



**LESHA INDUSTRIES**  
L I M I T E D

September 5, 2019

To,  
Department of Corporate Services  
BSE Limited  
P.J. Towers, Dalal Street,  
Mumbai-400001.

Dear Sir/Madam,

**Sub: Annual Report for the year 2018-19.**

Pursuant to Regulation 34(1)(a) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find attached herewith the copy of Annual Report of the Company for the year 2018-19, along with notice of Annual General Meeting to be held on Saturday, 28<sup>th</sup> September, 2019 at 11:00 a.m. at the registered office of the Company.

Kindly find the same and take on your records.

Thanking you,

Yours faithfully,  
**For Lesha Industries Limited**

*Shalin A Shah*

**Shalin A. Shah**  
**Director**  
**DIN: 00297447**



Encl: As above

7th Floor, Ashoka Chambers,  
Mithakhali Six Roads,  
Ahmedabad - 380 006.  
Phone : +91 - 79 - 26463227  
Web : [www.lesha.in](http://www.lesha.in)  
E-mail : [info@lesha.in](mailto:info@lesha.in)  
CIN: L27100GJ1992PLCO18607

**ANNUAL REPORT 2018 - 2019****BOARD OF DIRECTORS**

Mr. Ashok C. Shah	Managing Director
Mr. Shalin A. Shah	Director
Ms. Payal Pandya	Independent Director
Mr. Hitesh Donga	Independent Director (from 15/01/2011 to 16/03/2019)
Mr. Chandrakant Chauhan	Independent Director (w.e.f. 23/03/2019)

**SECRETARIAL AUDITORS**

Mr. Chintan Patel, Practicing Company Secretary, Ahmedabad

**STATUTORY AUDITORS**

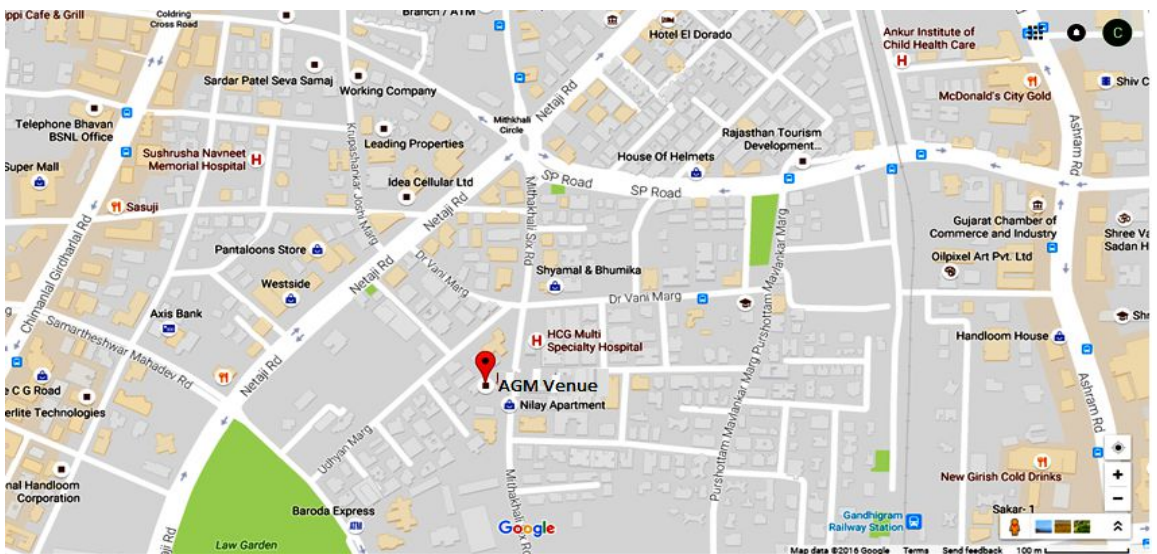
M/s. GMCA & Co., Chartered Accountants, Ahmedabad

**REGISTERED OFFICE**

7<sup>th</sup> Floor, Ashoka Chambers,  
Mithakhali Six Roads, Ahmedabad – 380006.  
Website: [www.lesha.in](http://www.lesha.in), E-mail: [info@lesha.in](mailto:info@lesha.in)  
Contact: 079-26463227

**REGISTRAR & SHARE TRANSFER AGENTS**

Purva Sharegistry (India) Pvt. Ltd.  
Shiv Shakti Industrial Estates, Unit No. 9  
J. R. Boricha Marg, Opp. Kasturba Hospital Lane  
Lower Parel (E), Mumbai - 400 011  
E-mail: [support@purvashare.com](mailto:support@purvashare.com)  
Contact: 022 2301 6767/2518

**ROAD MAP TO AGM VENUE**

**NOTICE**

Notice is hereby given that **Annual General Meeting of Lesha Industries Limited** will be held at the registered office of the Company on Saturday, 28<sup>th</sup> Day of September, 2019 at 11:00 a.m. to transact following business:

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the Financial Statements of the Company for the year ended 31<sup>st</sup> March, 2019 including audited Balance Sheet as at 31<sup>st</sup> March, 2019 and Statement of Profit and Loss and the cash flow statement for the year ended on that date and the Reports of the Directors and the Auditors thereon.
2. To re-appoint Mr. Shalin A. Shah (DIN: 00297447), who is liable to retire by rotation and being eligible, offers himself for re-appointment.

**SPECIAL BUSINESS:**

3. **Appointment of Mr. Chandrakant Chauhan (DIN: 08057354) as an Independent Director.**

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

**“RESOLVED THAT** pursuant to the provisions of section 149, 152 and all other applicable provisions of the Companies Act, 2013, if any and Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV, Mr. Chandrakant Chauhan (DIN: 08057354) who was appointed as an Additional Director pursuant to the provisions of Section 161 of the Companies Act, 2013 and the Articles of Association of the Company and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013, from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for 5 consecutive years for a term from March 23, 2019 to March 22, 2024, not liable to retire by rotation.”

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

4. **Approval of Related Party Transaction.**

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

**“RESOLVED THAT,** pursuant to the provisions of Section 188 of the Companies Act, 2013 and Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 and other applicable provisions and rules thereto, and Regulation 23 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and subject to such amendments as may be made therein, the approval of the Members of the Company be and is hereby accorded to the Board of Directors of the Company to enter into transactions with Rhetan Rolling Mills Private Limited, the Related Party as defined under the Act for purchase/sale of goods, services and/or any other business activities up to Rs. 50 Crores for the financial year 2019-20.”

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

5. **Approval of Related Party Transaction.**

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

**“RESOLVED THAT,** pursuant to the provisions of Section 188 of the Companies Act, 2013 and Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 and other applicable provisions and rules thereto, and Regulation 23 of Securities and Exchange Board of India (Listing Obligations and Disclosure

Requirements) Regulations, 2015 and subject to such amendments as may be made therein, the approval of the Members of the Company be and is hereby accorded to the Board of Directors of the Company to enter into transactions with Ashoka Metcast Limited, the Related Party as defined under the Act for purchase/sale of goods, services and/or any other business activities up to Rs. 15 Crores for the financial year 2019-20.”

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

**6. Approval of Related Party Transaction.**

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

“**RESOLVED THAT**, pursuant to the provisions of Section 188 of the Companies Act, 2013 and Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 and other applicable provisions and rules thereto, and Regulation 23 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and subject to such amendments as may be made therein, the approval of the Members of the Company be and is hereby accorded to the Board of Directors of the Company to enter into transactions with Ashnisha Industries Limited, the Related Party as defined under the Act for purchase/sale of goods, services and/or any other business activities up to Rs. 15 Crores for the financial year 2019-20.”

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

**Place: Ahmedabad**  
**Date: August 8, 2019**

**For and on behalf of the Board**

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

**Annexure to the Notice of Annual General Meeting**  
**Details of Directors seeking Appointment/Reappointment in Annual General Meeting**  
**Pursuant to Regulation 36(3) of SEBI (LODR) Regulation, 2015**

Name of the Director	Chandrakant Chauhan (DIN: 08057354)	Shalin A. Shah (DIN: 00297447)
Age (Yrs.)	26 Years	46 Years
Date of Birth	12/07/1993	31/08/1973
Date of first appointment on the Board	23/03/2019	21/07/1995
The no. of Meetings of the Board attended during the year	Nil	9
Brief Resume and expertise	He is engaged in the marketing activity and has varied experience. Moreover he has dynamic qualities and rich managerial skills therefore his involvement in the Company will be beneficial for the future growth and development of the Company.	He completed his Civil Engineering from L.D. Engineering College, Ahmedabad. He has more than 20 years' experience in various fields like trading, real estate, oil and gas exploration etc. and has vast exposure into the fields of management, finance, accounting, information technology and legal. He has been guiding force behind the growth and business strategy of our Company.
Designation	Independent, Non - executive Director	Director
Chairman/Member of the Committee of the Board of Directors of the Company	Chairman of Nomination and Remuneration Committee and Member of Audit Committee and Stakeholders' Relationship committee.	Chairman of Stakeholders' Relationship committee and Member of Audit Committee and Nomination and Remuneration Committee
No. of Shares held in the Company	7475	149483
Directorship in Other Listed Company	<ul style="list-style-type: none"> <li>• Ashnisha Industries Limited</li> </ul>	<ul style="list-style-type: none"> <li>• Gujarat Natural Resources Limited</li> <li>• Ashoka Metcast Limited</li> <li>• Ashnisha Industries Limited</li> </ul>
Related to other directors	Not related with any directors inter se.	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 of the Notice**

The Board of Directors, on the recommendation of Nomination and Remuneration Committee, had appointed Mr. Chandrakant Chauhan (DIN 08057354), as an Additional and also as Independent Director of the Company with effect from March 23, 2019.

Mr. Chandrakant Chauhan (DIN 08057354) has varied experience in the marketing activity. Copy of the draft letter for appointment of Mr. Chandrakant Chauhan as an Independent Director would be available for inspection without any fee by the members at the Registered Office of the Company.

In the opinion of the Board, Mr. Chandrakant Chauhan fulfils the conditions specified in the Companies Act, 2013 and rules made there under for his appointment as an Independent Director of the Company and is independent of the management.

The Board of Directors is of the opinion that his involvement in the Company will be beneficial for the future growth and development of the Company and hence recommends the Resolution at Item No. 3 of this Notice for your approval. Mr. Chandrakant Chauhan holds 7475 equity shares in the company.

None of the Directors, Key Managerial Personnel and relatives thereof other than, Mr. Chandrakant Chauhan has any concern or interest, financial or otherwise, in the resolution at Item No. 3 of the Notice.

**Item No. 4 of the Notice**

The Audit Committee and the Board of Directors of the Company, at their respective meetings held on 8<sup>th</sup> August, 2019 has approved a proposal for entering into following related party transactions:

Name of Related Party	Rhetan Rolling Mills Private Limited
Name of Related Director or KMP	Mr. Ashok C. Shah, Mr. Shalin A. Shah
Nature of relationship	Mr. Ashok C. Shah, Managing Director and Mr. Shalin A. Shah, Director of Lesha Industries Limited are also the Directors of Rhetan Rolling Mills Private Limited.
Material terms, monetary value and particulars of the contract or arrangement;	The transaction between the parties will be in the nature of purchase/sale of goods, services and/or any other business activities. The amount of the transaction shall be up to Rs. 50 Crores and the same has to be paid as per the terms agreed by both the parties.
The Manner of determining the pricing and other commercial terms, both included as part of contract and not considered as part of the contract	The pricing is commensurate with the market value of the goods and shall be at arm's length.
Any other information relevant or important for the members to take a decision on the proposed resolution	N.A.

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

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

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

**Item No. 5 of the Notice**

The Audit Committee and the Board of Directors of the Company, at their respective meetings held on 8<sup>th</sup> August, 2019 has approved a proposal for entering into following related party transactions:

Name of Related Party	Ashoka Metcast Limited
Name of Related Director or KMP	Mr. Ashok C. Shah, Mr. Shalin A. Shah, Ms. Payal Pandya and Ms. Chitra Thaker
Nature of relationship	Mr. Ashok C. Shah (Managing Director), Mr. Shalin A. Shah (Director) and Ms. Payal Pandya (Director) of Lesha Industries Limited are also Directors of Ashoka Metcast Limited. Ms. Chitra Thaker, Company Secretary of Lesha Industries Limited is also Director in Ashoka Metcast Limited.
Material terms, monetary value and particulars of the contract or arrangement;	The transaction between the parties will be in the nature of purchase/sale of goods, services and/or any other business activities. The amount of the transaction shall be up to Rs. 15 Crores and the same has to be paid as per the terms agreed by both the parties.
The Manner of determining the pricing and other commercial terms, both included as part of contract and not considered as part of the contract	The pricing is commensurate with the market value of the goods and shall be at arm's length.
Any other information relevant or important for the members to take a decision on the proposed resolution	N.A.

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

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

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

**Item No. 6 of the Notice**

The Audit Committee and the Board of Directors of the Company, at their respective meetings held on 8<sup>th</sup> August, 2019 has approved a proposal for entering into following related party transactions:

Name of Related Party	Ashnisha Industries Limited
Name of Related Director or KMP	Mr. Ashok C. Shah, Mr. Shalin A. Shah
Nature of relationship	Mr. Ashok C. Shah, Managing Director and Mr. Shalin A. Shah, Director of Lesha Industries Limited are also the Managing Director and Director of Ashnisha Industries Limited respectively.
Material terms, monetary value and particulars of the contract or arrangement;	The transaction between the parties will be in the nature of purchase/sale of goods, services and/or any other business activities. The amount of the transaction shall be up to Rs. 15 Crores and the same has to be paid as per the terms agreed by both the parties.

The Manner of determining the pricing and other commercial terms, both included as part of contract and not considered as part of the contract	The pricing is commensurate with the market value of the goods and shall be at arm's length.
Any other information relevant or important for the members to take a decision on the proposed resolution	N.A.

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

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

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

**Place: Ahmedabad**  
**Date: August 8, 2019**

**For and on behalf of the Board**

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

**NOTES:**

1. ANY MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy, provided such person shall not act as a proxy for any other person or shareholder.
3. The Proxy form duly completed must reach the Registered Office of the Company not later than forty-eight hours before the time of commencement of the meeting.
4. Corporate Members intending to send their authorised representatives to attend the Annual General Meeting are requested to send to the Company a certified copy of the Board resolution authorizing their representative to attend and vote on their behalf at the Meeting.
5. The Register of Members and share transfer books of the Company will remain closed from 25<sup>th</sup> September, 2019 to 28<sup>th</sup> September, 2019 (both days inclusive).
6. Members, Proxies and Authorised Representatives are requested to bring to the meeting, the Attendance Slip enclosed herewith, duly completed and signed, mentioning therein details of their DP ID and Client ID / Folio No. to facilitate identification of membership at the EGM.
7. All documents referred to in the Notice are open for inspection at the Registered Office of the Company between 11:00 a.m. and 1:00 p.m. on any working day except Saturdays and holidays up to the date of Annual General Meeting. Shareholders seeking any information with regards to accounts are requested to write to the Company at least 10 days before the date of Annual General Meeting so as to enable the management to keep the information ready.
8. Updation of Email Id: The Shareholders are requested to intimate their Email Id to the Company or update their email registered with Depository Participants, if the same is changed.



9. The relative Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("Act") setting out material facts concerning the business under Item No. 3,4,5 & 6 of the Notice, is annexed hereto. The relevant details as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), of the person seeking appointment/reappointment as Director under Item No. 2 & 3 of the Notice, are also annexed.
10. The Notice of the AGM along with the Annual Report 2018-19 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company / Depositories, unless any Member has requested for a physical copy of the same. For Members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode. Members may note that this Notice and the Annual Report 2018-19 will also be available on the Company's website viz. [www.lesha.in](http://www.lesha.in).
11. To support the 'Green Initiative', Members who have not registered their e-mail addresses are requested to register the same with DPs/ RTA. The registered e-mail address will be used for sending future communications.  
Members whose email ids are already registered may update the changes therein, if any.
12. Members holding shares in dematerialised mode are requested to intimate all changes pertaining to their bank details, National Electronic Clearing Service (NECS), Electronic Clearing Service (ECS), mandates, nominations, power of attorney, change of address/name, e-mail address, contact numbers, etc. to their Depository Participant (DP) only, and not to the Company's Registrar & Share Transfer Agent. Changes intimated to the Depository Participant will then be automatically reflected in the Company's records which will help the Company and its Registrar & Share Transfer Agent to provide efficient and better services to the Members.
13. Members holding shares in physical form are requested to intimate all changes pertaining to their bank details, National Electronic Clearing Service (NECS), Electronic Clearing Service (ECS), mandates, nominations, power of attorney, change of address / name, etc. to the Company's Registrar & Share Transfer Agent, quoting their Registered Folio Number.
14. SEBI vide its circular dated June 8, 2018 amended regulation 40 of the SEBI Listing Regulations pursuant to which requests for effecting transfer of securities shall not be processed unless the securities are held in the dematerialized form. Members holding the shares in physical form are requested to dematerialize their holdings at the earliest as it will not be possible to transfer shares held in physical mode.
15. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company/ Company's Registrar & Share Transfer Agent.

#### **16. Voting through electronic means:**

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

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

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

**The instructions for shareholders voting electronically are as under:**

- (i) The voting period begins on <September 25, 2019, 9:00 a.m.> and ends on <September 27, 2019, 5:00 p.m.> During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date September 21, 2019, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iv) Click on Shareholders.
- (v) Now Enter your User ID
- For CDSL: 16 digits beneficiary ID,
  - For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:

<b>For Members holding shares in Demat Form and Physical Form</b>	
PAN	<p>For demat shareholders: Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department.</p> <p>For physical shareholders, please use the first two letters of your name and the 8 digits of the sequence number in the PAN field.</p> <ul style="list-style-type: none"> <li>In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. E.g. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</li> </ul>
Dividend Bank Details <b>OR</b> Date of Birth (DOB)	<p>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.</p> <ul style="list-style-type: none"> <li>If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).</li> </ul>

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for Lesha Industries Limited.
- (xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

- (xv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xviii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) Shareholders can also cast their vote using CDSL's mobile app - CDSL m-Voting available for iphone as well as android and windows based mobiles. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xx) **Note for Non – Individual Shareholders and Custodians**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xxi) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- (xxii) Any person, who acquires shares of the Company and become Member of the Company after dispatch of the notice and holding shares as of the Cut-off Date i.e. September 21, 2019, may obtain the login ID and password by sending a request at [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com). However, if he/she is already registered with CDSL for remote e-Voting then he/she can use his/her existing User ID and password for casting vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on [www.evotingindia.com](http://www.evotingindia.com) or contact CDSL at the Toll Free No.: 1800-200-5533.
- (xxiii) A person, whose name is recorded in the Register of Members or in the list of Beneficial Owners maintained by the Depositories as on Cut-off Date only shall be entitled to avail the facility of remote e-Voting as well as voting at the Meeting through Polling Paper.
- (xxiv) The result of voting at the Meeting including remote e-Voting shall be declared after the Meeting but not later than Forty Eight Hours of the conclusion of the Meeting.
- (xxv) The result declared alongwith the Report of the Scrutinizer shall be placed on the website of the Company [www.lesha.in](http://www.lesha.in) and on the website of CDSL immediately after the declaration of result by the Chairman or a person authorised by him in writing. The Company shall simultaneously forward the results to BSE Limited where the shares of the Company are listed.

## 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 31<sup>st</sup> March, 2019.

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

Financial Results		(₹ in Lacs)	
Particulars	Year ended 31/03/2019	Year ended 31/03/2018	
Total Revenue	99.37	1339.64	
Expenditure	105.06	1352.46	
Depreciation	1.66	1.66	
Profit/(Loss) before Tax	(7.35)	(14.48)	
Provision for Taxation	---	---	
<b>Profit/(Loss) after Tax</b>	<b>(7.35)</b>	<b>(14.48)</b>	

**2. PERFORMANCE AND STATE OF AFFAIRS OF THE COMPANY:**

The Management of the Company is taking efforts for the progress of the Company. The performance of the Company will gradually improve with transient time.

**3. CHANGE IN NATURE OF BUSINESS:**

During the financial year, the Company has altered the object clause of its Memorandum of Association by incorporating therein objects related to trading of chemicals and other ancillary products. Approval of shareholders was obtained at an Extra Ordinary General Meeting held on 28/02/2019 for above amendment in the object clause of the Memorandum of Association.

**4. DIVIDEND:**

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

**5. TRANSFER TO RESERVE:**

Reserves & Surplus at the end of the year stood at ₹ 6,70,51,425/- as compared to ₹ 6,77,86,781/- at the beginning of the year.

**6. SHARE CAPITAL:**

As on March 31, 2019, the authorized share capital of the company was ₹ 19,00,00,000/- divided into 1,90,00,000 equity shares of face value of ₹ 10/- each and the paid up share capital of the company was ₹ 1,13,20,370/- divided into 11,32,037 equity shares of face value of ₹ 10/- each.

However, subsequent to the close of the financial year 2018-19, the Company has sub-divided its Equity Shares of face value of ₹ 10/- (Rupees Ten only) each fully paid up into 10 (Ten) Equity Shares of face value of ₹ 1/- (Rupee One only) each fully paid up w.e.f. Record Date i.e. April 12, 2019, and hence as on the date of this report the authorized share capital of the company is ₹ 19,00,00,000/- divided into 19,00,00,000 equity shares of face value of ₹ 1/- each and the paid up share capital of the company is ₹ 1,13,20,370/- divided into 1,13,20,370 equity shares of face value of ₹ 1/- each.

**7. 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.

**8. ENERGY, TECHNOLOGY AND FOREIGN EXCHANGE:**

During the period under review, several energy conservation initiatives were adopted and were taken by the Company. There are no plans to import any kind of technology for the project and hence information regarding its absorption is not applicable. There was no research activities carried out during the year. The information pertaining to foreign exchange income or outgo during the year is given in **ANNEXURE - I** and forms part of this report.

**9. 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 ₹ 10/- (Rupees Ten only) each fully paid up into 10 (Ten) Equity Shares of face value of ₹ 1/- (Rupee One only) each fully paid up w.e.f. Record Date i.e. April 12, 2019 and hence as on the date of this report the authorized share capital of the company is ₹ 19,00,00,000/- divided into 19,00,00,000 equity shares of face value of ₹ 1/- each and the paid up share capital of the company is ₹ 1,13,20,370/- divided into 1,13,20,370 equity shares of face value of ₹ 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.

**10. 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.

**11. DETAILS OF SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES:**

There are no Subsidiary/Joint Ventures/Associate Companies.

**12. 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.

**13. MEETING OF BOARD OF DIRECTORS:**

During the year under review, 10 (Ten) Board meetings were held, with gap between Meetings not exceeding the period prescribed under the Companies Act, 2013 and Rules made thereunder as follows:

Sr. No.	Date of Board Meeting	Name of Directors who attended the meetings			
1	29/05/2018	Ashok C. Shah	Payal Pandya	Hitesh Donga	
2	13/08/2018	Shalin A. Shah	Ashok C. Shah	Payal Pandya	Hitesh Donga
3	28/09/2018	Shalin A. Shah	Ashok C. Shah	Payal Pandya	Hitesh Donga
4	03/11/2018	Shalin A. Shah	Ashok C. Shah	Payal Pandya	Hitesh Donga
5	26/12/2018	Shalin A. Shah	Ashok C. Shah	Payal Pandya	Hitesh Donga
6	19/01/2019	Shalin A. Shah	Ashok C. Shah	Payal Pandya	Hitesh Donga
7	29/01/2019	Shalin A. Shah	Ashok C. Shah	Payal Pandya	Hitesh Donga
8	13/02/2019	Shalin A. Shah	Ashok C. Shah	Payal Pandya	Hitesh Donga
9	11/03/2019	Shalin A. Shah	Ashok C. Shah	Payal Pandya	Hitesh Donga
10	23/03/2019	Shalin A. Shah	Ashok C. Shah	Payal Pandya	

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.

**14. EXTRACTS OF ANNUAL RETURN:**

An extract of Annual Return in Form MGT-9 is attached herewith as ANNEXURE-II and forms part of this report.

**15. INSURANCE:**

All the Properties of the Company are adequately insured.

**16. RELATED PARTY TRANSACTIONS:**

There were no materially significant related party transactions entered between the Company, Directors, management, or their relatives. Hence, disclosure in Form AOC-2 is not provided.

All the contracts/arrangements/transactions entered into by the Company with the related parties during the financial year 2018-19 were in the ordinary course of business and on an arm's length basis as disclosed in the financial statements.

The details of related party disclosure form a part of the notes to the financial statements provided in the annual report.

#### **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.

Ms. Chitra Thaker has been appointed as a Company Secretary and Compliance Officer of the Company at the Board Meeting held on 28<sup>th</sup> September, 2018 with immediate effect.

Mr. Hiren Makwana has been appointed as a Chief Financial Officer of the Company at the Board Meeting held on 11<sup>th</sup> March, 2019 with immediate effect.

Mr. Hitesh Donga (DIN: 03393396), has resigned from the post of Independent Director of the Company with effect from 16<sup>th</sup> March, 2019, the Board took note of the same in its meeting held on 23<sup>rd</sup> March, 2019. In the same Board Meeting Mr. Chandrakant Chauhan (DIN: 08057354) was appointed as an additional, Independent Director of the Company w.e.f. 23/03/2019, whose appointment is proposed to be regularized as an Independent Director of the Company for a term of five year at the ensuing Annual General Meeting 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.

#### **18. EVALUATION OF BOARD, COMMITTEES AND DIRECTORS:**

Pursuant to the provisions Section 134(3)(p) of the Companies Act, 2013 and Rule 8(4) of the Companies (Accounts) Rules, 2014 and Regulation 17(10) of 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. The Independent Directors of the Company at their separate meeting held on 25/03/2019 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:

- Knowledge and Skills
- Professional conduct
- Duties, Role and functions

(b) For Executive Directors:

- Performance as Team Leader/Member.
- Evaluating Business Opportunity and analysis of Risk Reward Scenarios
- 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 31<sup>st</sup> March, 2019.

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 - III**.

## 21. INDEPENDENT DIRECTORS' MEETING:

Independent Directors of the Company had met during the year under the review on March 25, 2019.

## 22. COMMITTEES OF THE BOARD:

The Company had re-constituted its committees to comply with section 177 and 178 of the Companies Act, 2013 and as per regulation 18, 19 & 20 of SEBI (LODR) Regulation, 2015. There are currently Three Committees of the Board, as follows:

### 1. Audit Committee:

The Audit committee comprise of following directors as on 31/03/2019:

Name	Designation	Category
Ms. Payal Pandya	Chairperson	Non-Executive, Independent Director
Mr. Shalin A. Shah	Member	Non-Executive Director
Mr. Chandrakant Chauhan	Member	Non-Executive, Independent Director

In the financial year 2018-19, four meetings of Audit Committee were held on 29/05/2018, 13/08/2018, 03/11/2018 and 13/02/2019.

#### Attendance of each member of the Audit Committee:

Committee Members	Meetings held	Meetings attended
Mr. Hitesh Donga	4	4
Mr. Shalin A. Shah	4	3
Ms. Payal Pandya	4	4
Mr. Chadrakant Chauhan	0	0

### 2. Nomination and Remuneration Committee:

The Nomination and Remuneration committee comprise of following directors as on 31/03/2019:

Name	Designation	Category
Mr. Chandrakant Chauhan	Chairperson	Non-Executive, Independent Director
Mr. Shalin A. Shah	Member	Non-Executive Director
Ms. Payal Pandya	Member	Non-Executive, Independent Director

In the financial year 2018-19, four meetings of Nomination and Remuneration Committee were held on 13/08/2018, 28/09/2018, 11/03/2019 and 23/03/2019.

#### Attendance of each member of the Nomination and Remuneration Committee:

Committee Members	Meetings held	Meetings attended
Mr. Hitesh Donga	3	3
Mr. Ashok C. Shah	2	2
Ms. Payal Pandya	4	4
Mr. Shalin A. Shah	2	2
Mr. Chandrakant Chauhan	0	0

### 3. Stakeholders' Relationship Committee:

The Stakeholders' Relationship Committee comprise of following directors as on 31/03/2019:

Name	Designation	Category
------	-------------	----------

Mr. Shalin A. Shah	Chairperson	Non-Executive Director
Mr. Ashok C. Shah	Member	Executive Director
Mr. Chandrakant Chauhan	Member	Non-Executive, Independent Director

In the financial year 2018-19, four meetings of Stakeholders' Relationship were held on 29/05/2018, 13/08/2018, 03/11/2018 and 13/02/2019.

**Attendance of each member of the Stakeholders' Relationship Committee:**

Committee Members	Meetings held	Meetings attended
Mr. Ashok C. Shah	4	4
Mr. Shalin A. Shah	4	3
Mr. Hitesh Donga	4	4
Mr. Chandrakant Chauhan	0	0

## 23. AUDITORS:

### A. Statutory Auditors

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

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

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

The Report given by the M/s. GMCA & Co., Auditors on the financial statements for the year ended March 2019 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.

### 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 annexed herewith as **Annexure IV**, the Auditors' Report are self-explanatory and therefore do not call for any further comments.

## 24. INTERNAL FINANCIAL CONTROL SYSTEM AND COMPLIANCE FRAMEWORK:

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



actions in their respective areas. The internal auditors have expressed that the internal control system in the Company is robust and effective. The Board has also put in place requisite legal compliance framework to ensure compliance of all the applicable laws and that such systems are adequate and operating effectively.

**25. RISK MANAGEMENT:**

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(9) 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. 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.

**29. 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 31<sup>st</sup> March, 2019 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.

**30. CORPORATE GOVERNANCE:**

As per Regulation 15(2) of the SEBI Listing Regulations, compliance with the corporate governance provisions as specified in regulation 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 in respect of the listed entity having paid up equity share capital not exceeding rupees ten crore and net worth not exceeding rupees twenty five crore, as on the last day of the previous financial year. At present, the Company is not required to comply with Corporate Governance regulations as none of the above referred limits have been triggered.

**31. CORPORATE GOVERNANCE CERTIFICATE – NON APPLICABILITY:**

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

**32. RELATED PARTY DISCLOSURE:**

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

**33. CORPORATE SOCIAL RESPONSIBILITY:**

The Company is not covered under section 135 of Companies Act, 2013 hence details regarding policy on Corporate Social Responsibility is not applicable to the Company.

**34. 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.

**35. MANAGEMENT DISCUSSION AND ANALYSIS REPORT:**

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

**36. DEMAT SUSPENSE ACCOUNT/ UNCLAIMED SUSPENSE ACCOUNT:**

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

**37. ACKNOWLEDGEMENT:**

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

Place: Ahmedabad  
Date: August 8, 2019

For and on behalf of the Board

SD/-  
Ashok Shah  
Managing Director  
DIN: 02467830

SD/-  
Shalin Shah  
Director  
DIN: 00297447

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

India was the world's second largest steel producer, as of 2018. The country is slated to surpass USA to become the world's second largest steel consumer in 2019. India's economic growth is contingent upon the growth of the Indian steel industry. 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, chemicals and other ancillary products and dealing in shares and securities. However Competition in the industry is continuously increasing and management is taking steps to sustain in the tremendously viable market.

**➤ OVERVIEW:**

This Management Discussion & Analysis report presents the key performance highlights of the year 2018-19 pertaining to the business of the Company. The Company's financial statements have been prepared in accordance with Indian Accounting Standards (Ind-AS), complying with the requirements of the Companies Act 2013 and the guidelines issued by Securities and Exchange Board of India (SEBI).

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

Various initiatives are taken by the Government such as increase in import duty of steel items, levy of export duty on iron ore to ensure supply to domestic steel industry 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 intensified and forced the players to adopt aggressive marketing strategy and promotional campaigns to capture and protect their market shares, The Company has the plans to penetrate better in to market, especially through the customer retention and business development in the regions which have not been tapped.

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

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

**➤ RISK AND CONCERN:**

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

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

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

➤ **INITIATIVES BY THE COMPANY:**

The Company has taken the following initiatives:

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

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

➤ **OUTLOOK:**

In the global market demand for steel is expected to increase in the upcoming year. However, rising trade tensions and volatile currency movements are increasing uncertainty in the global steel industry. India's steel demand is increasing every consecutive year and in 2019, it is being forecasted that it will overtake the United States in steel demand. The demand will be supported by improving investment and infrastructure programmes. The Company is confident to meet every challenge with its strength in marketing network, its strategic planning, Research & Development, productivity improvement and cost reduction exercise.

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

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

➤ **HUMAN RESOURCE:**

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

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

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

➤ **CAUTIONARY STATEMENT**

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

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

In terms of performance, FY 2018-19 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 revenue from operations is Rs. 97.55 Lakhs However, our company has incurred Loss of Rs. 7.25 lakhs. Cash and cash equivalents at the end of year stood at Rs. 8.25 Lakhs.

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

(i) Debtors Turnover Ratio: Lower by 97.72%

Explanation: Majorly due to decrease in sales and credit policies of the Company. However the company is focusing on improvement of its collection policy.

(ii) Inventory Turnover Ratio: Lower by 90.62%

Explanation: Majorly due to decrease in sales due to increased competition in the market.

(iii) Current Ratio: Lower by 39.77%

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

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

The Company has incurred loss during the year and due to adjustment of past year's losses, your Company fall short to earn significant sum as return on Net Worth. Return on Network has improved by 48.08% as compared to previous year.

➤ **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: August 8, 2019**

**For and on behalf of the Board**

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

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

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

	<b>2018-19</b>	<b>2017-18</b>
Foreign Exchange Earning	<b>Nil</b>	<b>Nil</b>
Foreign Exchange outgo	<b>Nil</b>	<b>Nil</b>

**Place: Ahmedabad**  
**Date: August 8, 2019**

**For and on behalf of the Board**

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

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

**ANNEXURE – II TO THE DIRECTORS REPORT**

**FORM NO. MGT 9**  
**EXTRACT OF ANNUAL RETURN**  
**As on financial year ended on 31.03.2019**

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

**I. REGISTRATION & OTHER DETAILS:**

1.	CIN	L27100GJ1992PLC018607
2.	Registration Date	23 <sup>rd</sup> November, 1992
3.	Name of the Company	Lesha Industries Limited
4.	Category/Sub-category of the Company	Company limited by shares and Indian Non-Government Company
5.	Address of the Registered office & contact details	7 <sup>th</sup> Floor, Ashoka Chambers, Mithakhali Six Roads, Ahmedabad-380006.
6.	Whether listed company	Yes
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Purva Sharegistry (India) Pvt. Ltd. Address: Unit No.9, Shiv Shakti Ind. Area, J.R. Boricha Marg, Lower Parel (E), Mumbai-400011. Email:- support@purvashare.com Contact:- 022 2301 6761/2518

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY :**

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:

Sr. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Trading of Steel	46620	98.17%

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

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

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

## A) CATEGORY-WISE SHARE HOLDING

Category of Shareholders	No. of Shares held at the beginning of the year as on 31 <sup>st</sup> March, 2018				No. of Shares held at the end of the year as on 31 <sup>st</sup> March, 2019				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
(1) Indian									
a) Individual/ HUF	2,41,324	Nil	2,41,324	21.32	2,41,324	Nil	2,41,324	21.32	Nil
b) Central Govt	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
c) State Govt(s)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
d) Bodies Corp.	1,65,143	Nil	1,65,143	14.59	1,65,143	Nil	1,65,143	14.59	Nil
e) Banks / FI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
f) Any other Foreign Individual	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
<b>Total shareholding of Promoter (A)</b>	<b>4,06,467</b>	<b>Nil</b>	<b>4,06,467</b>	<b>35.91</b>	<b>4,06,467</b>	<b>Nil</b>	<b>4,06,467</b>	<b>35.91</b>	<b>Nil</b>
<b>B. Public Shareholding</b>									
1. Institutions									
a) Mutual Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
b) Banks / FI	Nil	36	36	0.00	Nil	36	36	0.00	Nil
c) Central Govt	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
d) State Govt(s)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
e) Venture Capital Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
f) Insurance Companies	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
g) FIs	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
h) Foreign Venture Capital Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
i) Others (specify)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
<b>Sub-total (B)(1):-</b>	<b>Nil</b>	<b>36</b>	<b>36</b>	<b>0.00</b>	<b>Nil</b>	<b>36</b>	<b>36</b>	<b>0.00</b>	<b>Nil</b>
<b>2. Non-Institutions</b>									
a) Bodies Corp.									
i) Indian	2,33,593	1,037	2,34,630	20.73	2,32,453	1,021	2,33,474	20.62	(0.11)
ii) Overseas	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	2,56,046	61,899	3,17,945	28.09	2,41,384	59,565	3,00,949	26.58	(1.51)
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	1,62,671	Nil	1,62,671	14.37	1,78,724	2,350	1,81,074	16.00	1.63



c) Others (specify)													
NR/OCB													
OTHERS													
Non Resident Indians	505	Nil	505	0.04	505	Nil	505	0.04	505	Nil	505	0.04	Nil
Overseas Corporate Bodies	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Foreign Nationals	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Clearing Members	3,160	1	3,161	0.28	3,449	1	3,450	0.30	3,450	1	3,450	0.30	0.02
Hindu Undivided Family	6,622	Nil	6,622	0.58	6,082	Nil	6,082	0.55	6,082	Nil	6,082	0.55	(0.03)
Foreign Bodies - D R	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
<b>Sub-total (B)(2):-</b>	<b>6,62,597</b>	<b>62,937</b>	<b>7,25,534</b>	<b>64.09</b>	<b>6,62,597</b>	<b>62,937</b>	<b>7,25,534</b>	<b>64.09</b>	<b>6,62,597</b>	<b>62,937</b>	<b>7,25,534</b>	<b>64.09</b>	<b>Nil</b>
<b>Total Public Shareholding (B)=(B)(1)+ (B)(2)</b>	<b>6,62,597</b>	<b>62,973</b>	<b>7,25,570</b>	<b>64.09</b>	<b>6,62,597</b>	<b>62,973</b>	<b>7,25,570</b>	<b>64.09</b>	<b>6,62,597</b>	<b>62,973</b>	<b>7,25,570</b>	<b>64.09</b>	<b>Nil</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>100</b>	<b>10,69,064</b>	<b>62,973</b>	<b>11,32,037</b>	<b>100</b>	<b>10,69,064</b>	<b>62,973</b>	<b>11,32,037</b>	<b>100</b>	<b>Nil</b>
<b>Grand Total (A+B+C)</b>													

**B) SHAREHOLDING OF PROMOTER**

Sr. No.	Shareholder's Name	No. of Shares held at the beginning of the year as on 31 <sup>st</sup> March, 2018				No. of Shares held at the end of the year as on 31 <sup>st</sup> March, 2019				% change in shareholding during the year
		No. of Shares	% of total Shares of the co.	% of Shares Pledged / encumbered to total shares	% of Shares of the co.	No. of Shares	% of total Shares of the co.	% of Shares Pledged / encumbered to total shares	% of Shares of the co.	
1	Shalin A. Shah	149483	13.20	Nil	149483	13.20	Nil	Nil	Nil	
2	Ashoka Metcast Limited (Formerly Tanya Estates Pvt. Ltd.)	61949	5.47	Nil	61949	5.47	Nil	Nil	Nil	
3	Ashok C. Shah	57150	5.05	Nil	57150	5.05	Nil	Nil	Nil	
4	Rhetan Rolling Mills Private Limited (Formerly Shree Ghantakarna Rolling Mills Pvt. Ltd.)	54594	4.82	Nil	54594	4.82	Nil	Nil	Nil	
5	Lesha Ventures Private Limited (Formerly Lesha Agro Foods Pvt. Ltd.)	48600	4.29	Nil	48600	4.29	Nil	Nil	Nil	
6	Leena A. Shah	34691	3.06	Nil	34691	3.06	Nil	Nil	Nil	

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

Sr. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding During the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
<b>1</b>	<b>Mr. Shalin A. Shah</b>				
<b>2</b>	At the beginning of the year	149483	13.20	149483	13.20
<b>3</b>	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):	No Change			
<b>4</b>	At the end of the year	149483	13.20	149483	13.20
<b>5</b>	<b>Ashoka Metcast Limited (Formerly Tanya Estates Pvt. Ltd.)</b>				
<b>6</b>	At the beginning of the year	61949	5.47	61949	5.47
<b>7</b>	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):	No Change			
<b>8</b>	At the end of the year	61949	5.47	61949	5.47
<b>9</b>	<b>Mr. Ashok C. Shah</b>				
<b>10</b>	At the beginning of the year	57150	5.05	57150	5.05
<b>11</b>	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):	No Change			
<b>12</b>	At the end of the year	57150	5.05	57150	5.05
<b>13</b>	<b>Rhetan Rolling Mills Private Limited (Formerly Shree Ghantakarna Rolling Mills Pvt. Ltd.)</b>				
<b>14</b>	At the beginning of the year	54594	4.82	54594	4.82
<b>15</b>	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):	No Change			
<b>16</b>	At the end of the year	54594	4.82	54594	4.82
<b>17</b>	<b>Lesha Ventures Private Limited (Formerly Lesha Agro Foods Pvt. Ltd.)</b>				

18	At the beginning of the year	48600	4.29	48600	4.29
19	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):	No Change			
20	At the end of the year	48600	4.29	48600	4.29
21	<b>Leena A. Shah</b>				
22	At the beginning of the year	34691	3.06	34691	3.06
23	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):	No Change			
24	At the end of the year	34691	3.06	34691	3.06

**D) SHAREHOLDING PATTERN OF TOP TEN SHAREHOLDERS AS ON 31<sup>ST</sup> MARCH, 2019:  
(OTHER THAN DIRECTORS, PROMOTERS AND HOLDERS OF GDRS AND DRS):**

Sr. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Increase / Decrease	Reason	Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company			No. of shares	% of total shares of the company
1	Hitesh Jagdish Panara	106920	9.44%	--	--	106920	9.44%
2	Midrina Oil And Gas Services Pvt. Ltd.	50382	4.45%	--	--	50382	4.45%
3	Shaurya Organics Private Limited	50382	4.45%	--	--	50382	4.45%
4	Tiw Systems Pvt. Ltd	50382	4.45%	--	--	50382	4.45%
5	Suryaja Infrastructure Pvt. Ltd.	50382	4.45%	--	--	50382	4.45%
6	Vishnubhai G. Chauhan	20078	1.77%	--	--	20078	1.77%
7	Advanced Energy Resources & Management Private Limited	17172	1.52%	--	--	17172	1.52%
8	Pothala John	--	--	Increase	Market Purchase	15953	1.41%
9	Janak B. Patel	14551	1.29%	--	--	14551	1.29%
10	Daxaben M. Shah	13357	1.18%	--	--	13357	1.18%

## E) SHAREHOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

Sr. No.	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
<b>1</b>	<b>Mr. Shalin A. Shah</b>				
<b>2</b>	At the beginning of the year	149483	13.20	149483	13.20
<b>3</b>	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / sweat equity etc.):	No change			
<b>4</b>	At the end of the year	149483	13.20	149483	13.20
<b>5</b>	<b>Mr. Ashok C. Shah</b>				
<b>6</b>	At the beginning of the year	57150	5.05	57150	5.05
<b>7</b>	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	No Change			
<b>8</b>	At the end of the year	57150	5.05	57150	5.05
<b>9</b>	<b>Mr. Chandrakant Chauhan</b>				
<b>10</b>	At the beginning of the year	--	--	--	--
<b>11</b>	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	No Change*			
<b>12</b>	At the end of the year	--	--	7475	0.66

Note: None of the Directors and KMP expect from above hold any shares in the Company.

\*Mr. Chandrakant Chauhan has been appointed as an Additional, Independent Director of the Company w.e.f. 23/03/2019.

**V. INDEBTEDNESS –**

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

(in ₹)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial</b>				
i) Principal Amount	0.00	18882902.00	0.00	18882902.00
ii) Interest due but not paid	0.00	0.00	0.00	0.00
iii) Interest accrued but not due	0.00	0.00	0.00	0.00
<b>Total (i+ii+iii)</b>	0.00	18882902.00	0.00	18882902.00
<b>Change in Indebtedness during the financial</b>				
* Addition	0.00	2407000.00	0.00	2407000.00
* Reduction	0.00	0.00	0.00	0.00
<b>Net Change</b>	0.00	2407000.00	0.00	2407000.00
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	0.00	21289902.00	0.00	21289902.00
ii) Interest due but not paid	0.00	0.00	0.00	0.00
iii) Interest accrued but not due	0.00	0.00	0.00	0.00
<b>Total (i+ii+iii)</b>	0.00	21289902.00	0.00	21289902.00

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

(₹ in Lacs)

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

**B. REMUNERATION TO OTHER DIRECTORS**

(₹ in Lacs)

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

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

(₹ in Lacs)

Sr. No.	Particulars of Remuneration	Key Managerial Personnel	
		Chitra Thaker Company Secretary (w.e.f. 28/09/2018)	Total
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	1.17	1.17
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	Nil	Nil
	(c) Profits in lieu of salary under section 17(3) Income-tax Act,	Nil	Nil
2	Stock Option	Nil	Nil
3	Sweat Equity	Nil	Nil
4	Commission	Nil	Nil
	- as % of profit	Nil	Nil
	others, specify...	Nil	Nil
5	Others, please specify	Nil	Nil
	Total	1.17	1.17

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
<b>A. COMPANY</b>					
Penalty	<b>NONE</b>				
Punishment					
Compounding					
<b>B. DIRECTORS</b>					
Penalty	<b>NONE</b>				
Punishment					
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	<b>NONE</b>				
Punishment					
Compounding					

Place: Ahmedabad  
Date: August 8, 2019

For and on behalf of the Board

SD/-  
Ashok Shah  
Managing Director  
DIN: 02467830

SD/-  
Shalin Shah  
Director  
DIN: 00297447

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

- i. The ratio of the remuneration of each Director to the Median Remuneration of the Employees of the Company for the Financial Year 2018-19 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 2018-19	Remuneration to the Director / KMP for the Financial Year 2017-18	Percentage increase / decrease in remuneration in the Financial Year 2018-19	Ratio of Remuneration of each Director to the Median Remuneration of Employees
1	Ms. Chitra Thaker (Company Secretary) (From 28/09/2018)	1.17	N.A.	N.A.	3:1

- iii. Median Remuneration of Employees (MRE) of the Company is ₹ 0.78 Lacs for the Financial Year 2018-19.
  - iv. The number of permanent employees on the rolls of the Company is Five for the year ended 31<sup>st</sup> March, 2019.
  - 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 paid is as per the Remuneration Policy of the Company—**N.A.**
- 2. There were no employees covered under rule 5(2) of the Companies (Appointment and Remuneration) Rules, 2014.**

Place: Ahmedabad  
Date: August 8, 2019

For and on behalf of the Board

SD/-  
Ashok Shah  
Managing Director  
DIN: 02467830

SD/-  
Shalin Shah  
Director  
DIN: 00297447



ANNEXURE – IV TO THE DIRCTORS REPORT

## FORM NO. MR-3

## SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2019

*[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,  
**Lesha Industries Limited.**

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Lesha Industries Limited** (hereinafter called the Company) (CIN: L27100GJ1992PLC018607) having its registered office at **7<sup>th</sup> Floor, Ashoka Chambers, 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 31<sup>st</sup> March, 2019 complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by **Lesha Industries Limited** (the Company) for the financial year ended on 31<sup>st</sup> March, 2019 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, 2009; (upto 8th November, 2018) and Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (**w.e.f. 9th November, 2018**); [**Not Applicable to the Company during the Audit Period**]
  - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; [**Not Applicable to the Company during the Audit Period**]
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and [**Not Applicable to the Company during the Audit Period**]

- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 **(upto 10th September, 2018)** and The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 **(w.e.f. 11th September, 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 31<sup>st</sup> March, 2018.
- 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 and Regulation 6(1) of SEBI (LODR) Regulations, 2015 for appointment of Chief Financial Officer & Company Secretary.**

**As explained by the Management, the Company had already appointed Mr. Ashok C. Shah as Managing Director and Key Managerial Personnel and was looking for the suitable candidate to be appointed as CS & CFO, and the Management had appointed Ms. Chitra Thaker as Company Secretary with effect from 28/09/2018 and Mr. Hiren Makwana as CFO with effect from 11/03/2019 to comply with the provisions of the section 203 of the Companies Act, 2013.**

**The Company had complied with the all provisions of the section 186 of the Companies Act, 2013, except 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** the members of the Company had passed the resolution at the Extra Ordinary General Meeting held on 28/02/2018 for Stock Split/Sub Division of Authorised and Paid-up Equity Share Capital of the Company from Equity Share of face value of Rs. 10/- (Rupees Ten only) each fully paid up into 10 (Ten) equity shares of face value of Rs. 1/- (Rupee One only) each fully paid up w.e.f. Record Date i.e. April 12, 2019.

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

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

**Place: Ahmedabad**

**Date: August 8, 2019**

**SD/-**

**Chintan K. Patel**

**Practicing Company Secretary**

**Mem. No.: A31987**

**COP No.: 11959**

**ANNEXURE - A to the Secretarial Audit Report**

**To,  
The Members,  
Lesha Industries Limited**

**Our report of even date is to be read along with this letter.**

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

**Place: Ahmedabad**

**Date: August 8, 2019**

**SD/-  
Chintan K. Patel  
Practicing Company Secretary  
Mem. No.: A31987  
COP No.: 11959**

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

To the Members of the **LESHA 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 Leshya Industries Limited is not exceeding Rs. 10 Crores i.e. Rs. 1,13,20,370/- (Rupees One Crore Thirteen Lacs Twenty Thousand Three Hundred Seventy only) and the Networth is less than Rs. 25 Crores i.e. Rs. 7,91,07,152/- (Rupees Seven Crore Ninety One Lacs Seven Thousand One Hundred Fifty Two Only) as on the last day of the previous financial year i.e. 31<sup>st</sup> March, 2018. Therefore it is not required to submit Report on Corporate Governance.

**Place: Ahmedabad**  
**Date: August 8, 2019**

**For and on behalf of the Board**

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

**ANNEXURE - VI TO THE DIRECTOR'S REPORT****Disclosures under Para A of Schedule V of Listing Regulations**

<b>Sr. No.</b>	<b>Disclosure of loans / advances / investments / Outstanding during the year</b>	<b>As at 31<sup>st</sup> March, 2019</b>	<b>Maximum amount during the year</b>
1	Loans and Advances in the nature of loans to subsidiary	Nil	Nil
2	Loans and Advances in the nature of loans to associate	Nil	Nil
3	Loans and Advances in the nature of loans to firms / companies in which directors are interested	Nil	Nil

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

**Place: Ahmedabad**  
**Date: August 8, 2019**

**For and on behalf of the Board**

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

## Independent Auditor's Report

### To the Members of Lesha Industries Limited

#### Report on the Financial Statements

We have audited the accompanying financial statements of **LESHA INDUSTRIES LIMITED** ("the company"), which comprise the Balance Sheet as at 31<sup>st</sup> March 2019, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

#### Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

#### Auditor's Responsibility

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

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

#### Matter of Emphasis:

- The company has in past granted/renewed loans and advances to other companies, which has been identified as non- performing asset. Accordingly, company has not recognized any income from the same. In the opinion of directors, the process of recovery is going on and the same is not fully doubtful of recovery. However in our opinion company needs to make provision for such long outstanding nonperforming assets amounting to **Rs. 117.03 lacs**. Due to non-provision in this regard the debit balance of profit & loss account is under stated and balance of loans and advances is overstated by the said sum. This matter has been already emphasized by previous auditor.
- The company is carrying "P & P Expenses and issue related expenses of Rs.9,59,198/- as "other current assets" which in our opinion needs to be written off. And Due to the same Profit & Loss account is under stated. So the amount of **Rs. 9,59,198/-** needs to be written off in the forthcoming financial years.

Our opinion is not qualified in respect of this matter.

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the matter of emphasis paragraph above, the aforesaid financial statements, give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India;

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2019;
- b) in the case of the Statement of Profit and Loss, of the loss for the year ended on that date; and
- c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

**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 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.
  - b) 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.
  - c) 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.
  - 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) On the basis of written representations received from the directors as on 31 March, 2019, taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2019, from being appointed as a director in terms of Section 164(2) of the Act.
  - f) With respect to the other matters included in the Auditor's Report and to our 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

**Place :** Ahmedabad  
**Date :** 15/05/2019

Reports under The Companies (Auditor's Report) Order, 2016 (CARO 2016) for the year ended on 31st March, 2019

To,

**The Members of LESHA INDUSTRIES LIMITED**

**(1) In Respect of Fixed Assets**

- (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) Fixed assets have been physically verified by the management at reasonable intervals; No material discrepancies were noticed on such verification.
- (c) Yes, The Title deeds of Immovable Properties are held in the name of the Company.

**(2) In Respect of Inventories**

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

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

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

- (a) As there is no such loan, question of prejudicially does not arise.
- (b) As there is no such loan, question of repayment terms & conditions also does not arise.
- (c) There is no overdue amount of loans granted to companies, firms or other parties listed in the register maintained under section 189 of the companies Act, 2013.

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

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

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

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

**(6) Maintenance of cost records**

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

**(7) Deposit of Statutory Dues**

- (a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Income-tax, Sales Tax, Wealth Tax, Service Tax, Duty of customs, Duty of excise, Value added tax , Goods and Services Tax Cess and any other material statutory dues with the appropriate authorities.
- (b) According to the information and explanations given to us, no undisputed amount payable in respect of Income Tax, Wealth Tax, Service Tax, Sales Tax, Goods and Services Tax, Customs Duty and Excise Duty were in arrears, as of 31st March, 2019 for a period of more than six months from the date they became payable.

**(8) Repayment of Loans and Borrowings**

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



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

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

**(10) Reporting of Fraud During the Year**

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

**(11) Managerial Remuneration**

Managerial Remuneration has not been provided by the Company

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

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

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

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

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

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

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

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

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

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

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

**CA. Mitt S. Patel**  
(Partner)  
Membership No. 163940

Place : Ahmedabad

Date : 15/05/2019

**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. LESHYA INDUSTRIES LIMITED**("the Company") as of March 31, 2019 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, 2019.

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

**CA. Mitt S. Patel**  
(Partner)  
Membership No. 163940

**Place :** Ahmedabad  
**Date :** 15/05/2019

**BALANCE SHEET AS AT 31/03/2019**

Particulars	Note No.	As at	
		31st March, 2019	31st March, 2018
<b>ASSETS</b>			
<b>1 Non-current Assets</b>			
(a) Property , Plant and Equipment	1	7,39,28,677	7,40,94,521
(b) Other Intangible assets		-	-
(c) Capital work in progress		-	-
(d) Intangible assets under development		-	-
(e) Financial Assets :			
i) Investments	2	80,00,000	-
ii) Loans		-	-
iii) Other Financial Assets		-	-
(f) Deferred tax assets (Net)		-	-
(g) Other non-current assets	3	1,23,68,089	1,24,18,089
<b>Total Non-current Assets</b>		<b>9,42,96,766</b>	<b>8,65,12,610</b>
<b>2 Current Assets</b>			
(a) Inventories	4	2,97,596	2,97,596
(b) Financial Assets :			
i) Investments			
ii) Trade Receivables	5	67,05,036	20,99,437
iii) Cash & Cash Equivalents	6	8,25,066	6,48,092
iv) Loans	7	40,55,000	1,66,00,000
v) Other Financial Assets			
(c) Other Current Assets	8	11,19,196	11,73,472
<b>Total - Current Assets</b>		<b>1,30,01,894</b>	<b>2,08,18,597</b>
<b>Total Assets</b>		<b>10,72,98,660</b>	<b>10,73,31,207</b>
<b>I. Equity &amp; Liabilities</b>			
<b>1. Equity</b>			
(a) Share Capital	9	1,13,20,370	1,13,20,370
(b) Other Equity	10	6,70,51,425	6,77,86,781
<b>Total Equity</b>		<b>7,83,71,795</b>	<b>7,91,07,151</b>
<b>2. Liabilities</b>			
<b>A) Non Current Liabilities</b>			
(a) Financial Liabilities			
i) Borrowings	11	15,02,902	15,02,902
(b) Deferred Tax Liabilities (Net)	12	30,45,072	30,45,072
(c) Other Non Current Liabilities		-	-
<b>Total Non- Current Liabilities</b>		<b>45,47,974</b>	<b>45,47,974</b>
<b>B) Current Liabilities</b>			
(a) Financial Liabilities			
i) Borrowings	13	1,97,87,000	1,73,80,000
ii) Trade Payables	14	40,01,831	57,42,367
iii) Other Financial Liabilities		-	-
(b) Other Current Liabilities	15	5,90,060	5,53,715
(c) Short Term Provisions		-	-
<b>Total Current Liabilities</b>		<b>2,43,78,891</b>	<b>2,36,76,082</b>
<b>Total Equity &amp; Liabilities</b>		<b>10,72,98,660</b>	<b>10,73,31,207</b>
Contingent Liabilities & Commitments	Nil		

For Lesha Industries Ltd.

For, G M C A & Co.  
Chartered Accountants  
FRN No:109850WAshok C. Shah  
Managing Director  
DIN : 02467830Shalin A. Shah  
Director  
DIN : 00297447Hiren Makwana  
CFOChitra Thaker  
Company SecretaryPlace : Ahmedabad  
Date : 15/05/2019CA. Mitt S. Patel  
Partner  
Membership No. 163940

**STATEMENT OF PROFIT & LOSS ACCOUNT FOR THE PERIOD FROM 01-04-2018 TO 31-03-2019**

Particulars	Note No.	2018-19	2017-18
I Revenue From Operations	16	97,55,295	13,37,19,766
II Other Income	17	1,81,444	2,43,696
<b>III Total Revenue (I+II)</b>		<b>99,36,739</b>	<b>13,39,63,462</b>
<b>IV Expenses</b>			
Purchase of Stock in Trade	18	87,70,780	13,32,10,377
Changes in Inventories	19	-	1,70,435
Employee Benefit Expenses	20	3,62,084	3,82,150
Finance Costs	21	2,433	3,418
Depreciation & Amortisation Expenses	22	1,65,844	1,65,844
Other Expenses	23	13,70,954	14,79,318
<b>Total Expenses</b>		<b>1,06,72,095</b>	<b>13,54,11,542</b>
<b>V Profit Before Exceptional &amp; Extraordinary Items &amp; Tax (III-IV)</b>		<b>(7,35,356)</b>	<b>(14,48,080)</b>
VII Exceptional Items			-
<b>VIII Profit Before Extraordinary Items &amp; Tax</b>		<b>(7,35,356)</b>	<b>(14,48,080)</b>
Extraordinary Items			-
<b>IX Profit Before Tax</b>		<b>(7,35,356)</b>	<b>(14,48,080)</b>
<b>X Tax Expenses</b>			
Current Tax/ Interest on Income Tax/ Deferred Tax			-
<b>XI Profit/(Loss) for the period from Continuing Operations(IX-X)</b>		<b>(7,35,356)</b>	<b>(14,48,080)</b>
XII Profit/(Loss) from Discontinuing Operations			
XIII Tax Expense of Discontinuing Operations			
<b>XIV Profit/(Loss) from Discontinuing Operations (after tax)(XII-XIII)</b>		<b>-</b>	<b>-</b>
<b>XV Profit/(Loss) for the Period(XI+XIV)</b>		<b>(7,35,356)</b>	<b>(14,48,080)</b>
Other Comprehensive Income			
Items that will not be reclassified to profit or loss		-	-
<b>Total comprehensive income for the year, net of tax</b>		<b>(7,35,356)</b>	<b>(14,48,080)</b>
<b>XVI Earning Per Equity Share</b>			
Basic		(0.65)	(0.57)
Diluted		(0.65)	(0.57)

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

For Lesha Industries Ltd.

For, G M C A & Co.  
Chartered Accountants  
FRN No:109850W

Ashok C. Shah  
Managing Director  
DIN : 02467830

Shalin A. Shah  
Director  
DIN : 00297447

Hiren Makwana  
CFO

Chitra Thaker  
Company Secretary

CA. Mitt S. Patel  
Partner

Place : Ahmedabad  
Date : 15/05/2019

Membership No. 163940

## STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED MARCH 31, 2019

A. Equity Share Capital Amount in Rs.

Particulars	2018-19		2017-18	
	No. Shares	Amount	No. Shares	Amount
i) Opening Balance at the beginning of Financial Year	11,32,037	1,13,20,370	94,33,638	9,43,36,380
Changes in equity share capital during the year	-	-	(83,01,601)	(8,30,16,010)
<b>Closing Balance at the end of Financial Year</b>	<b>11,32,037</b>	<b>1,13,20,370</b>	<b>11,32,037</b>	<b>1,13,20,370</b>

B. Other Equity Amount in Rs.

Particulars	Reserves and Surplus			Total
	Security Premium	General Reserve	Retained Earnings	
<b>Balance as at 1st April, 2017</b>	63046000	70402862	(1,90,93,282)	11,43,55,580
Change during the Year	-	(4,51,20,719)	(14,48,080)	(4,65,68,799)
<b>Balance as at March 31, 2018</b>	<b>63046000</b>	<b>25282143</b>	<b>(2,05,41,362)</b>	<b>6,77,86,781</b>
Change during the Year	-	-	(7,35,356)	(7,35,356)
Other comprehensive income	-	-	-	-
<b>Total Comprehensive Income / (loss) for the year</b>	<b>-</b>	<b>-</b>	<b>(7,35,356)</b>	<b>(7,35,356)</b>
<b>Balance as at March 31, 2019</b>	<b>6,30,46,000</b>	<b>2,52,82,143</b>	<b>(2,12,76,718)</b>	<b>6,70,51,425</b>

See accompanying notes to the financial statements

In terms of our report attached

For Lesha Industries Ltd.

For, G M C A & Co.  
Chartered Accountants  
FRN No:109850W

**Ashok C. Shah**  
Managing Director  
DIN : 02467830  
Place : Ahmedabad  
Date : 15/05/2019

**Shalin A. Shah**  
Director  
DIN : 00297447

**Hiren Makwana**  
CFO

**Chitra Thaker**  
Company Secretary

**CA. Mitt S. Patel**  
Partner  
Membership No. 163940

**CASHFLOW STATEMENT FOR THE YEAR ENDED ON 31ST MARCH, 2019**

Particulars	2018-19	2017-18
<b>A Cash flow from Operating Activities</b>		
Net Profit Before Tax	(7,35,356)	(14,48,080)
Adjustments for:		
Add : Depreciation	1,65,844	1,65,844
Less : Dividend Income	(572)	(30,417)
Add : Interest Expenses	-	421
Less : Short Term Capital Gain (Mutual Fund)	-	(1,35,683)
Operating Profit / (Loss) before Working Capital Changes	<b>(5,70,084)</b>	<b>(14,47,915)</b>
Adjustments for:		
Increase/(Decrease) in Trade Payables	(17,40,536)	(3,16,23,934)
Increase/(Decrease) in Short term Borrowing	24,07,000	82,69,500
Increase/(Decrease) in other current liabilities	36,345	(55,291)
(Increase)/Decrease in Trade Receivables	(46,05,599)	9,55,29,922
(Increase)/Decrease in short term loans & advances	1,25,45,000	2,63,21,056
(Increase)/Decrease in inventories	-	1,70,435
(Increase)/Decrease in other current assets	54,276	(3,544)
<b>Cashflow generated from Operating Activities</b>	<b>81,26,402</b>	<b>9,71,60,229</b>
Income Tax Paid (Net of Refund)	-	-
<b>Net Cashflow generated from Operating Activities A</b>	<b>81,26,402</b>	<b>9,71,60,229</b>
<b>B Cash flow from Investment Activities</b>		
Purchase of Property , Plant and Equipment	-	-
Sale of Property , Plant and Equipment	-	4,77,559
Sale of Investments	-	2,40,52,993
Purchase of Investments	(80,00,000)	(1,20,00,000)
Share Application Money Received Back	-	-
Dividend Income	572	30,417
<b>Net Cashflow generated from Investments Activities B</b>	<b>(79,99,428)</b>	<b>1,25,60,969</b>
<b>C Cash flow from Financing Activities</b>		
Interest Expenses	-	(421)
Share Capital Redumption	-	(12,81,36,729)
(Increase)/Decrease in other non-current assets	50,000	-
(Increase)/Decrease in Long term loans & advances	-	1,88,86,199
Increase/(Decrease) in non current liabilities	-	-
<b>Net Cashflow generated from Financing Activities C</b>	<b>50,000</b>	<b>(10,92,50,951)</b>
<b>Net Change in Cash &amp; Cash Equivalents (A+B+C)</b>	<b>1,76,974</b>	<b>4,70,247</b>
Opening Cash & Cash Equivalents	6,48,092	1,77,844
<b>Closing Cash &amp; Cash Equivalents</b>	<b>8,25,066</b>	<b>6,48,092</b>

For Lesha Industries Ltd.

For, G M C A & Co.  
Chartered Accountants  
FRN No:109850W

**Ashok C. Shah**  
Managing Director  
DIN : 02467830

**Shalin A. Shah**  
Director  
DIN : 00297447

**Hiren Makwana**  
CFO

**Chitra Thaker**  
Company Secretary

**CA. Mitt S. Patel**  
Partner

**Place :** Ahmedabad  
**Date :** 15/05/2019

Membership No. 163940

## ➤ Significant Accounting Policies

### Company Overview

Lesha 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 items and Dealing in Shares & Security. The company is listed on Bombay Stock Exchange.

### Basis for Preparation of Financial statements

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

The financial statements have been prepared on the historical cost convention under accrual basis of accounting except for certain financial assets and liabilities (as per the accounting policy below), which have been measured at fair value.

- **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 2018-19. For year 2017-18.

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

#### 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.

**Current versus non-current classification**

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

**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 fulfilment of performance obligation.

**Sale of products:**

The Company earns revenue primarily from sale of Steel Product & 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.

1	Property, Plant and Equipment	GROSS BLOCK						DEPRECIATION			NET BLOCK	
		As at	Addition	Deduction	As at	As at	As at	As at	As at	As at	As at	
		01/04/2018			31/03/2019	01/04/2018	31/03/2019	31/03/2019	31/03/2019	31/03/2018	31/03/2019	
	Office Equipments	1,23,566	-	-	1,23,566	1,11,977	-	-	1,11,977	11,589	11,589	
	Factory Building	2,36,74,073	-	-	2,36,74,073	7,90,714	-	-	7,90,714	2,28,83,359	2,28,83,359	
	Vehicles	47,620	-	-	47,620	32,748	4,232	-	36,980	14,872	10,640	
	Office Premises	74,69,585	-	-	74,69,585	12,92,281	1,61,612	-	14,53,893	61,77,304	60,15,692	
	Electric Installations	70,924	-	-	70,924	63,527	-	-	63,527	7,397	7,397	
	Land	4,50,00,000	-	-	4,50,00,000	-	-	-	-	4,50,00,000	4,50,00,000	
	<b>Total Tangible Assets</b>	<b>7,63,85,768</b>	-	-	<b>7,63,85,768</b>	<b>22,91,247</b>	<b>1,65,844</b>	-	<b>24,57,091</b>	<b>7,40,94,521</b>	<b>7,39,28,677</b>	

**2 Non Current Investments**

Particular	As at	
	31st March, 2019	31st March, 2018
<b>(1) Investment in Equity Shares</b>		
8,00,000 Equity Shares of Rs 10/- Each of EZI Ventures Private Limited	80,00,000	-
<b>Total</b>	<b>80,00,000</b>	<b>-</b>
Market Value of the Un Quoted Shares	80,00,000	-

**3 Other Non Current Assets**

Particulars	As at	
	31st March, 2019	31st March, 2018
<b>Security Deposit</b>	<b>6,52,000</b>	<b>6,52,000</b>
Unsecured, Considered Good	6,52,000	6,52,000
<b>Other Long Term Loans &amp; Advances</b>	<b>1,17,16,089</b>	<b>1,17,66,089</b>
Other Advances	-	50,000
Capital Advances	75,00,000	75,00,000
Advance to Suppliers	42,03,189	42,03,189
Balance with Government Authorities	12,900	12,900
<b>Total</b>	<b>1,23,68,089</b>	<b>1,24,18,089</b>

**4 Inventories**

Particulars	As at	
	31st March, 2019	31st March, 2018
Shares	2,97,596	2,97,596
<b>Total</b>	<b>2,97,596</b>	<b>2,97,596</b>

**5 Trade Receivables**

Particulars	As at	
	31st March, 2019	31st March, 2018
Outstanding for less than 6 months from the due date Unsecured, considered good	46,05,599	-
Outstanding for more than 6 months from the due date Unsecured, considered good	20,99,437	20,99,437
<b>Total</b>	<b>67,05,036</b>	<b>20,99,437</b>

**6 Cash & Cash Equivalents**

Particulars	As at	
	31st March, 2019	31st March, 2018
<b>Balances with Banks</b>	<b>6,51,023</b>	<b>1,42,164</b>
In Current Account	6,51,023	1,42,164
<b>Cash on Hand</b>	<b>1,74,043</b>	<b>5,05,928</b>
<b>Total</b>	<b>8,25,066</b>	<b>6,48,092</b>

**7 Current Loans**

Particulars	As at	
	31st March, 2019	31st March, 2018
<b>Other Loans &amp; Advances</b>		
<b>Unsecured, Considered good</b>		
Loan to Corporate Bodies	40,55,000	-
Other Loans	-	1,66,00,000
<b>Total</b>	<b>40,55,000</b>	<b>1,66,00,000</b>

**8 Other Current Assets**

Particulars	As at	
	31st March, 2019	31st March, 2018
Preliminary Expenses	3,12,068	3,12,068
Pre-Operative Expenses	6,47,130	6,47,130
Other Statutory Advances	1,60,000	2,14,277
<b>Total</b>	<b>11,19,198</b>	<b>11,73,475</b>

**9 Share Capital****1 Authorized, Issued, Subscribed and Paidup share capital**

Particulars	As at 31st March, 2019		As at 31st March, 2018	
	No. of Shares	Amount	No. of Shares	Amount
<b>Authorised Share Capital</b>				
Equity Shares of Rs. 10 Each	1,90,00,000	19,00,00,000	1,90,00,000	19,00,00,000
<b>Total</b>				
<b>Issued Share Capital</b>				
Equity Shares of Rs. 10 Each	11,32,037	1,13,20,370	11,32,037	1,13,20,370
<b>Total</b>	<b>11,32,037</b>	<b>1,13,20,370</b>	<b>11,32,037</b>	<b>1,13,20,370</b>
<b>Subscribed &amp; Fully Paid</b>				
Equity Shares of Rs. 10 Each	11,32,037	1,13,20,370	11,32,037	1,13,20,370
<b>Total</b>	<b>11,32,037</b>	<b>1,13,20,370</b>	<b>11,32,037</b>	<b>1,13,20,370</b>

**2 Details of the Shares for the Preceding Five Years**

Particulars	01-04-2014 to 31-03-2019
Number Of Equity Shares Bought Back	-
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	-
Number of Preference Shares Allotted For Contracts Without Payment Received In Cash	-

**3 Reconciliation of Share Capital**

Particulars	As at 31st March, 2019		As at 31st March, 2018	
	No. of Shares	Amount	No. of Shares	Amount
<b>Equity Shares</b> (Face Value Rs. 10.00)				
Shares Outstanding at the Beginning of the Year	11,32,037	11320370	94,33,638	9,43,36,380
Shares issued during the year	-	-	-	-
Shares cancelled during the year	-	-	83,01,601	8,30,16,010
<b>Shares Outstanding at the End of the Year</b>	<b>11,32,037</b>	<b>1,13,20,370</b>	<b>11,32,037</b>	<b>1,13,20,370</b>

The Scheme of Arrangement in the nature of demerger of Trading & Investment division of the Company and vesting the same into the erstwhile Ashnisha Alloys Private Limited (now Ashnisha Industries Limited) is sanctioned by the National Company Law Tribunal (NCLT) Ahmedabad bench on May 29, 2017. Accordingly, 83,01,601 equity shares are reduced as per the said Scheme and after reduction the Equity share capital of the Company is 1,13,20,370 i.e. 11,32,037 equity shares of Rs. 10 each from the effective date i.e. June 02, 2017.

**4 Share Holders Holding More than 5% Share**

Name of the Share Holders	As at 31st March, 2019		As at 31st March, 2018	
	No. of Shares	Amount	No. of Shares	Amount
Shalin Ashok Shah	1,49,483	13.20	1,49,483	13.20
Ashok Metcast limited (formerly known as Tanya Estate Pvt. Ltd.)	61,949	5.47	61,949	5.47
Ashok Chinubhai Shah	57,150	5.05	57,150	5.05
Hitesh J Panara	1,06,920	9.44	1,06,920	9.44

**10 Other Equity**

Particulars	As at	
	31st March, 2019	31st March, 2018
<b>Securities Premium Account</b>		
Opening balance	6,30,46,000	6,30,46,000
+/- Allotment of Shares		-
<b>Closing Balance</b>	<b>6,30,46,000</b>	<b>6,30,46,000</b>
<b>General Reserve</b>		
Opening balance	2,52,82,143	7,04,02,862
(-) Adjustment during the year on account of Demerger	-	(4,51,20,719)
+ Adjustment in pursuant to the scheme of Demerger		-
<b>Closing Balances</b>	<b>2,52,82,143</b>	<b>2,52,82,143</b>
<b>Profit &amp; Loss A/c</b>		
Opening balance	(2,05,41,362)	(1,90,93,282)
(-) Transfer of Current Year Loss	(7,35,356)	(14,48,080)
Closing balance	<b>(2,12,76,718)</b>	<b>(2,05,41,362)</b>
<b>Total</b>	<b>6,70,51,425</b>	<b>6,77,86,781</b>

**11 Non Current Borrowing**

Particulars	As at 31st March, 2019	As at 31st March, 2018
<b>Deferred Payment Credit</b>		
Deferred Payment Credit from Gujarat Industrial Development Corporation Ltd. (Towards Leasehold Land)	15,02,902	15,02,902
	-	-
<b>Total</b>	<b>15,02,902</b>	<b>15,02,902</b>

**12 Deferred Tax Liabilities (Net)**

Particulars	As at 31st March, 2019	As at 31st March, 2018
<b>Deferred Tax Liabilities</b>		
Due to Depreciation	30,45,072	30,45,072
<b>Total</b>	<b>30,45,072</b>	<b>30,45,072</b>

**13 Borrowings**

Particulars	As at 31st March, 2019	As at 31st March, 2018
<b>Unsecured Loans repayable on Demand</b>		
Loan from Directors & Relatives	43,28,500	8,27,500
Loan From Body Corporate	1,54,58,500	1,65,52,500
<b>Total</b>	<b>1,97,87,000</b>	<b>1,73,80,000</b>

**14 Trade Payables**

Particulars	As at 31st March, 2019	As at 31st March, 2018
Due to Micro & Small Enterprises		
Others	40,01,831	57,42,367
<b>Total</b>	<b>40,01,831</b>	<b>57,42,367</b>

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:

- (a) Amount due and outstanding to suppliers as at the end of the accounting year;
- (b) interest paid during the year;
- (c) interest payable at the end of the accounting year;
- (d) 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.

**15 Other Current Liabilities**

Particulars	As at 31st March, 2019	As at 31st March, 2018
Statutory Dues	-	-
Other Payables	5,90,060	5,53,715
<b>Total</b>	<b>5,90,060</b>	<b>5,53,715</b>

**16 Revenue from Operations**

Particulars	2018-19	2017-18
<b>(A) Sale of Products &amp; Services</b>	<b>97,55,295</b>	<b>13,37,19,766</b>
(1) Sale of Steel Products	28,13,415	13,32,64,139
(2) Sale of Shares	-	4,55,627
(3) Sale of Traded Goods	69,41,880	-
<b>(B) Profit/(Loss) on F&amp;O Trading</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>97,55,295</b>	<b>13,37,19,766</b>

**17 Other Income**

Particulars	2018-19	2017-18
Dividend Income	572	30,417
Miscellaneous Income	38,500	32,268
Short Term Capital Gain	-	1,35,683
Interest on Income Tax Refund	-	45,328
Rent Income	1,42,372	-
<b>Total</b>	<b>1,81,444</b>	<b>2,43,696</b>

**18 Purchase of Stock in Trade**

Particulars	2018-19	2017-18
<b>(A) Purchase of Products</b>		
(1) Purchase of Steel	28,07,074	13,29,90,338
(2) Purchase of Shares	-	2,20,039
(3) Purchase of Traded Goods	59,63,706	-
<b>Total</b>	<b>87,70,780</b>	<b>13,32,10,377</b>

**19 Change in Inventories**

Particulars	2018-19	2017-18
<b>(A) Opening Stock</b>	<b>2,97,596</b>	<b>4,68,031</b>
<b>Finished Goods</b>		
(1) Equity Shares	2,97,596	4,68,031
<b>(A) Closing Stock</b>	<b>2,97,596</b>	<b>2,97,596</b>
<b>Finished Goods</b>		
(1) Equity Shares	2,97,596	2,97,596
<b>Total</b>	<b>-</b>	<b>1,70,435</b>

**20 Employee Benefit Expenses**

Particulars	2018-19	2017-18
Salary & Wages	3,62,084	3,82,150
<b>Total</b>	<b>3,62,084</b>	<b>3,82,150</b>

**21 Finance Costs**

Particulars	2018-19	2017-18
Interest Expense	-	421
Bank Charges	2,433	2,997
<b>Total</b>	<b>2,433</b>	<b>3,418</b>

**22 Depreciation & Amortization Expenses**

Particulars	2018-19	2017-18
Depreciation	1,65,844	1,65,844
<b>Total</b>	<b>1,65,844</b>	<b>1,65,844</b>

**23 Other Expenses**

Particulars	2018-19	2017-18
Payment to Auditors *	30,000	41,300
Rates & Taxes (Excluding Income-Tax)	89,626	89,626
<b>Miscellaneous Expenses</b>	<b>12,51,328</b>	<b>13,48,392</b>
Preliminary Expenses Write Off		-
Telephone Exps	27,371	64,603
Legal & Professional Charges	2,26,700	2,75,650
Annual Custody Fees	11,693	69,002
Office Exp	2,63,895	1,70,414
Share Listing Exp	65,333	62,336
ROC Exp	4,800	8,200
Listing Processing Exps	2,59,000	2,87,500
Other Miscellaneous Expenses	3,92,536	4,10,687
<b>Total</b>	<b>13,70,954</b>	<b>14,79,318</b>
* Payment to Auditors		
For Audit Fees	30,000	41,300
For Others		-



**24. NOTES ON ACCOUNTS**➤ **Contingent Liabilities**

There is no contingent liability as informed by management.

➤ **Capital Expenditure Commitments: Nil**➤ **Related Party Transactions:-**

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 A. Shah	Director
2	Ashok C. Shah	Managing Director
3	Leena Ashok Shah	Relative of Director
4	Payal Pandya	Independent Director
5	Chandrakant Natubhai Chauhan	Independent Director
6	Hirenkumar Tribhuvandas Makwana	CFO
7	Chitra Janardan Thaker	Company Secretary

➤ **Transactions with Related Parties**

Transactions that have taken place during the period April 1, 2018 to March 31, 2019 with related parties by the company stated below.

Sr. No.	Name	Nature of the Transaction	Amount 2018-19	Amount 2017-18
1	Shalin A. Shah	Loan Taken	42,27,000	7,39,500
		Loan Repaid	7,50,000	5,94,000
		Closing Balance	41,54,500	6,77,500
2	Hirenkumar T Makwana	Salary Payable	12000	-
		Salary Paid	-	-
		Closing Balance	12000	-
3	Chitra Janardan Thaker	Salary Payable	1,16,834	-
		Salary Paid	91,834	-
		Closing Balance	25000	-
4	Leena Ashok Shah	Loan Taken	1,04,000	-
		Loan Repaid	80,000	-
		Closing Balance	24,000	-
5	Ashok C. Shah	Loan Taken	-	1,50,000
		Loan Repaid	-	1,50,000
		Closing Balance	-	1,50,000
6	Gujarat Natural Resources Ltd. (For Expenses)	Loan Taken	-	Nil
		Loan Repaid	-	25,325
		Closing Balance	-	Nil

➤ **Payment to the Auditors**

Particulars	2018-19	2017-18
Audit Fees	30,000	41,300
Company Matter	0	0
Income Tax Fees	0	0
Others	0	0
<b>Total</b>	<b>30,000</b>	<b>41,300</b>

➤ **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
- Shares/Commodity
- Trading of Goods
- Others

(Amount in Lacs)

Particulars	Steel		Shares/ Commodities		Electronic Items		Others		Total	
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
<b>Segment Revenue</b>	28.14	1332.64	0	4.55	69.41	-	-	-	97.55	1337.19
External Turnover	28.14	1332.64	0	4.55	69.41	-	-	-	97.55	1337.19
Inter Segment Turnover	-	-	-	-	-	-	-	-	-	-
<b>Gross Turnover</b>	28.14	1332.64	0	4.55	69.41	-	-	-	97.55	1337.19
Less: Service Tax Recovered	-	-	-	-	-	-	-	-	-	-
<b>Gross Turnover</b>	28.14	1332.64	0	4.55	69.41	-	-	-	97.55	1337.19

(Amount in Lacs)

Particulars	Steel		Shares/ Commodities		Electronic Items		Others		Total	
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
<b>Segment Results before Interest &amp; Taxes</b>	0.07	2.74	-	0.66	9.77	-	1.82	2.44	11.66	5.84
Less: Finance Cost & Other un-allocable Expenditure	-	-	-	-	-	-	-	-	(19.01)	(20.32)
Net Profit / (Loss) before Tax	-	-	-	-	-	-	-	-	(7.35)	(14.48)
Less: Taxes	-	-	-	-	-	-	-	-	-	-
<b>Net Profit / (Loss) After Tax</b>	-	-	-	-	-	-	-	-	(7.35)	(14.48)

➤ **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	31-03-2019	31-03-2018
Net Profit Attributable to share holders	(7,35,356)	(14,48,080)
Weighted average number of equity shares (Nos.)	11,32,037	25,12,172
Basic and diluted earnings per share (Rs.)	(0.65)[NO EPS]	(0.57)[NO EPS]
Nominal value of equity share (Rs.)	10	10

- Details of loan made during the year 2018-19 as per section 186(4) of The Companies Act 2013  
(Amount in Rs.)

Name of the Entity	Nature of Transaction	Amount (Outstanding)	Purpose of Loan	Period
Akhil Retail Pvt Ltd	Loan Given	40,55,000	Business	Short Term Advances – On Demand

➤ **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, 2019	As at 31st March, 2018
- Total equity attributable to the equity share holders of the company	1,13,20,370	1,13,20,370
- As percentage of total capital	35.62%	38.30%
- Current loans and borrowings	1,97,87,000	1,73,80,000
- Non-current loans and borrowings	15,02,902	15,02,902
- Total loans and borrowings	2,12,89,902	1,88,82,902
- Cash and cash equivalents	8,25,066	6,48,091
- Net loans & borrowings	2,04,64,836	1,82,34,811
- As a percentage of total capital	64.38%	61.70%
<b>Total capital (loans and borrowings and equity)</b>	<b>3,17,85,206</b>	<b>2,95,55,181</b>

## ➤ Fair Value measurements

## A. Financial instruments by category

Particulars	As at 31st March, 2019			As at 31st March, 2018		
	Amortized Cost	FVTPL	FVTOCI	Amortized Cost	FVTPL	FVTOCI
<b>Financial Asset</b>						
Investment	-	80,00,000	-	-	-	-
Loans	40,55,000	-	-	1,66,00,000	-	-
Trade receivables	67,05,036	-	-	20,99,437	-	-
Cash & Cash Equivalents	8,25,066	-	-	6,48,092	-	-
Other Financial Asset	-	-	-	-	-	-
<b>Total Financial Asset</b>	<b>1,15,85,102</b>	<b>80,00,000</b>	<b>-</b>	<b>1,93,47,529</b>	<b>-</b>	<b>-</b>
<b>Financial Liabilities</b>						
Non Current Borrowing	15,02,902	-	-	15,02,902	-	-
Current Borrowings	1,97,87,000	-	-	1,73,80,000	-	-
Trade Payables	40,01,831	-	-	57,42,367	-	-
Other Financial Liabilities	-	-	-	-	-	-
<b>Total Financial Liabilities</b>	<b>2,52,91,733</b>	<b>-</b>	<b>-</b>	<b>2,46,25,269</b>	<b>-</b>	<b>-</b>

\* 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, 2019**

	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>				
Investment	-	-	80,00,000	80,00,000

**Financial assets measured at fair value at March 31, 2018**

	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>				
Investment	-	-	-	-

**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.

<b>Risk</b>	<b>Exposure arising from</b>	<b>Measurement</b>	<b>Management of risk</b>
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 ongoing 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 :

Particulars	Gross Carrying Amount	Expected credit losses rate (%)	Expected Credit Losses	Carrying amount of Trade Receivable
Considered for Goods 0-12 Months	46,05,599	0	0	46,05,599
More than 1 Year	20,99,437	0	0	20,99,437
<b>Total</b>	<b>67,05,036</b>	<b>0</b>	<b>0</b>	<b>67,05,036</b>

**(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, 2019**

Financial Liabilities	Payable within 0 to 12 months	More than 12 months	Total
<b>Non-current financial liabilities</b>			
Borrowings	-	15,02,902	15,02,902
<b>Current financial liabilities</b>			
Borrowings	1,97,87,000	-	1,97,87,000
Trade Payables	40,01,831	-	40,01,831
Other Financial Liability	0	-	0
	<b>2,37,88,831</b>		<b>2,37,88,831</b>
<b>Total financial liabilities</b>	<b>2,37,88,831</b>	<b>15,02,902</b>	<b>2,52,91,733</b>

**As at March 31, 2018**

Financial Liabilities	Payable within 0 to 12 months	More than 12 months	Total
<b>Non-current financial liabilities</b>			
Borrowings	-	15,02,902	15,02,902
<b>Current financial liabilities</b>			
Borrowings	1,73,80,000	-	1,73,80,000
Trade Payables	57,42,367	-	57,42,367
Other Financial Liability	-	-	-
	<b>2,31,22,367</b>		<b>2,31,22,367</b>
<b>Total financial liabilities</b>	<b>2,31,22,367</b>	<b>15,02,902</b>	<b>2,46,25,269</b>

**(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.

Particulars	As at	As at
	March 31, 2019	March 31, 2018
Interest Free Loan	15,02,902	15,02,902

**(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 regards the deferred payment credit from GIDC , the said amount is outstanding since 1992-93, the management has provided us with the explanation that as the GIDC has not provided titles of the land, the said deferred payment credit shall be payable as and when GIDC executes the lease deeds with the company.

- 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 Lesha Industries Ltd.

For, G M C A & Co.  
Chartered Accountants  
FRN No:109850W

**Ashok C. Shah**  
Managing Director  
DIN : 02467830

**Shalin A. Shah**  
Director  
DIN : 00297447

**Hiren Makwana**  
CFO

**Chitra Thaker**  
Company Secretary

**Place :** Ahmedabad  
**Date :** 15/05/2019

**CA. Mitt S. Patel**  
Partner  
Membership No. 163940

LESHA INDUSTRIES LIMITED

Regd. Office: 7<sup>th</sup> Floor, Ashoka Chambers, Nr. Mithakhali Six Roads, Ahmedabad – 380 006

CIN: L27100GJ1992PLC018607

ATTENDANCE SLIP

Name of the attending Shareholder/Proxy : \_\_\_\_\_

Shareholder’s Folio No./Client ID : \_\_\_\_\_

No. of Shares held : \_\_\_\_\_

I/We hereby record my/our presence at the Annual General Meeting held on Saturday, September 28, 2019 at the Registered Office of the Company at 11:00 A.M.

Signature of the Attending Shareholder/Proxy: \_\_\_\_\_

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

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LESHA INDUSTRIES LIMITED

Regd. Office: 7<sup>th</sup> Floor, Ashoka Chambers, Nr. Mithakhali Six Roads, Ahmedabad – 380 006

CIN: L27100GJ1992PLC018607

PROXY FORM

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

CIN: L27100GJ1992PLC018607

Name of the company: LESHA INDUSTRIES LIMITED

Registered office: 7<sup>th</sup> Floor, Ashoka Chambers, Mithakhali Six Roads, Ahmedabad-380006.

Name of the member (s): \_\_\_\_\_ Folio No/ Client Id: \_\_\_\_\_

Registered address: \_\_\_\_\_ DP ID: \_\_\_\_\_

E-mail Id: \_\_\_\_\_

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

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

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Annual general meeting of the company, to be held on the 28<sup>th</sup> Day of September, 2019 At 11:00 a.m. at 7<sup>th</sup> Floor, Ashoka Chambers, Mithakhali Six Roads, Ahmedabad-380006 and at any adjournment thereof in respect of such resolutions as are indicated in the notice.

Signed this \_\_\_\_ Day of \_\_\_\_ 2019

Signature \_\_\_\_\_

Signature of Proxy Holder(s) \_\_\_\_\_

Affix
Revenue
Stamp

Notes:

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



To,

*If undelivered please return to:*

**LESHA INDUSTRIES LIMITED**

7<sup>th</sup> Floor, Ashoka Chambers,

Near Mithakhali Six Roads,

Ahmedabad – 380006, Gujarat, India.

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