asset is included in the 'Finance costs' line item.

Trade and other payables are recognized at the transaction cost, which is its fair value.

- **Fair value measurement**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the financial asset or settle the financial liability takes place either:

- In the principal market, or
- In the absence of a principal market, in the most advantageous market

The principal or the most advantageous market must be accessible by the Company.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use.

- **Revenue recognition**

The Company has adopted Ind AS 115 from 1st April, 2020 and opted for modified retrospective application with the cumulative effect of initially applying this standard recognised at the date of initial application. The standard has been applied to all open contracts as on 1st April 2020, and subsequent contracts with customers from that date.

Performance obligation:

The revenue is recognized on fulfillment of performance obligation.

- **Sale of products:**

The Company earns revenue primarily from Steel products, Trading of Goods. Payment for the sale is made as per the credit terms in the agreements with the customers. The credit period is generally short term, thus there is no significant financing component.

The Company's contracts with customers do not provide for any right to returns, refunds or similar obligations. The Company's obligation to repair or replace faulty products under standard warranty terms is recognised as a provision.

Revenue is recognised when the performance obligations are satisfied and the control of the product is transferred, being when the goods are delivered as per the relevant terms of the contract at which point in time the Company has a right to payment for the asset, customer has possession and legal title to the asset, customer bears significant risk and rewards of ownership and the customer has accepted the asset or the Company has objective evidence that all criteria for acceptance have been satisfied.

- **Borrowing costs**

Borrowing costs directly attributable to the acquisition, construction, or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

- **Taxation**

Tax on Income comprises current and deferred tax. It is recognized in statement of profit and loss except to the

extent that it relates to a business combination, or items recognized directly in equity or in other comprehensive income.

- **Current tax**

Tax on income for the current period is determined on the basis on estimated taxable income and tax credits computed in accordance with the provisions of the relevant tax laws and based on the expected outcome of assessments / appeals. Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

- **Deferred tax**

Deferred tax is recognized for the future tax consequences of deductible temporary differences between the carrying values of assets and liabilities and their respective tax bases at the reporting date, using the tax rates and laws that are enacted or substantively enacted as on reporting date. Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences can be utilized. Deferred tax relating to items recognized outside the statement of profit and loss is recognized outside the statement of profit and loss, either in other comprehensive income or directly in equity. The carrying amount of deferred tax assets is reviewed at each reporting date.

- **Earnings per share**

The Company presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to the ordinary shareholders of the company by the weighted average number of ordinary shares outstanding during the period. Where ordinary shares are issued but not fully paid, they are treated in the calculation of basic earnings per share as a fraction of an ordinary share to the extent that they were entitled to participate in dividends during the period relative to a fully paid ordinary share. Diluted earnings per share is computed by dividing the net profit after tax by the weighted average number of equity shares considered for deriving basic EPS and also weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

Notes to the Financial Statements

1 - Property, Plant and Equipment :

Particulars	Gross Block				Depreciation			Net Block	
	As at 01/04/202	Addition due to Demerger	Addition	Deduction	As at 31/03/2022	As at 01/04/2021	Depre- ciation Charge	As at 31/03/ 2022	As at 31/03/ 2021
Office Equipments	208,076	-	-	-	208,076	43,937	12,300	56,237	164,139
Tower	38,949	-	-	-	38,949	6,784	1,696	8,480	32,165
Furniture & Fixtures	462,018	-	-	-	462,018	423,281	15,639	438,920	38,737
Mobile	15,566	-	-	-	15,566	3,792	948	4,740	11,774
Computer & Peripherals	7,158,240	-	-	-	7,158,240	6,844,912	-	6,844,912	313,328
Grundfos System(Pump)	26,122	-	-	-	26,122	10,640	2,660	13,300	15,482
Plant & Machinery	7,461,249	-	-	-	7,461,249	6,781,336	203,335	6,984,671	679,913
Vehicles	2,297,296	-	-	-	2,297,296	2,182,431	-	2,182,431	114,865
Total Tangible Assets	17,667,516	-	-	-	17,667,516	16,297,113	236,578	16,533,691	1,370,403
Previous Year	17,479,568	-	-	-	17,667,515	14,605,415	636,553	15,241,968	2,874,153
Intangible Asset									
Software	14,774,202	-	-	-	14,774,202	14,774,202	-	14,774,202	-
Network	45,260,000	-	-	-	45,260,000	45,260,000	-	45,260,000	-
E-platform Service	230,000,000	-	-	-	230,000,000	230,000,000	-	230,000,000	-
Advt Framenwork	75,000,000	-	10,000,000	-	85,000,000	1,232,877	17,000,000	18,232,877	73,767,123
Total	365,034,202	-	10000000	-	375,034,202	291,267,079	17,000,000	308,267,079	73,767,123

Note:- Company holds 56.82% Shares in subsidiary company, So company is eligible for 56.82% of total depreciation in Profit and Loss Account.

Notes to the Consolidated Financial Statements

Particulars	As at 31st March, 2022	As at 31st March, 2021
2 - Non Current Investments :		
(1) Investment in Equity Shares		
Vivanta Industries Ltd (8,07,112 Shares)	-	7,819,306
Ashoka Metcast Ltd (100 Shares)	2,000	2,000
Gujarat Natural Resources Ltd	2,909,845	2,909,845
AGOL	-	26,358,674
India Infraspace Ltd (3,01,322 Shares)	2942194	2,942,194
Vivaansh Edutech Private Limited	19,000	19,000
Total	5,873,039	40,051,019
Market Value of the Quoted Shares	9,002,521	6,105,685

3 - Non-Current Loans & Advances :

Other Advances	157289640	191,673,248
Loan to Related Party	1600000	1,600,000
Balance with Government Authorities	-	-
Total	158,889,640	193,273,248

4 - Other Non-Current Assets :

Other Advances		
Balance with Government Authorities	64673322	13,315,128
Total	64,673,322	13,315,128

5 - Trade Receivables :

Outstanding for less than 6 months from the due date Unsecured, considered good		5,302,368
Outstanding for more than 6 months from the due date Unsecured, considered good	57766299.36	81,046,767
Total	57,766,299	86,349,135

Trade Receivable Ageing as at March 31, 2022

Outstanding for following periods from the date of transaction

Particulars	Less than 1 Year	6 months - 1 year	O/S for 1-2 Years	2-3 Years	More than 3 Years	Total
MSME						
Others	-	-	38,475,541	-	19,290,758	57,766,299
Disputed Dues- MSME	-	-	-	-	-	-
Disputed Dues- Others	-	-	-	-	-	-
Total	-	-	38,475,541	-	19,290,758	57,766,299

Trade Receivable Ageing as at March 31, 2021

Outstanding for following periods from the date of transaction

Particulars	Less than 1 Year	6 months - 1 year	O/S for 1-2 Years	2-3 Years	More than 3 Years	Total
MSME						
Others	5,302,368	-	59,970,009	-	21,076,758	86,349,135
Disputed Dues- MSME	-	-	-	-	-	-
Disputed Dues- Others	-	-	-	-	-	-
Total	5,302,368	-	59,970,009	-	21,076,758	86,349,135

Notes to the Consolidated Financial Statements

Particulars	As at 31st March, 2022	As at 31st March, 2021
6 - Cash & Cash Equivalents :		
Balances with Banks	1600719	147,900,338
Cash on Hand	81654.06	340,082
Total	1,682,373	148,240,420

7 - Current Loans :**Other Loans & Advances****Unsecured, Considered good**

Loan to Corporate Bodies	54405598	7,440,460
Other Loans	182655753	25,013,000
Deposits	-	20,000
Advance to Supplier	-	42,498,914
Balance with govt	225342.84	148,607
Total	237,286,694	75,120,981

7.1

Types Of Borrower	Amount of Loan & Advances in the nature of Loan outstanding	Percentage Of total loan & advances in the nature of loan
Promoter		
Directors	-	-
KMPs	-	-
Related Parties	11,334,500	4,78

Particulars	As at 31st March, 2022	As at 31st March, 2021
8 - Other Current Assets :		
Preliminary Expenses	315200	394,000
Pre-Operative Expenses	3000	6,539
Intrest Receivable	20255944	7,658,490
Other Statutory Advances	-	116,000
Deposit		35000
Total	20609144	8,175,029

Notes to the Consolidated Financial Statements

9 - Share Capital :

1. Authorized, Issued, Subscribed and Paidup share capital

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	No. of Shares	Amount	No. of Shares	Amount
Authorised Share Capital				
Equity Shares of Rs. 10 Each	3,070,000	30,700,000	3,070,000	30,700,000
Total	3,070,000	30,700,000	3,070,000	30,700,000
Issued Share Capital				
Equity Shares of Rs. 10 Each	3,018,764	30,187,640	3,018,764	30,187,640
Total	3,018,764	30,187,640	3,018,764	30,187,640
Subscribed & Fully Paid				
Equity Shares of Rs. 10 Each	3,018,764	30,187,640	3,018,764	30,187,640
Total	3,018,764	30,187,640	3,018,764	30,187,640

1. Details of the Shares for the Preceding Five Years

Particulars	01-04-2017 to 31-03-2022
Number Of Equity Shares Bought Back	50,000
Number Of Preference Shares Redeemed	-
Number of Equity Share Issue as Bonus Share	-
Number of Preference Share Issue as Bonus Share	-
Number of Equity Shares Allotted For Contracts Without Payment Received In Cash	3,018,764
Number of Preference Shares Allotted For Contracts Without Payment Received In Cash	-

1. Reconciliation of Share Capital

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	No. of Shares	Amount	No. of Shares	Amount
Equity Shares (Face Value Rs. 10.00)				
Shares Outstanding at the Beginning of the Year	3,018,764	30,187,640	3,018,764	30,187,640
Shares issued during the year	-	-	-	-
Shares cancelled during the year	-	-	-	-
Shares Outstanding at the End of the Year	3,018,764	30,187,640	3,018,764	30,187,640

2. Share Holders Holding More than 5% Share

Name of the Share Holders	As at 31st March, 2022		As at 31st March, 2021	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Shalin A. Shah	398,621	13.20	398,621	13.20
Ashok C. Shah	152,401	5.05	152,401	5.05
Hitesh J. Panara	285,120	9.44	285,120	9.44
Ashoka Metcast Limited	-	-	165,197	5.47
Lेशa Ventures Pvt Ltd	274,600	9.10	-	-

Notes to the Consolidated Financial Statements

9 - Share Capital : (Contd...)

3. Name of Promoters / Promoter Group	Category	As At 31st March, 2022		As At 31st March, 2021	
		No. of Shares	% of Share holding	No. of Shares	% of Share holding
Shalin Ashok Shah	Promoter	398,621	13.20	398,621	13.20
Ashok Chinubhai Shah	Promoter	152,401	5.05	152,401	5.05
Leena Ashok Shah	Promoter Group	92,508	3.06	92,508	3.06
Lesha Ventures Private Limited	Promoter Group	274,600	9.10	129,600	4.29
Rhetan TMT Limited (Formerly Known As Rhetan Rolling Mills Private Limited)	Promoter Group	145,584	4.82	145,584	4.82
Ashoka Metcast Limited	Promoter Group	20,197	0.67	165,197	5.47
Total		1,083,911	35.91	1,083,911	35.91

Percentage change in promoter and promoter group holding is given below:

Name of Promoters / Promoter Group	Category	% of Share holding Change during the year ended on 31st March, 2022
Shalin Ashok Shah	Promoter	-
Ashok Chinubhai Shah	Promoter	-
Leena Ashok Shah	Promoter Group	-
Lesha Ventures Private Limited	Promoter Group	-4.80%
Rhetan TMT Limited (Formerly Known As Rhetan Rolling Mills Private Limited)	Promoter Group	-
Ashoka Metcast Limited	Promoter Group	4.80%

Particulars	As at 31st March, 2022	As at 31st March, 2021
10 - Other Equity :		
General Reserve		
Opening balance	98,449,089	98,449,089
(-)Adjustment during the year on account of Demerger		-
+ Adjustment in pursuant to the scheme of Demerger		-
Closing Balances	98,449,089	98,449,089
Security Premium		
Opening balance		
(-)Adjustment during the year on account of Demerger		
+ Adjustment in pursuant to the scheme of Demerger	331,760,383	331,760,383
Closing Balances	331,760,383	331,760,383
Profit & Loss A/c		
Opening balance	(18,612,792)	(11,718,910)
(-) Transfer of Current Year Loss	4217834.12	(6,893,882)
Closing balance	(14,394,958)	(18,612,792)
Total	415,814,513.23	411,596,679.11

Notes to the Consolidated Financial Statements

Particulars	As at 31st March, 2022	As at 31st March, 2021
11 - Non Controlling Interest :		
Non Controlling Interest	162,174,167	157,939,782
Total	162,174,167	157,939,782

12 - Non Current Borrowing :**Deferred Payment Credit**

Loan from Directors	-	556,000
Loan From Others	16556000	16,000,000
Total	16,556,000	16,556,000

13 - Borrowings :**Unsecured Loans repayable on Demand**

Loan from Others	-	-
Loan From Body Corporate	800000	15,220,000
Total	800,000	15,220,000

14 - Trade Payables :

Trade Payables For Goods	16887796	89,907,086
Trade Payables For Expenses	-	-
Total	16887796	89,907,086

Trade Payable Ageing as at March 31, 2022**Outstanding for following periods from the date of Payment**

Particulars	Less than 1 Year	1-2 Year	2-3 Years	More than 3 Years	Total
MSME	-	-	-	-	
Others	-	3,810,043	-	13,077,753	16,887,796
Disputed Dues- MSME	-	-	-	-	
Disputed Dues- Others	-	-	-	-	
Total	-	3,810,043	-	13,077,753	16,887,796

Trade Payable Ageing as at March 31, 2021**Outstanding for following periods from the date of Payment**

Particulars	Less than 1 Year	1-2 Year	2-3 Years	More than 3 Years	Total
MSME	-	-	-	-	
Others	-	76,829,333	-	13,077,753	89,907,086
Disputed Dues- MSME	-	-	-	-	
Disputed Dues- Others	-	-	-	-	
Total	-	76,829,333	-	13,077,753	89,907,086

Notes to the Financial Statements

Particulars	As at 31st March, 2022	As at 31st March, 2021
15 - Other Current Liabilities :		
Duties & Taxes	322050	1,342,051
Advance from Customer	1833843	1,559,557
Others	40899	1,482
Book Overdraft	40845772	-
Other financial Liabilities	696539	-
Creditors for Expenses		
- Dues to micro and small enterprises	-	-
- Dues to Others	109,713	95,821
Total	43,848,816	2,998,911
16 - Short Term Provision :		
Unpaid Professional Fees	90000	60,000
Unpaid Legal Fees	15000	15,000
Other	20000	10,000
Income tax Payable		
Total	125,000	85,000
17 - Revenue from Operations :		
(1) Sale of Steel Products		-
(2) Sale of Traded Goods		-
(3) Sale of IT Products	90078975.05	101,641,989
Total	90,078,975	101,641,989
18 - Other Income :		
Interest Income	14522533.18	6,367,138
Miscellaneous Income	1728307	-
Profit on sale of investment	6463686	-
Other Income	5114	-
Total	22,719,640	6,367,138
19 - Purchase of Stock in Trade :		
(A) Purchase of Products		
(1) Purchase of Steel		-
(2) Purchase of Traded Goods		-
(3) Purchase of IT Products	72977020.99	54,185,946
Total	72,977,021	54,185,946
20 - Changes in Inventories :		
Opening Stock	7969544.79	59,316,175
Closing Stock	5977158.877	33,582,269
Total	1,992,386	25,733,906
21 - Employee Benefit Expenses		
Salary & Wages	1766197.139	754,120
Total	1,766,197	754,120

Notes to the Financial Statements

Particulars	As at 31st March, 2022	As at 31st March, 2021
22 - Finance Cost :		
Interest Expense	58070.3614	995,183
Total	58,070	995,183
23 - Depreciation & Amortization Expenses :		
Depreciation	9808177.947	16,959,812
Total	9,808,178	16,959,812
24 - Other Expenses :		
Payment to Auditors *	101025	44,205
Rates & Taxes (Excluding Income-Tax)	0	29,429
Miscellaneous Expenses	13,808,774	16,429,307
Preliminary Expenses Write Off	570708	15,449,189
Legal & Professional Charges	630406	47,405
Annual Custody Fees	11275	11,616
Office Exp	96844	568
Share Transfer Exp	60000	65,000
ROC Exp	4800	294,025
Listing Processing Exps	309020	309,000
Rent Exp	44841	119,126
Advertisement Exp.	22725	-
Sundry Balance Written Off	4616613	-
Other Miscellaneous Expenses	84742	133,378
Bank Charges	235	
Charges for Monitoring Exp.	10000	
Conveyance Exp.	35940	
Demate Charges	5484	
E Voting Charges	15000	
Postage & Courier Exp.	19315	
Repair & Maintenance Exp.	10600	
Stationery & Printing Exp.	22030	
Tea Exp.	32267	
Water Exp.	38800	
Website Designing	11039	
Allowance for Bad Debts	7011234	
Allowance for Loan & Advances	144855.7716	
Total	13,909,799	16,502,942
* Payment to Auditors		
For Audit Fees	101025	44,205
For Others		-

Notes to the Financial Statements

25 - Notes on Accounts

- Contingent Liabilities**

There is no contingent liability as informed by management.

- Capital Expenditure Commitments: Nil**

- Related Party Transactions: SS**

As per Indian Accounting Standard (Ind AS -24) issued by the Institute of Chartered Accountants of India, the disclosures of transactions with the related parties are given below:

List of related parties where control exists and related parties with whom transactions have taken place and relationships:

Sr.No.	Name	Relationship
1	Shalin Ashok Shah	Director
2	Ashok Chinubhai Shah	Managing Director
3	Daxaben Mahendrakumar Shah	Independent Director
4	Chandrakant Natubhai Chauhan	Independent Director
5	Dimpal Jignesh Solanki	Company Secretary
6	Adzillow Pvt Ltd. (Formerly Known as EZI Ventures PVT. LTD.)	Subsidiary Company
7	Lesha Industries Ltd	Director have significant influence
8	Gujarat Natural Resources ltd	Director have significant influence
9	Rhetan TMT Limited	Director have significant influence

- Transactions with Related Parties**

Transactions that have taken place during the period April 1, 2021 to March 31, 2022 with related parties by the company stated below.

Sr.No.	Name	Nature of the Transaction	Amount Outstanding
1	Shalin A. Shah	Loan Taken	53,99,950
		Loan Repaid	53,99,950
		Closing Balance	NIL
2	Dimpal Jignesh Solanki	Opening Balance	10,000
		Salary Payable	1,20,000
		Salary Paid	1,10,000
		Closing Balance	20,000
3	Rhetan TMT Limited	Loan Given	2,07,79,500
		Loan Repaid	1,41,54,749
		Closing Balance	1,13,34,500

Additional Regulatory Information

Sr.No.	Ratios	Numerator	Denominator	31.03.2022
(i)	Current Ratio	Current Assets	Current Liabilities	5.32
(ii)	Debt-Equity Ratio	Total Debt	Shareholder's Equity	0.04
(iii)	Debt Service Coverage Ratio	Earnings available for Debt Servicing	Total Debt service	242.53
(iv)	Return on Equity Ratio	Profit After Taxes	Average Shareholder's Equity	0.95
(v)	Inventory turnover ratio (in days)	Cost of Goods Sold	Average Inventory	6.11
(vi)	Trade Receivables turnover ratio(In days)	Revenue from Operations	Average Trade Receivables	1.25
(vii)	Trade payables turnover ratio(In days)	Purchase of Goods & services and Other expense	Average Trade Payables	1.36
(viii)	Net Capital turnover	Revenue from Operations	Working Capital	0.39
(ix)	Net Profit Ratio	Net Profit After Taxes	Revenue from Operations	4.68
(x)	Return on Capital Employed	Earning Before Interest and Tax	Capital Employed	5.34
(xi)	Return on Investment	Income from Investments	Cost of Investment	71.82

- Payment to the Auditors**

Particulars	2021-22	2020-21
Audit Fees	1,01,025	44,205
Company Matter	0	0
Income Tax Fees	0	0
Others	0	0
Total	1,01,025	44,205

- Segment Reporting:**

The Company's operating segments are established based on those components of the Company that are evaluated regularly by the Executive Committee (the 'Chief Operating Decision Maker' as defined in Ind AS 108 - 'Operating Segments'), in deciding how to allocate resources and in assessing performance. These have been identified considering nature of products and services, the differing risks and returns and the internal business reporting systems.

The Group has four principal operating and reporting segments;

- Steel
- Trading of Software, Electronic and IT Product
- Trading of Goods
- Others

(Amount in Lacs)

Particulars	Steel		Trading of Software, Electronic and IT		Trading of Goods		Others		Total	
	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21
Segment Revenue	-	-	900.79	1016.42	-	-	-	-	900.79	1016.42
External Turnover	-	-	900.79	1016.42	-	-	-	-	900.79	1016.42
Inter Segment Turnover	-	-	-	-	-	-	-	-	-	-
Gross Turnover	-	-	900.79	1016.42	-	-	-	-	900.79	1016.42
Less: GST Recovered	-	-	-	-	-	-	-	-	-	-
Gross Turnover	-	-	900.79	1016.42	-	-	-	-	900.79	1016.42

(Amount In Lacs)

Particulars	Steel		Trading of Software, Electronic and IT		Trading of Goods		Others		Total	
	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21
Segment Results before Interest & Taxes	-	-	151.09	217.22	-	-	227.20	63.67	378.29	280.89
Less: Finance Cost & Other un-allocable Expenditure	-								255.42	352.12
Net Profit / (Loss) before										
Tax	-								122.87	(71.23)

- Earnings per Share:-**

The earning considered in ascertaining the company's EPS comprises the profit available for shareholders i.e., profit after tax and statutory/regulatory appropriations. The number of shares used in computing Basic EPS is the weighted average number of shares outstanding during the year as per the guidelines of Ind AS-33.

Particulars	31-03-2022	31-03-2021
Net Profit Attributable to share holders	42,17,834	(68,93,533)
Weighted average number of equity shares (Nos.)	30,18,764	30,18,764
Basic and diluted earnings per share (Rs.)	1.40	(2.28)
Nominal value of equity share (Rs.)	10	10

- Capital Management**

The Company manages its capital to ensure that entities in the Company will be able to continue as going concerns while maximizing the return to stakeholders through the optimization of the debt and equity balance. The capital structure of the Company consists of net debt (borrowings offset by cash and bank balances) and total equity of the Company.

Particulars	As at 31st March, 2022	As at 31st March, 2021
Total equity attributable to the equity share holders of the company	3,01,87,640	3,01,87,640
As percentage of total capital	0.69%	-0.35%
Current loans and borrowings	8,00,000	15,220,000
Non-current loans and borrowings	1,65,56,000	16,556,000
Total loans and borrowings	1,73,56,000	3,17,76,000
Cash and cash equivalents	16,82,373	148,240,420
Net loans & borrowings	1,56,73,627	(11,64,64,420)
As a percentage of total capital	0.34%	1.35%
Total capital (loans and borrowings and equity)	4,58,61,267	(8,62,76,780)

- Fair Value measurements

- A. Financial instruments by category

Particulars	As at 31st March, 2022			As at 31st March, 2021		
	Amortized Cost	FVTPL	FVTOCI	Amortized Cost	FVTPL	FVTOCI
Financial Asset						
Investment	-	58,73,039	-	-	4,00,51,019	-
Non-Current Loans	-	15,88,89,640	-	-	19,32,73,248	-
Trade receivables	-	5,77,66,299.36	-	-	8,63,49,135	-
Cash & Cash Equivalents	-	16,82,373.06	-	-	14,82,40,420	-
Current Loans	-	23,72,86,696.16	-	-	7,51,20,981	-
Total Financial Asset	-	46,14,98,047.58	-	-	54,30,34,803	-
Financial Liabilities						
Non-Current Borrowings	-	1,65,56,000	-	-	1,65,56,000	-
Trade Payables	-	1,69,97,509	-	-	9,00,02,906	-
Short Term Borrowing			-			-
Other Financial Liabilities	-	8,00,000			1,52,20,000	
Total Financial Liabilities	-	3,43,53,509	-	-	12,17,78,906	-

* Excluding investments in subsidiaries, joint control entities and associates measured at cost in accordance with Ind AS-27

Fair value hierarchy

The following section explains the judgments and estimates made in determining the fair values of the financial instruments that are recognized and measured at fair value through profit or loss. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial investments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

- B. Fair value hierarchy for assets

Financial assets measured at fair value at March 31, 2022

	Level 1	Level 2	Level 3	Total
Financial Assets				
Investment	58,73,039	-	-	58,73,039

Financial assets measured at fair value at March 31, 2021

	Level 1	Level 2	Level 3	Total
Financial Assets				
Investment	40,051,019	-	-	40,051,019

Notes:

Level 1 hierarchy includes financial instruments measured using quoted prices (unadjusted) in active market for identical assets that the entity can access at the measurement date. This represents mutual funds that have price quoted by the respective mutual fund houses and are valued using the closing Net asset value (NAV).

Level 2 hierarchy includes the fair value of financial instruments measured using quoted prices for identical or similar assets in markets that are not active.

Level 3 if one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted compound instruments.

There are no transfers between any of these levels during the year. The Company's policy is to recognize transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

C. Fair value of financial assets and liabilities measured at amortized cost

The Management has assessed that fair value of loans, trade receivables, cash and cash equivalents, other bank balances, other financial assets and trade payables approximate their carrying amounts largely due to their short-term nature. Difference between carrying amount of Bank deposits, other financial assets, borrowings, and other financial liabilities subsequently measured at amortized cost is not significant in each of the years presented.

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

- Financial risk management**

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board has established the Audit Committee, which is responsible for developing and monitoring the Company's risk management policies. The Committee holds regular meetings and report to board on its activities. The Company's risk management policies are established to identify and analyses the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The audit committee oversees how management monitors compliance with the Company's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk.

Risk	Exposure arising from	Measurement	Management of risk
Credit Risk	Cash and cash equivalents, trade receivables, Financial assets measured at amortized cost.	Aging analysis	Diversification of funds to bank deposits, Liquid funds and Regular monitoring of credit limits
Liquidity Risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of surplus cash, committed credit lines and borrowing facilities

(a) Credit risk

Credit risk is the risk of financial loss to the company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The company is exposed to the credit risk from its trade receivables, unbilled revenue, investments, cash and cash equivalents, bank deposits and other financial assets. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets.

Trade Receivables

Trade receivables comprise a widespread customer base. Management evaluates credit risk relating to customers on an on-going basis. If customers are independently rated, these ratings are used. Otherwise, if there is no independent rating, risk control assesses the credit quality of the customer, considering its financial position, past experience and other factors.

For trade receivables, provision is provided by the company as per the below mentioned policy:

Particulars	Gross Carrying Amount	Expected credit losses rate (%)	Expected Credit Losses	Carrying amount of Trade Receivable
Considered for Goods	0	0	0	0
0-12 Months	5,77,66,300	0	0	5,77,66,300
More than 1 Year	5,77,66,300	0	0	5,77,66,300

(b) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to

managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Liquidity Table

The Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods is given below. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include both interest and principal cash flows. The contractual maturity is based on the earliest date on which the Company may be required to pay.

As at March 31, 2022

Financial Liabilities	Payable within 0 to 12 months	More than 12 months	Total
Non-current financial liabilities			
Borrowings	-	1,65,56,000	1,65,56,000
Current financial liabilities			
Borrowings	8,00,000	-	8,00,000
Trade Payables	1,69,97,509	-	1,69,97,509
Other Financial Liability	-	-	-
Total financial liabilities	1,77,97,509	1,65,56,000	3,43,53,509

As at March 31, 2021

Financial Liabilities	Payable within 0 to 12 months	More than 12 months	Total
Non-current financial liabilities			
Borrowings	-	1,65,56,000	1,65,56,000
Current financial liabilities			
Borrowings	1,52,20,000	-	1,52,20,000
Trade Payables	9,00,02,906	-	9,00,02,906
Other Financial Liability	-	-	-
Total financial liabilities	10,52,22,906	1,65,56,000	12,17,78,906

(c) Market Risk

Market risk is the risk arising from changes in market prices – such as foreign exchange rates and interest rates – will affect the Company's income or the value of its holdings of financial instruments. The Company is exposed to market risk primarily related to interest rate risk and the market value of the investments. Thus, the exposure to market risk is a function of investing and borrowing activities.

- Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Company's borrowings are Interest free, So there has been no exposure arise regarding Interest Rate Risk.

(d) Price Risk Exposure

The Company's exposure to securities price risk arises from investments held in mutual funds and classified in the balance sheet at fair value through profit or loss. To manage its price risk arising from such investments, the Company diversifies its portfolio. Further these are all debt base securities for which the exposure is primarily on account of interest rate risk. Quotes (NAV) of these investments are available from the mutual fund houses. Profit for the year would increase/decrease as a result of gains/losses on these securities classified as at fair value through profit or loss.

• Others

- As informed by the management that the loans are interest free, which in our opinion is violation of Section 186 (7) of the Companies Act, 2013.
- Confirmation of the concerned parties for the amount due to them and/or due from them as per accounts of the company are not received. Necessary adjustments, if any, will be made when accounts are reconciled or settled. Balance of sundry debtors and creditors, loans and advances accepted and given in the balance sheet are subject to confirmation.
- In the opinion of board of directors the value of loans and advances and other current assets have a value on realization in the ordinary course of business at least equal to the amount at which they are stated in balance sheet.
- As per National Company Law Tribunal, Ahmedabad Bench Order Dated 29/05/2017 T.P. No. 38/NCLT/AHM/2017, New segment of Trading & Investment Business has been added (Demerged from Lasha Industries Ltd).
- There is carry forward of losses, the company need not to recognize deferred tax assets in the event of non-availability of convincing evidence as to future income.
- The previous year's figures have been reworked, regrouped, rearranged and reclassified wherever necessary. Amounts and other disclosures for the preceding year are included as an integral part of the current year financial statements and are to be read in relation to the amounts and other disclosures relating to the current year.

For, Ashnisha Industries Limited

Ashok C. Shah
Managing Director
Din: 02467830

Shalin A. Shah
Director
Din: 00297447

Dimpal J. Solanki
Company Secretary

For, G M C A & Co.
Chartered Accountants
FRN: 109850W

CA. Mitt S. Patel
(Partner)
Membership No. 163940
UDIN: 22163940AJWQPZ7322

Place : Ahmedabad

Date : 30.05.2022